

The Ontario Securities Commission

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

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Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 OSC Staff Notice 21-709 – Marketplace Operation and Forms 21-101F1 and 21-101F2

OSC STAFF NOTICE 21-709 MARKETPLACE OPERATION AND FORMS 21-101F1 (F1) AND 21-101 F2 (F2)

The purpose of this notice is to remind marketplaces and their operators that they are only permitted to operate within the scope of the operations described in their existing F1 or F2. Should a marketplace wish to engage in activity outside the scope of its F1 or F2, the requisite regulatory approvals must be obtained. Specifically, a marketplace must file an F1 or F2 amendment in accordance with the applicable protocol for review and approval of rules and the information contained in the F1 or F2 (Protocol), and receive regulatory approval before it offers new functionality to its participants.

A complete and accurate F1 or F2, and compliance with the Protocol, are fundamentally important to the Commission's oversight of all marketplaces. The information in the F1 or F2 comprises the basis on which the Commission and Staff understand the operations of the marketplace and underpins our ability to assess the potential impact on its operations, on the marketplace as a whole and on investors. This ensures our markets remain fair, efficient and that investor confidence is maintained.

In addition, Staff remind marketplaces that recent changes to section 3.2(4) of NI 21-101, published in the OSC Bulletin on June 25, 2015,¹ will require annual written certification by the chief executive officer of a marketplace, or an individual performing a similar function verifying "that the information contained in the marketplace's current form F1 or F2, as applicable, is true, correct, and complete and that the marketplace is operating as described in the applicable form". These changes will take effect on October 1, 2015.

Should a marketplace fail to comply with applicable regulatory requirements, including requirements with respect to its F1 or F2, Staff will take appropriate steps under the *Securities Act* (Ontario).

I. Questions

Questions may be referred to any of:

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¹ (2015), 38 OSCB (Supp-2).

1.5 Notices from the Office of the Secretary

1.5.1 Lawrence Zeiben et al.

FOR IMMEDIATE RELEASE
September 2, 2015

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

AND

IN THE MATTER OF
LAWRENCE ZEIBEN, GRIT INTERNATIONAL INC.
and TEXAS PETROLEUM INC.

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

- (a) Staff's application to proceed by way of written hearing is granted;
- (b) Staff's materials shall be served and filed no later than September 8, 2015;
- (c) the Respondents' responding materials shall be served and filed no later than October 6, 2015; and
- (d) if applicable, Staff's reply materials shall be served and filed no later than October 20, 2015.

A copy of the Order dated August 28, 2015 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOSÉE TURCOTTE
SECRETARY

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media_inquiries@osc.gov.on.ca

For investor inquiries:

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

1.5.2 2241153 Ontario Inc. et al.

FOR IMMEDIATE RELEASE
September 3, 2015

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

AND

IN THE MATTER OF
2241153 ONTARIO INC., SETENTERPRICE,
SARBJEET SINGH, DIPAK BANIK,
STOYANKA GUERENSKA, SOPHIA NIKOLOV
and EVGUENI TODOROV

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

1. This matter is adjourned to a pre-hearing conference scheduled for December 9, 2015 at 10:00 a.m. or to such other date as may be agreed to by the parties and fixed by the Office of the Secretary; and
2. The hearing on the merits in this matter will commence on January 11, 2016 at 10:00 a.m. and will continue to and including January 22, 2016, with the exception of January 12, 2016, or on such other dates as are agreed to by the parties and fixed by the Office of the Secretary.

A copy of the Order dated September 3, 2015 is available at www.osc.gov.on.ca.

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1.5.3 Terrence Bedford

FOR IMMEDIATE RELEASE
September 4, 2015

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

AND

**IN THE MATTER OF
TERRENCE BEDFORD**

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

- (a) the hearing date of September 9, 2015 be vacated;
- (b) this proceeding is adjourned to an oral hearing to be held on October 1, 2015 at 2:00 p.m. or as soon thereafter as the hearing can be held.

A copy of the Order dated September 4, 2015 is available at www.osc.gov.on.ca.

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Veolia Environnement S.A.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Dual application for Exemptive Relief Applications – Application for relief from the prospectus and registration requirements for certain trades made in connection with an employee share offering by a French issuer – The issuer cannot rely on the employee exemption in section 2.24 of National Instrument 45-106 Prospectus and Registration Exemptions as the securities are not being offered to Canadian employees directly by the issuer but rather through special purpose entities – Canadian participants will receive disclosure documents – The special purpose entities are subject to the supervision of the local securities regulator – Canadian participants will not be induced to participate in the offering by expectation of employment or continued employment – There is no market for the securities of the issuer in Canada – The number of Canadian participants and their share ownership are *de minimis* – Relief granted, subject to conditions.

Applicable Legislative Provisions

Securities Act (Ontario), ss. 25, 53, 74.

National Instrument 45-106 Prospectus and Registration Exemptions.

National Instrument 31-103 Registration Requirements and Exemptions.

TRANSLATION

August 28, 2015

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

AND

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

AND

IN THE MATTER OF
VEOLIA ENVIRONNEMENT S.A.
(the “Filer”)

DECISION

Background

The securities regulatory authority or regulator in each of the Filing Jurisdictions (the “**Decision Maker**”) has received an application from the Filer for a decision under the securities legislation of the Filing Jurisdictions (the “**Legislation**”) for:

1. An exemption from the prospectus requirements of the Legislation (the “**Prospectus Relief**”) so that such requirements do not apply to:
 - a) trades in:
 - i) units (the “**Classic Units**”) of Sequoia Classique International (the “**Classic Fund**”), a *fonds commun de placement d’entreprise* or “**FCPE**”, a form of collective shareholding vehicle of a type commonly used in France for the conservation and custodianship of shares held by employee-investors;

- ii) units (the “**Guaranteed Units**”) of an FCPE named Sequoia Plus 2015 (the “**Guaranteed Fund**”); and
- iii) units (the “**Temporary Units**” and, together with the Classic Units and the Guaranteed Units, the “**Units**”) of a temporary FCPE named Sequoia Relais 2015 (the “**Temporary Fund**” and, together with the Classic Fund and the Guaranteed Fund, the “**Funds**”);

made pursuant to the Employee Share Offering to or with Qualifying Employees (as defined below) of Canadian Affiliates (as defined below) resident in the Filing Jurisdictions and in British Columbia, Alberta, Manitoba and New Brunswick (the “**Other Offering Jurisdictions**”) that elect to participate in the Employee Share Offering (collectively, the “Canadian Participants”);

- b) trades in ordinary shares of the Filer (the “**Shares**”) by the Guaranteed Fund to or with Canadian Participants upon the redemption of Guaranteed Units as requested by Canadian Participants; and
 - c) the issuance of Classic Units to holders of Guaranteed Units upon a transfer of Canadian Participants’ assets in the Guaranteed Fund to the Classic Fund at the end of the Lock-Up Period (as defined below).
2. An exemption from the dealer registration requirements of the Legislation (the “**Registration Relief**”) so that such requirements do not apply to the Veolia Group (as defined below), the Funds and the Management Company (as defined below) in respect of the following:
- a) trades in Units of the Funds made pursuant to the Employee Share Offering to or with Canadian Participants;
 - b) trades in Shares by the Guaranteed Fund to or with Canadian Participants upon the redemption of Guaranteed Units as requested by Canadian Participants; and
 - c) the issuance of Classic Units to holders of Guaranteed Units upon a transfer of Canadian Participants’ assets in the Guaranteed Fund to the Classic Fund at the end of the Lock-Up Period;

(the Prospectus Relief and the Registration Relief, collectively, the “**Offering Relief**”).

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

- 1. the Autorité des marchés financiers is the principal regulator for this application;
- 2. the Filer has provided notice that section 4.7(1) of *Regulation 11-102 respecting Passport System* (“**Regulation 11-102**”) is intended to be relied upon in the Other Offering Jurisdictions (the Other Offering Jurisdictions, together with the Filing Jurisdictions, the “Jurisdictions”); and
- 3. the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

Terms defined in *Regulation 14-101 respecting Definitions*, *Regulation 45-102 respecting resale of securities*, *Regulation 45-106 respecting Prospectus and Registration Exemptions* and *Regulation 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 a corporation formed under the laws of France. It is not and has no current intention of becoming a reporting issuer under the Legislation or under the securities legislation of the Other Offering Jurisdictions. The head office of the Filer is located in France and the Shares are listed on Euronext Paris.
- 2. The Filer carries on business in Canada through the following affiliated companies: Veolia ES Canada Services Industriels Inc. and Veolia ES Canada Industrial Services Inc., Société en Commandite Dalkia Infrastructure Services, Dalkia Sante Service Montreal LP, Veolia Services Drummondville, Dalkia Projects Inc., Dalkia Canada Inc., Fort St. James Operations Services Limited Partnership, Veolia Water Canada Inc., Veolia Water Technologie Canada Inc. and Pathogen Detection Systems Inc. (collectively, the “**Canadian Affiliates**” and, together with the Filer and other affiliates of the Filer, the “**Veolia Group**”). Each of the Canadian Affiliates is a direct or indirect controlled subsidiary of the Filer

and is not, and has no current intention of becoming, a reporting issuer under the Legislation or under the securities legislation of the Other Offering Jurisdictions. The head office of each of the major operating divisions of the Veolia Group in Canada is located in Montréal, Québec, and the greatest number of employees of Canadian Affiliates are employed in Québec.

3. As of the date hereof and after giving effect to the Employee Share Offering, Canadian residents do not and will not beneficially own (which term, for the purposes of this paragraph, is deemed to include all Shares held by the Funds on behalf of Canadian Participants) more than 10% of the Shares and do not and will not represent in number more than 10% of the total number of holders of Shares as shown on the books of the Filer.
4. The Filer has established a global employee share offering for employees of the Veolia Group (the “**Employee Share Offering**”). Only persons who are employees of a member of the Veolia Group during the subscription period for the Employee Share Offering and who meet other employment criteria (the “**Qualifying Employees**”) will be allowed to participate in the Employee Share Offering.
5. A Qualifying Employee’s Share investment will initially be held through the Temporary Fund, which Temporary Fund will subsequently be split, subject to the approval of the French Autorité des marchés financiers (the “**French AMF**”) into the Guaranteed Fund and the Classic Fund following completion of the Employee Share Offering (the “**Split**”).
6. The Funds have been established for the purpose of implementing the Employee Share Offering. There is no current intention for any of the Funds to become a reporting issuer under the Legislation or under the securities legislation of the Other Offering Jurisdictions.
7. Each of the Funds is an FCPE, which is a shareholding vehicle of a type commonly used in France for the conservation and custodianship of shares held by employee investors. The Funds will be registered with, and approved by, the French AMF prior to the commencement of the subscription period in respect of the Employee Share Offering.
8. All Units will be subject to a hold period of approximately five years (the “**Lock-Up Period**”), subject to certain exceptions prescribed by French law (such as a release on death, disability or termination of employment).
9. Under the Guaranteed Fund:
 - a) Following completion of the Employee Share Offering, the Temporary Fund will be split into the Guaranteed Fund (subject to the French AMF’s approval) for the part of the Canadian Participants’ investment up to 300€. The Temporary Units held by Canadian Participants, for the part of the Canadian Participants’ investment up to 300€, will be replaced with Guaranteed Units on a *pro rata* basis and the Shares subscribed for thereunder will be held in the Guaranteed Fund.
 - b) The Guaranteed Fund will then subscribe for Shares on behalf of the Canadian Participants at a subscription price that is equal to the price calculated as the arithmetical average of the opening Share price on Euronext Paris on the 20 trading days preceding the date of the fixing of the subscription price by the Board of Directors of the Filer (the “**Reference Price**”), less a 20% discount (the “**Subscription Price**”).
 - c) Canadian Participants may invest up to the Canadian dollar equivalent of 300€ (the “**Guaranteed Fund Employee Contribution**”). The Guaranteed Fund will subscribe for Shares on behalf of the Canadian Participants and enter into an agreement (the “**Guarantee Agreement**”) with Crédit Agricole CIB (the “**Bank**”). Under the terms of the Guarantee Agreement, the Canadian Participants will have a guaranteed return equal to the sum of (i) 100% of their Guaranteed Fund Employee Contribution and (ii) 120% of the amount of any appreciation of the Share price over the five year period as compared to the Reference Price, calculated on the basis of a monthly average.
 - d) The Canadian Affiliate employing a Canadian Participant will match the Guaranteed Fund Employee Contribution. The Classic Fund (and not the Guaranteed Fund) will apply the cash received from such employer matching contribution and subscribe for additional Shares at the Subscription Price. Such additional Shares shall be for the benefit of, and at no cost to, the Canadian Participant. These additional Shares will be held by the Classic Fund, not the Guaranteed Fund, and the Canadian Participant will receive Classic Units. The maximum employee matching contribution in respect of each Canadian Participant is the Canadian dollar equivalent of 300€.
 - e) The Guaranteed Fund will apply the cash received from the Guaranteed Fund Employee Contribution to subscribe for Shares from the Filer, and the Canadian Participants will receive Units in the Guaranteed Fund representing the Shares subscribed for with the Guaranteed Fund Employee Contribution.

- f) Under the terms of the Guaranteed Agreement, the Guaranteed Fund will remit to the Bank an amount equal to the net amounts of any dividends paid on the Shares held in the Guaranteed Fund.
- g) Under the terms of the Guarantee Agreement, at the end of the Lock-Up Period, the Guaranteed Fund will owe to the Bank an amount equal to $A - [B+C]$, where
- i) "A" is the market value of all the Shares at the end of the Lock-Up Period that are held by the Guaranteed Fund (as determined pursuant to the terms of the Guarantee Agreement);
 - ii) "B" is the aggregate amount of all Guaranteed Fund Employee Contributions;
 - iii) "C" is an amount (the "**Appreciation Amount**") equal to:
 - (1) "P" multiplied by the difference (if positive) between the Average Price and the Reference Price, where
 - (A) "P" is 120%, and
 - (B) "Average Price" is the average price of the Shares based on the closing price of the Shares on the last trading day of each month over the Lock-Up Period (i.e. a total of 60 share price readings over the Lock-Up Period). In the event a closing price is less than the Reference Price, it will be substituted with the Reference Price for purposes of calculating the Average Price,multiplied by
 - (2) the number of Shares subscribed with the Guaranteed Fund Employee Contributions in the Guaranteed Fund.
- h) In addition to the above, if, at the end of the Lock-Up Period, the market value of the Shares held in the Guaranteed Fund (i.e., item "A" in the above-noted formula) is less than 100% of the Guaranteed Fund Employee Contributions, the Bank will, pursuant to the terms of the Guarantee Agreement, make a contribution to the Guaranteed Fund to make up any shortfall in order for the Canadian Participants to receive the amount referred to above as item "B".
- i) At the end of the Lock-Up Period, the Guarantee Agreement will terminate after the final payments are made and a Canadian Participant may elect to redeem his or her Guaranteed Units in consideration for cash or Shares with a value equivalent to
- i) Canadian Participant's Guaranteed Fund Employee Contribution; and
 - ii) the Canadian Participant's portion of the Appreciation Amount, if any,
- (the "**Redemption Formula**").
- j) If a Canadian Participant does not request the redemption of his or her Guaranteed Units at the end of the Lock-Up Period, his or her investment in the Guaranteed Fund will be transferred to the Classic Fund (subject to the decision of the supervisory board of the Guaranteed Fund and the approval of the French AMF). New Classic Units will be issued to the applicable Canadian Participants in recognition of the assets transferred to the Classic Fund. Canadian Participants may request the redemption of the new Classic Units whenever they wish. However, following a transfer to the Classic Fund, the Guaranteed Fund Employee Contribution and the Appreciation Amount will not be covered by the Guarantee Agreement.
- k) Pursuant to the terms and conditions of the Guarantee Agreement, a Canadian Participant in the Guaranteed Fund will be entitled to receive 100% of his or her Guaranteed Fund Employee Contribution and the Appreciation Amount (if any) at the end of the Lock-Up Period or in the event of an early unwind resulting from the Canadian Participant exercising one of the exceptions to the Lock-Up Period. The manager of the Funds, Natixis Asset Management (the "**Management Company**") is permitted to cancel the Guarantee Agreement in certain strictly defined conditions where it is in the best interests of the holders of the Guaranteed Units. The Management Company is required under French law to act in the best interests of the holders of the Guaranteed Units. In the event that the Management Company cancelled the Guarantee Agreement and this was not in the best interests of the holders of the Guaranteed Units, then such holders would have a right of action under French law against the Management Company. Under no circumstances will a Canadian

Participant in the Guaranteed Fund be responsible to contribute an amount greater than his or her Guaranteed Fund Employee Contribution.

- l) In the event of an early unwind resulting from the Canadian Participant satisfying one of the exceptions to the Lock-Up Period prescribed by French law and meeting the applicable criteria, a Canadian Participant may request the redemption of Guaranteed Units using the Redemption Formula. The measurement of the increase, if any, from the Reference Price will be carried out in accordance with similar rules to those applied to redemption at the end of the Lock-Up Period, but it will be measured using values of the Shares closer to the time of the unwind instead.
- m) Under the terms of the Guarantee Agreement, the Guaranteed Fund will remit to the Bank an amount equal to the net amounts of any dividends paid on the Shares held in the Guaranteed Fund as partial consideration for the obligations assumed by the Bank under the Guarantee Agreement.
- n) For Canadian federal income tax purposes, a Canadian Participant in the Guaranteed Fund will be deemed to receive all dividends paid on the Shares financed by his or her proportionate share of the Guaranteed Fund Employee Contribution along with those Shares acquired on their behalf using the employer matching contribution at the time such dividends are paid to the Guaranteed Fund, notwithstanding the actual non-receipt of the dividends by the Canadian Participant.
- o) The payment of dividends on the Shares (in the ordinary course or otherwise) is strictly determined by the board of directors of the Filer and approved by the shareholders of the Filer. The Filer has not made any commitment to the Bank as to any minimum payment of dividends during the term of the Lock-Up Period.
- p) At the time the Guaranteed Fund's obligations under the Guarantee Agreement are settled, the Canadian Participant will realize a capital gain (or capital loss) by virtue of having an interest in the Guarantee Agreement to the extent that amounts received by the Guaranteed Fund, on behalf of the Canadian Participant, from the Bank exceed (or are less than) amounts paid by the Guaranteed Fund, on behalf of the Canadian Participant to the Bank. Any dividend amounts paid to the Bank under the Guarantee Agreement will serve to reduce the amount of any capital gain (or increase the amount of any capital loss) that the Canadian Participant would have realized. Capital losses (or gains) realized by a Canadian Participant may generally be offset against (or reduced by) any capital gains (or losses) realized by the Canadian Participant on a disposition of the Shares, in accordance with the rules and conditions under the *Income Tax Act* (Canada) or comparable provincial legislation, as applicable.

10. Under the Classic Fund:

- a) The subscription price for the Shares under the Classic Fund is the Subscription Price (i.e. the Reference Price less a 20% discount).
- b) After having made an initial investment of 300€ under the Guaranteed Fund, any additional funds that a Canadian Participant invests in (including employer matching contributions) will automatically be paid into the Classic Fund. Canadian Participants will not be allowed to choose between the Guaranteed Fund and the Classic Fund, as their investment will automatically be allocated in accordance with the amount invested. Any Share subscribed for thereunder will not be matched by the Canadian Affiliate that employs the Canadian Participant.
- c) The Classic Fund will apply the cash received from Canadian Participants and the cash received in respect of the matching contribution from Canadian Affiliates under the Guaranteed Fund to subscribe for Shares of the Filer. The Shares will be held in the Classic Fund and the Canadian Participants will receive Classic Units representing the subscription of all Shares held under the Classic Fund, including Shares purchased on their behalf using the employer matching contribution.
- d) Following the completion of the Employee Share Offering, the Temporary Fund will be split into the Classic Fund (subject to the French AMF's approval) for the part of the Canadian Participants' investment over 300€. Temporary Units held by Canadian Participants, for the part of the Canadian Participants' investment over 300€, will be replaced with Classic Units on a *pro rata* basis and the Shares subscribed for thereunder will be held in the Classic Fund.
- e) Dividends paid on the Shares held in the Classic Fund will be used to purchase additional Shares. To reflect this reinvestment, new Classic Units (or fractions thereof) will be issued to the applicable Canadian Participants.

- f) At the end of the Lock-Up Period, a Canadian Participant may (i) request the redemption of his or her Classic Units in consideration of a cash payment corresponding to the then market value of the Shares held by the Classic Fund, or (ii) continue to hold his or her Classic Units and request the redemption of those Classic Units at a later date.
 - g) In the event of an early unwind resulting from the Canadian Participant exercising one of the exceptions to the Lock-Up Period prescribed by French law and meeting the applicable criteria, a Canadian Participant may request the redemption of Classic Units in consideration of a cash payment corresponding to the then market value of the Shares held by the Classic Fund.
11. Under French law, each of the Funds is an FCPE, which is a limited liability entity. Each Fund's portfolio will almost exclusively consist of Shares, although the Guaranteed Fund's portfolio will also include rights and associated obligations under the Guarantee Agreement. The Funds may also hold cash or cash equivalents pending investments in Shares and for the purposes of facilitating Unit redemptions.
 12. The Management Company, is a portfolio management company governed by the laws of France. The Management Company is registered with the French AMF to manage French investment funds and complies with the rules of the French AMF. The Management Company is not, and has no current intention of becoming, a reporting issuer under the Legislation or the securities legislation of any of the Other Offering Jurisdictions.
 13. The Management Company's portfolio management activities in connection with the Employee Share Offering and the Funds are limited to subscribing for Shares, selling Shares as necessary in order to fund redemption requests, and such activities as may be necessary to give effect to the Guarantee Agreement.
 14. The Management Company is also responsible for preparing accounting documents and publishing periodic informational documents. The Management Company's activities will not affect the value of the Shares.
 15. None of the Filer, the Management Company, the Canadian Affiliates or any of their employees, agents or representatives will provide investment advice to the Qualifying Employees or the Canadian Participants with respect to investments in the Shares or the Units.
 16. Shares issued in the Employee Share Offering will be deposited in the respective Fund's accounts with CACEIS Bank in France (the "Depository"), a large French commercial bank subject to French banking legislation.
 17. Under French law, the Depository must be selected by the Management Company from among a limited number of companies identified on a list maintained by the French ministry of the economy, finance and industry and its appointment must be approved by the French AMF. The Depository carries out orders to purchase, trade and sell Shares and takes all necessary action to allow the Funds to exercise the rights relating to the Shares held in their respective portfolios.
 18. Participation in the Employee Share Offering is voluntary, and the Qualifying Employees or Canadian Participants will not be induced to participate in the Employee Share Offering by expectation of employment or continued employment.
 19. The total amount invested by a Canadian Participant in the Employee Share Offering cannot exceed the lesser of 10,000€ and 25% of his or her estimated gross annual compensation for the 2015 calendar year, excluding any Canadian Affiliate's contribution.
 20. The Shares are not currently listed for trading on any stock exchange in Canada and there is no intention to have the Shares so listed. As there is no market for the Shares in Canada, and as none is expected to develop, any first trades of Shares by Canadian Participants will be effected through the facilities of, and in accordance with, the rules and regulations of Euronext Paris. The Units will not be listed for trading on any stock exchange and there is no intention to have the Units listed.
 21. Canadian Participants will receive an information package in the French or English language (according to their preference) which will include a summary of the terms of the Employee Share Offering, a tax notice containing a description of Canadian income tax considerations relating to the subscription to and holding of Units and the redemption thereof at the end of the Lock-Up Period, an information notice approved by the French AMF for each Fund describing its main characteristics and a subscription form. The information package will also include a risk statement which will describe certain risks associated with an investment in the Units.
 22. Canadian Participants will also receive annually a statement indicating the number of Units they hold, as well as their value.

23. Canadian Participants may consult the Filer's annual report on Form 20-F filed with the US Securities and Exchange Commission and/or the French Document de référence filed with the French AMF in respect of the Shares as well as a copy of the relevant Fund's rules (which are analogous to company by-laws in a corporate context). Canadian Participants will also have access to copies of the continuous disclosure materials relating to the Filer that are furnished to its shareholders generally.
24. There are approximately 1,370 Qualifying Employees resident in Canada, with the largest number residing in Québec (approximately 951) and the second largest number residing in Ontario (approximately 350). Qualifying Employees are also located in the Other Offering Jurisdictions. The total number of Qualifying Employees resident in Canada is less than 1% of the total number of Qualifying Employees of the Veolia Group worldwide.
25. The Filer is not, and none of the Canadian Affiliates are, in default under the Legislation or the securities legislation of any Other Offering Jurisdictions. The Management Company is not in default of the Legislation or the securities legislation of any Other Offering Jurisdictions.

Decision

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

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

1. the issuer of the security:
 - a) was not a reporting issuer in any jurisdiction of Canada at the distribution date, or
 - b) is not a reporting issuer in any jurisdiction of Canada at the date of the trade;
2. at the distribution date, after giving effect to the issue of the security and any other securities of the same class or series that were issued at the same time as or as part of the same distribution as the security, residents of Canada:
 - a) did not own, directly or indirectly, more than 10% of the outstanding securities of the class or series, and
 - b) did not represent in number more than 10% of the total number of owners, directly or indirectly, of securities of the class or series; and
3. the first trade is made
 - a) through the facilities of an exchange, or a market, outside of Canada, or
 - b) to a person or company outside of Canada.

"Lucie J. Roy"
Senior Director, Corporate Finance

2.1.2 Caldwell U.S. Dividend Advantage Fund

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Closed-end investment fund exempt from prospectus requirements in connection with resale of securities purchased under market purchase or redemption programs – relief needed so that repurchased securities can be resold in the market without the need for a prospectus each time – fund is a reporting issuer and subject to continuous disclosure requirements – resales by the fund also subject to insider trading restrictions, including applicable hold periods – resales of repurchased or redeemed securities will be made subject to same conditions applicable to resales by a control person – sales to be conducted through the TSX – securities resold in a calendar year must be equivalent to no more than 5% of the fund's outstanding units at beginning of that year – any repurchased securities unsold after 16 months will be cancelled.

Applicable Legislative Provisions

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

September 1, 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
CALDWELL U.S. DIVIDEND ADVANTAGE FUND
(the Filer)

DECISION

Background

The securities regulatory authority or regulator in the Jurisdiction (the **Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdiction (the **Legislation**) exempting the Filer from the requirement to file a prospectus (the **Prospectus Requirement**) in connection with the distribution of Units of the Filer (the **Units**) that have been repurchased by the Filer pursuant to the Purchase Programs (as that term is defined below) or redeemed by the Filer pursuant to the Redemption Programs (as that term is defined below) (the **Exemption Sought**).

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

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) the Filer has provided notice that 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, Quebec, New Brunswick, Newfoundland and Labrador, Nova Scotia, Prince Edward Island, Northwest Territories, Nunavut and Yukon.

Interpretation

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

Representations

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

1. The Filer is an unincorporated closed-end investment trust established under the laws of Ontario.

Decisions, Orders and Rulings

2. The holders of units (the **Units**) of the Filer (collectively, the **Unitholders**) are not entitled to receive on demand an amount computed by reference to the value of a proportionate interest in the whole or in part of the net assets of the Filer. Accordingly, the Filer is not considered a “mutual fund” as that term is defined in the Legislation.
3. The Filer is a reporting issuer or equivalent in each of the provinces and territories of Canada and is not in default of any of the requirements of securities legislation applicable to it.
4. The Units are listed and posted for trading on the Toronto Stock Exchange (the **TSX**). As of August 5, 2015 the Filer had 5,166,200 Units issued and outstanding.
5. Caldwell Investment Management Ltd., which was incorporated under the *Business Corporations Act* (Ontario), is the manager of the Filer.
6. CST Trust Company is the trustee of the Filer.

Mandatory Purchase Program

7. The constating document of the Filer provides that the Filer, subject to certain exceptions and compliance with any applicable regulatory requirements, is obligated to purchase (the **Mandatory Purchase Program**) any Units offered on the TSX (or such other exchange or market on which the Units are then listed and primarily traded) if, at any time after the closing of the Filer’s initial public offering, the price at which Units are then offered for sale on the TSX (or such other exchange or market on which the Units are then listed and primarily traded) is less than 95% of the net asset value of the Filer (**NAV**) per Unit as at the close of business in Toronto, Ontario on the immediately preceding business day, provided that the maximum number of Units to be purchased by the Filer pursuant to the Mandatory Purchase Program in any calendar quarter will be 1.25% of the number of Units outstanding at the beginning of such period.

Discretionary Purchase Program

8. Subject to applicable law and stock exchange requirements, the Filer may, in its sole discretion, from time to time, purchase (in the open market) Units for cancellation based on the Manager’s assessment that such purchases are accretive to Unitholders, in all cases at a price per Unit not exceeding the most recently calculated NAV per Unit immediately prior to the date of any such purchase of Units (the **Discretionary Purchase Program** and together with the Mandatory Purchase Program, the **Purchase Programs**).

Monthly Redemptions

9. Subject to the Filer’s right to suspend redemptions in certain circumstances and certain conditions, Units may be surrendered at any time for redemption (the **Monthly Redemption Program**) on the second last business day of any month (other than the month of November (except in 2015, 2016 and 2017)) in order to be redeemed at a redemption price per Unit equal to the Monthly Redemption Amount (as defined in the Filer’s long form (final) prospectus dated May 28, 2015).

Annual Redemption

10. Subject to the Filer’s right to suspend redemptions in certain circumstances, Units may be surrendered for redemption (the **Annual Redemption Program** and together with the Monthly Redemption Program, the **Redemption Programs**) on the second last business day in November of each year (the **Annual Redemption Date**) commencing in 2018 at a redemption price per Unit equal to the applicable NAV per Unit on the Annual Redemption Date, less any costs and expenses incurred by the Filer in order to fund such redemption, including brokerage costs and less any net realized capital gains or income, as applicable, of the Fund that are allocated and/or designated to redeeming Unitholders concurrently with the proceeds of disposition on redemption.

Resale of Repurchased or Redeemed Units

11. Purchases of Units made by the Filer under the Purchase Programs or Redemption Programs are exempt from the issuer bid requirements of the Legislation pursuant to exemptions contained therein.
12. The Filer wishes to resell, in its sole discretion and at its option, through one or more securities dealers and through the facilities of the TSX (or another exchange on which the Units are then listed), the Units repurchased by the Filer pursuant to the Purchase Programs (**Repurchased Units**), or redeemed pursuant to the Redemption Programs (**Redeemed Units**).

Decisions, Orders and Rulings

13. All Repurchased Units or Redeemed Units will be held by the Filer for a period of four months after the repurchase or redemption thereof by the Filer (the **Holding Period**), prior to any resale.
14. The resale of Repurchased Units or Redeemed Units will not have a significant impact on the market price of the Units.
15. Repurchased Units or Redeemed Units held by the Filer for resale will not be resold for less than the applicable repurchase or redemption price paid for such Units by the Filer.
16. Repurchased Units or Redeemed Units that the Filer does not resell within 12 months after the Holding Period (that is, within 16 months after the date of repurchase or redemption, as applicable) will be cancelled by the Filer.
17. During any calendar year, the Filer will not resell an aggregate number of Repurchased Units and Redeemed Units that is greater than 5% of the number of Units outstanding at the beginning of such calendar year.
18. Prospective purchasers of Repurchased Units or Redeemed Units will have access to the Filer's continuous disclosure, which will be filed on SEDAR.
19. The Legislation provides that a trade by or on behalf of an issuer in previously issued securities of that issuer that have been purchased or redeemed by that issuer is a distribution and, as such, is subject to the Prospectus Requirement. In the absence of the Exemption Sought, any sale by the Filer of Repurchased Units or Redeemed Units would be a distribution that is subject to the Prospectus Requirement.

Decision

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

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

- (a) the Repurchased Units and Redeemed Units are otherwise sold by the Filer in compliance with the Legislation through the facilities of and in accordance with the regulations and policies of the TSX or of any other exchange on which the Units are then listed; and
- (b) the Filer complies with the conditions of paragraphs 1 through 5 of subsection 2.8(2) of National Instrument 45-102 *Resale of Securities* with respect to the sale of the Repurchased Units and Redeemed Units.

"Timothy Moseley"
Commissioner
Ontario Securities Commission

"Christopher Portner"
Commissioner
Ontario Securities Commission

2.1.3 Blackrock Asset Management Canada Limited and Existing ETFs Managed by the Filer

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Revocation of prior relief – relief granted primarily to extend sunset clause set out in the original decision – relief granted on terms that are substantially similar to prior relief – Exemptive relief granted to exchange-traded funds for initial and continuous distribution of units – Relief to permit the funds' prospectus to not contain an underwriter's certificate and to include a modified statement of investor rights – Relief granted subject to manager filing a prescribed summary document for each fund on SEDAR and other terms and conditions set out in decision document – Relief consistent with the implementation of the Canadian Securities Administrators Point of Sale Disclosure Project, which contemplates rule-making to codify summary disclosure document for exchange-traded funds – Securities Act (Ontario) and National Instrument 41-101 General Prospectus Requirements.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 59(1), 144.

National Instrument 41-101 General Prospectus Requirements, s. 19.1, and Item 36.2 of Form 41-101F2.

August 24, 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
BLACKROCK ASSET MANAGEMENT CANADA LIMITED
(the Filer)

AND

THE EXISTING EXCHANGE-TRADED FUNDS MANAGED BY THE FILER
(the Existing Funds)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Existing Funds and such other exchange-traded mutual funds as the Filer, or an affiliate of the Filer, may establish in the future (the **Future Funds**, and together with the Existing Funds, the **ETFs** and individually, an **ETF**) for a decision under the securities legislation of the principal regulator (the **Legislation**) that:

1. exempts the Filer and each ETF from
 - (a) the requirement to include a certificate of an underwriter in an ETF's prospectus (the **Underwriter's Certificate Requirement**); and
 - (b) the requirement to include in an ETF's prospectus the statement respecting purchasers' statutory rights of withdrawal and remedies of rescission or damages in substantially the form prescribed in item 36.2 of Form 41-101F2 *Information Required in an Investment Fund Prospectus* (the **Prospectus Form Requirement**)(collectively, the **Exemption Sought**);

2. varies all previous decisions granted by the principal regulator prior to July 19, 2013 that exempted the Filer and the ETFs from the Underwriter's Certificate Requirement (the **Prior Underwriter's Certificate Relief**), by revoking the Prior Underwriter's Certificate Relief and by revoking, as applicable, the representations relating to prospectus delivery contained in such decisions (the **Prospectus Delivery Representations**); and
3. revokes a decision the Filer obtained from the principal regulator dated July 19, 2013 granting the Exemption Sought until September 1, 2015 (the **Original Decision**).

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 all of the provinces and territories of Canada other than Ontario (together with Ontario, the **Jurisdictions**).

Interpretation

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

Affiliate Dealer means a registered dealer that is an affiliate of an Authorized Dealer or Designated Broker and that participates in the re-sale of Creation Units (as defined below) from time to time.

Authorized Dealer means a registered dealer that has entered, or intends to enter, into an agreement with the manager of an ETF (an **ETF Manager**) authorizing the dealer to subscribe for, purchase and redeem Creation Units from one or more ETFs on a continuous basis from time to time.

Designated Broker means a registered dealer that has entered, or intends to enter, into an agreement with an ETF Manager to perform certain duties in relation to the ETF, including posting a liquid two-way market for the trading of the ETF's listed securities on the TSX or another marketplace.

ETF Facts means a prescribed disclosure document in accordance with the regulations, in respect of one or more classes or series of ETF Securities being distributed under a prospectus.

ETF Security means a listed security of an ETF.

Other Dealer means a registered dealer that acts as authorized dealer or designated broker to other exchange-traded funds that are not managed by the Filer and that has received relief under a Prospectus Delivery Decision.

Prospectus Delivery Decision means a decision granting relief from the Prospectus Delivery Requirement to a Designated Broker, Authorized Dealer, Affiliate Dealer or Other Dealer dated July 19, 2013, or any subsequent decision granting similar relief to a Designated Broker, Authorized Dealer, Affiliate Dealer or Other Dealer, and in each case, that is in effect at the relevant time.

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

Summary Document means a document, in respect of one or more classes or series of ETF Securities being distributed under a prospectus, prepared in accordance with Schedule A.

TSX means the Toronto Stock Exchange.

Representations

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

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

2. Each ETF is, or will be, a mutual fund governed by the laws of the Province of Ontario and a reporting issuer under the laws of some or all of the Jurisdictions.
3. Each ETF is, or will be, subject to NI 81-102, subject to any exemptions therefrom that have been, or may be, granted by the applicable securities regulatory authorities.
4. Each ETF is, or will be, in continuous distribution. The ETF Securities of each ETF are, or will be, listed on the TSX or another marketplace in Canada.
5. The Filer has filed, or will file, a long form prospectus in accordance with National Instrument 41-101 *General Prospectus Requirements* on behalf of the ETFs, subject to any exemptions that have been or may be granted by the applicable securities regulatory authorities.
6. The Filer will act as the trustee, investment fund manager and portfolio adviser to the ETFs. The Filer is registered in the Province of Ontario as an adviser for securities in the category of portfolio manager, as an adviser for commodities in the category of commodity trading manager, as a dealer in the category of exempt market dealer and as an investment fund manager.
7. ETF Securities are, or will be, distributed on a continuous basis in one or more of the Jurisdictions under a prospectus. ETF Securities may generally only be subscribed for or purchased directly from the ETFs by Authorized Dealers or Designated Brokers (**Creation Units**). Authorized Dealers or Designated Brokers subscribe for Creation Units for the purpose of facilitating investor purchases of ETF Securities on the TSX or another marketplace in Canada.
8. In addition to subscribing for and re-selling Creation Units, Authorized Dealers, Designated Brokers and Affiliate Dealers are also generally engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market. Other Dealers may also be engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market despite not being an Authorized Dealer, Designated Broker or Affiliate Dealer.
9. According to the Authorized Dealers and Designated Brokers, Creation Units are generally commingled with other ETF Securities purchased by the Authorized Dealers, Designated Brokers and Affiliate Dealers in the secondary market. As such, it is not practicable for the Authorized Dealers, Designated Brokers or Affiliate Dealers to determine whether a particular re-sale of ETF Securities involves Creation Units or ETF Securities purchased in the secondary market.
10. Designated Brokers perform certain other functions, which include standing in the market with a bid and ask price for ETF Securities for the purpose of maintaining liquidity for the ETF Securities.
11. Except for Authorized Dealer and Designated Broker subscriptions for Creation Units, as described above, and other distributions that are exempt from the Prospectus Delivery Requirement under the Legislation, ETF Securities generally may not be purchased directly from an ETF. Investors are generally expected to purchase and sell ETF Securities, directly or indirectly, through dealers executing trades through the facilities of the TSX or another marketplace in Canada. ETF Securities may also be issued directly to ETF investors upon the reinvestment of distributions of income or capital gains.
12. The Authorized Dealers and Designated Brokers do not provide the same services in connection with a distribution of Creation Units as would typically be provided by an underwriter in a conventional underwriting.
13. The Authorized Dealers and Designated Brokers are not involved in the preparation of an ETF's prospectus, do not incur any marketing costs or receive any underwriting fees or commissions from the ETFs or the ETF Managers in connection with the distribution of Creation Units. The Authorized Dealers and Designated Brokers generally seek to profit from their ability to create and redeem ETF Securities by engaging in arbitrage trading to capture spreads between the trading prices of ETF Securities and their underlying securities and by making markets for their clients to facilitate client trading in ETF Securities.
14. The Filer generally conducts its own marketing, advertising and promotion of the ETFs. The Filer may, at its discretion, charge an administration fee on the issuance of Creation Units to Authorized Dealers or Designated Brokers.
15. The principal regulator has advised the Filer that it takes the view that the first re-sale of a Creation Unit on the TSX or another marketplace in Canada will generally constitute a distribution of Creation Units under the Legislation and that the Authorized Dealers, Designated Brokers and Affiliate Dealers are subject to the Prospectus Delivery Requirement in connection with such re-sales. Re-sales of ETF Securities in the secondary market that are not Creation Units would not ordinarily constitute a distribution of such ETF Securities.

16. Under a Prospectus Delivery Decision, Authorized Dealers, Designated Brokers and Affiliate Dealers are exempt from the Prospectus Delivery Requirement in connection with the re-sale of Creation Units to investors on the TSX or another marketplace in Canada. Under a Prospectus Delivery Decision, Other Dealers are also exempt from the Prospectus Delivery Requirement in connection with the re-sale of creation units of other exchange-traded funds that are not managed by the Filer.
17. Each Prospectus Delivery Decision includes a condition that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer undertakes that it will, unless it has previously done so, send or deliver to each purchaser of an ETF Security who is a customer of the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer, and to whom a trade confirmation is required under the Legislation to be sent or delivered by the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer in connection with the purchase, the latest Summary Document filed in respect of the ETF Security, not later than midnight on the second day, exclusive of Saturdays, Sundays and holidays, after the purchase of the ETF Security.
18. The Filer will file with the applicable Jurisdictions on the System for Electronic Document Analysis and Retrieval (**SEDAR**) a Summary Document for each class or series of ETF Securities offered by the Filer and provide or make available to the Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers, the requisite number of copies of the Summary Document for the purpose of facilitating their compliance with the Prospectus Delivery Decision.
19. The Filer will file a Summary Document for each class or series of ETF Securities offered by the Filer within the timeframe necessary to allow Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers to effect delivery of the Summary Document as contemplated in the Prospectus Delivery Decision.
20. The Exemption Sought from the Prospectus Form Requirement is required to reflect the relief provided in the Prospectus Delivery Decision. Accordingly, the Filer will include language in each ETF's prospectus explaining the impact on a purchaser's statutory rights as a result of the Prospectus Delivery Decision in replacement of the language prescribed by the Prospectus Form Requirement.

Original Decision; Proposed Rules

21. The Filer is seeking to revoke the Original Decision and replace it with this decision.
22. The securities regulatory authorities are developing proposed rule amendments that will require the Filer to file an ETF Facts in connection with the filing of a prospectus. If the amendments are adopted, the requirement for the Filer to file an ETF Facts will supersede the requirement for the Filer to file a Summary Document under this decision. Since the introduction of the ETF Facts will likely be subject to a transition period, there may be a period of time where some ETFs have an ETF Facts while other ETFs have a Summary Document. If the Filer files an ETF Facts with respect to a class or series of ETF Securities, the Filer will use such ETF Facts instead of a Summary Document to satisfy its obligations under this decision with respect to any purchase of such class or series of ETF Securities that occurs after the filing of such ETF Facts.

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 (i) the Original Decision is revoked and replaced by this decision and (ii) the Exemption Sought is granted, provided that the Filer is in compliance with the following conditions:

1. The Filer files with the applicable Jurisdictions on SEDAR and displays on its website in a manner that would be considered prominent to a reasonable investor the Summary Document for each class or series of ETF Securities of an Existing Fund.
2. The Filer files concurrently on SEDAR the Summary Document for each class or series of ETF Securities when filing a final prospectus for that ETF.
3. The Filer amends the Summary Document at the same time it files any amendments to the ETF's prospectus that affect the disclosure in the Summary Document and files the amended Summary Document with the applicable Jurisdictions on SEDAR and makes it available on its website in a manner that would be considered prominent to a reasonable investor.
4. The Filer provides or makes available to each Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer, the number of copies of the Summary Document of each ETF Security that the Authorized Dealer,

- Designated Broker, Affiliate Dealer or Other Dealer reasonably requests in support of compliance with its respective Prospectus Delivery Decision.
5. Each ETF's preliminary prospectus, pro forma prospectus or any amendment will the next time it is filed, if it does not already do so,
 - (a) incorporate the relevant Summary Document by reference;
 - (b) contain the disclosure referred to in paragraph 20 above; and
 - (c) disclose both this decision and the Prospectus Delivery Decision under Item 34.1 of Form 41-101F2 *Exemptions and Approvals*.
 6. The Filer obtains an executed acknowledgement from each Authorized Dealer, Designated Broker and Affiliate Dealer, and uses its best efforts to obtain an acknowledgment from each Other Dealer:
 - (a) indicating its election, in connection with the re-sale of Creation Units on the TSX or another marketplace in Canada, to send or deliver the Summary Document in accordance with a Prospectus Delivery Decision or, alternatively, to comply with the Prospectus Delivery Requirement; and
 - (b) if the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer agrees to deliver the Summary Document in accordance with a Prospectus Delivery Decision:
 - (i) an undertaking that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under the Prospectus Delivery Decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (ii) confirming that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer has in place written policies and procedures to ensure that it is in compliance with the conditions of the Prospectus Delivery Decision.
 7. The Filer will keep records of which Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers, have provided it with an acknowledgement under a Prospectus Delivery Decision, and which intend to rely on and comply with the Prospectus Delivery Decision or intend to comply with the Prospectus Delivery Requirement.
 8. The Filer files with its principal regulator, to the attention of the Director, Investment Funds Branch, on or before January 31st in each calendar year, a certificate signed by an ultimate designated person certifying that, to the best of the knowledge of such person, after making due inquiry, the Filer has complied with the terms and conditions of this decision, and the Original Decision, as applicable, during the previous calendar year.
 9. If the Filer files an ETF Facts instead of a Summary Document with respect to a class or series of ETF Securities, the latest ETF Facts filed in respect of such class or series of ETF Securities must be substituted for the Summary Document in order to satisfy the foregoing conditions with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.
 10. Conditions (1), (2), (3) and (5)(a) above do not apply to the Exemption Sought with respect to a class or series of an ETF Security of an ETF if the Filer files an ETF Facts for such class or series of the ETF Security.
 11. Conditions (4), (5)(b), (5)(c), (6), (7) and (8) do not apply to an ETF with respect to the Exemption Sought after any new legislation or rule dealing with the Prospectus Delivery Decision takes effect and any applicable transition period has expired.

It is the further decision of the principal regulator under the Legislation that the Prior Underwriter's Certificate Relief and the Prospectus Delivery Representations are revoked.

The Exemption Sought from the Prospectus Form Requirement, as it relates to one or more of the Jurisdictions, will terminate on the latest of: (i) the coming into force of any legislation or rule dealing with the Exemption Sought from the Prospectus Form Requirement or (ii) the end date of any applicable transition period for any legislation or rule dealing with the Exemption Sought from the Prospectus Form Requirement.

As to the (i) revocation of the Original Decision, (ii) the Exemption Sought from the Underwriter's Certificate Requirement and (iii) the revocation of the Prior Underwriter's Certificate Relief and Prospectus Delivery Representations:

"Monica Kowal
Vice-Chair
Ontario Securities Commission

"Mary Condon"
Mary Condon
Commissioner
Ontario Securities Commission

As to the Exemption Sought from the Prospectus Form Requirement:

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

SCHEDULE A

Contents of Summary Document

General Instructions:

1. *Items 1 to 10 represent the minimum disclosure required in a Summary Document for a fund. The inclusion of additional information is not precluded so long as the Summary Document does not exceed a total of four pages in length (two pages double-sided).*
2. *Terms defined in National Instrument 81-102 Investment Funds, National Instrument 81-105 Mutual Fund Sales Practices or National Instrument 81-106 Investment Fund Continuous Disclosure and used in this Summary Document have the meanings that they have in those national instruments.*
3. *Information in the Summary Document must be clear and concise and presented in plain language.*
4. *The format and presentation of information in the Summary Document is not prescribed but the information must be presented in a manner that assists in readability and comprehension.*
5. *The order of the Items outlined below is not prescribed, except for Items 1 and 2, which must be presented as the first 2 items in the Summary Document.*
6. *Each reference to a fund in this Schedule A refers to an ETF as defined in the decision above.*

Item 1 – Introduction

Include at the top of the first page a heading consisting of:

- (a) the title “Summary Document”;
- (b) the name of the manager of the fund;
- (c) the name of the fund to which the Summary Document pertains; and
- (d) the date of the document.

Item 2 – Cautionary Language

Include a statement in italics in substantially the following form:

“The following is a summary of the principal features of this fund. You can find more detailed information about the fund in the prospectus. The prospectus is available on [insert name of the manager of the fund] website at [insert manager of the fund website], or by contacting [insert name of the manager of the fund] at [insert manager of the fund’s email address], or by calling [insert telephone number of the manager of the fund].”

Item 3 – Fund Details

Include the following disclosure:

- (a) ticker symbol;
- (b) fund identification code(s);
- (c) index ticker (as applicable);
- (d) exchange;
- (e) currency;
- (f) inception date;
- (g) RSP eligibility;

Decisions, Orders and Rulings

- (h) DRIP eligibility;
- (i) expected frequency and timing of distributions, and if applicable, the targeted amount for distributions;
- (j) management expense ratio, if available; and
- (k) portfolio manager, when the fund is actively managed.

Item 4 – Investment Objectives

Include a description of the fundamental nature of the fund, or the fundamental features of the fund that distinguishes it from other funds.

INSTRUCTIONS:

Include a description of what the fund primarily invests in, or intends to primarily invest in, such as

- (a) *a description of the fund, including what the fund invests in, and if it is trying to replicate an index, the name of the index, and an overview of the nature of securities covered by the index or the purpose of the index; and*
- (b) *the key investment strategies of the fund.*

Item 5 – Investments of the Fund

1. Include a table disclosing:
 - (a) the top 10 positions held by the fund; and
 - (b) the percentage of net asset value of the fund represented by the top 10 positions.
2. Include at least one, and up to two, charts or tables that illustrate the investment mix of the fund's investment portfolio.

INSTRUCTIONS:

- (a) *The information required under this Item is intended to give a snapshot of the composition of the fund's investment portfolio. The information required to be disclosed under this Item must be as at a date within 60 days before the date of the Summary Document.*
- (b) *The information required under Item 5(2) must show a breakdown of the fund's investment portfolio into appropriate subgroups and the percentage of the aggregate net asset value of the fund constituted by each subgroup. The names of the subgroups are not prescribed and can include security type, industry segment or geographic location. The fund should use the most appropriate categories given the nature of the fund. The choices made must be consistent with disclosure provided under "Summary of Investment Portfolio" in the fund's MRFP.*
- (c) *For new funds where the information required to be disclosed under this Item is not available, provide a brief statement explaining why the required information is not available.*

Item 6 – Risk

1. Include a statement in italics in substantially the following form:

"All investments involve risk. When you invest in the fund the value of your investment can go down as well as up. For a description of the specific risks of this fund, see the fund's prospectus."
2. If the cover page of the fund's prospectus contains text box risk disclosure, also include a description of those risk factors in the Summary Document.

Item 7 – Fund Expenses

1. Include an introduction using wording similar to the following:

"You don't pay these expenses directly. They affect you because they reduce the fund's returns."

2. Provide information about the expenses of the fund in the form of the following table:

	Annual rate (as a % of the fund's value)
<p>Management expense ratio (MER)</p> <p>This is the total of the fund's management fee and operating expenses.</p>	
<p>Trading expense ratio (TER)</p> <p>These are the fund's trading costs.</p>	
<p>Fund expenses</p> <p>The amount included for fund expenses is the amount arrived at by adding the MER and the TER.</p>	

3. If the information in (2) is unavailable because the fund is new including wording similar to the following:

"The fund's expenses are made up of the management fee, operating expenses and trading costs. The fund's annual management fee is []% of the fund's value. Because this fund is new, its operating expenses and trading costs are not yet available."

INSTRUCTIONS:

Use a bold font or other formatting to indicate that fund expenses is the total of all ongoing expenses set out in the chart and is not a separate expense charged to the fund.

Item 8 – Trailing Commissions

1. If the manager of the fund or another member of the fund's organization pays trailing commissions, include a brief description of these commissions.
2. The description of any trailing commission must include a statement in substantially the following words:

"The trailing commission is paid out of the management fee. The trailing commission is paid for as long as you own the fund."

Item 9 – Other Fees

1. Provide information about the amount of fees payable by an investor, other than those already described or payable by designated brokers and underwriters.
2. Include a statement using wording similar to the following:

"You may pay brokerage fees to your dealer when you purchase and sell units of the fund."

INSTRUCTIONS:

- (a) *Examples include any redemption charges, sales charges or other fees, if any, associated with buying and selling securities of the fund.*
- (b) *Provide a brief description of each fee disclosing the amount to be paid as a percentage (or, if applicable, a fixed dollar amount) and state who charges the fee.*

Item 10 – Statement of Rights

State in substantially the following words:

Under securities law in some provinces and territories, you have:

- *the right to cancel your purchase within 48 hours after you receive confirmation of the purchase, or*

- *other rights and remedies if this document or the fund's prospectus contains a misrepresentation. You must act within the time limit set by the securities law in your province or territory.*

For more information, see the securities law of your province or territory or ask a lawyer.

Item 11 – Past Performance

If the fund includes past performance:

1. Include an introduction using wording similar to the following:

This section tells you how the fund has performed over the past [insert the lesser of 10 years or the number of completed calendar years] years. Returns are after expenses have been deducted. These expenses reduce the fund's returns.

It's important to note that this doesn't tell you how the fund will perform in the future as past performance may not be repeated. Also, your actual after-tax return will depend on your personal tax situation.

2. Show the annual total return of the fund, in chronological order for the lesser of:
 - (a) each of the 10 most recently completed calendar years; and
 - (b) each of the completed calendar years in which the fund has been in existence and which the fund was a reporting issuer.
3. Show the
 - (a) final value, of a hypothetical \$1,000 investment in the fund as at the end of the period that ends within 60 days before the date of the Summary Document and consists of the lesser of:
 - (i) 10 years, or
 - (ii) the time since inception of the fund,and
 - (b) the annual compounded rate of return that would equate the initial \$1,000 investment to the final value.

INSTRUCTIONS:

In responding to the requirements of this Item, a fund must comply with the relevant sections of Part 15 of National Instrument 81-102 Investment Funds as if those sections applied to a Summary Document.

Item 12 – Benchmark Information

If the Summary Document includes benchmark information, ensure this information is consistent with the fund's MRFP and presented in the same format as Item 11.

2.1.4 First Asset Investment Management Inc. and Existing ETFs Managed by the Filer

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Revocation of prior relief – relief granted primarily to extend sunset clause set out in the original decision – relief granted on terms that are substantially similar to prior relief – Exemptive relief granted to exchange-traded funds for initial and continuous distribution of units – Relief to permit the funds' prospectus to not contain an underwriter's certificate and to include a modified statement of investor rights – Relief granted subject to manager filing a prescribed summary document for each fund on SEDAR and other terms and conditions set out in decision document – Relief consistent with the implementation of the Canadian Securities Administrators Point of Sale Disclosure Project, which contemplates rule-making to codify summary disclosure document for exchange-traded funds – Securities Act (Ontario) and National Instrument 41-101 General Prospectus Requirements.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 59(1), 144.

National Instrument 41-101 General Prospectus Requirements, s. 19.1, and Item 36.2 of Form 41-101F2.

August 24, 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
FIRST ASSET INVESTMENT MANAGEMENT INC.
(the Filer)

AND

THE EXISTING EXCHANGE-TRADED FUNDS MANAGED BY THE FILER
(the Existing Funds)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Existing Funds and such other exchange-traded mutual funds as the Filer, or an affiliate of the Filer, may establish in the future (the **Future Funds**, and together with the Existing Funds, the **ETFs** and individually, an **ETF**) for a decision under the securities legislation of the principal regulator (the **Legislation**) that:

1. exempts the Filer and each ETF from
 - (a) the requirement to include a certificate of an underwriter in an ETF's prospectus (the **Underwriter's Certificate Requirement**); and
 - (b) the requirement to include in an ETF's prospectus the statement respecting purchasers' statutory rights of withdrawal and remedies of rescission or damages in substantially the form prescribed in item 36.2 of Form 41-101F2 *Information Required in an Investment Fund Prospectus* (the **Prospectus Form Requirement**)(collectively, the **Exemption Sought**);

2. varies all previous decisions granted by the principal regulator prior to July 19, 2013 that exempted the Filer and the ETFs from the Underwriter's Certificate Requirement (the **Prior Underwriter's Certificate Relief**), by revoking the Prior Underwriter's Certificate Relief and by revoking, as applicable, the representations relating to prospectus delivery contained in such decisions (the **Prospectus Delivery Representations**); and
3. revokes a decision the Filer obtained from the principal regulator dated July 19, 2013 granting the Exemption Sought until September 1, 2015 (the **Original Decision**).

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 all of the provinces and territories of Canada other than Ontario (together with Ontario, the **Jurisdictions**).

Interpretation

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

Affiliate Dealer means a registered dealer that is an affiliate of an Authorized Dealer or Designated Broker and that participates in the re-sale of Creation Units (as defined below) from time to time.

Authorized Dealer means a registered dealer that has entered, or intends to enter, into an agreement with the manager of an ETF (an **ETF Manager**) authorizing the dealer to subscribe for, purchase and redeem Creation Units from one or more ETFs on a continuous basis from time to time.

Designated Broker means a registered dealer that has entered, or intends to enter, into an agreement with an ETF Manager to perform certain duties in relation to the ETF, including posting a liquid two-way market for the trading of the ETF's listed securities on the TSX or another marketplace.

ETF Facts means a prescribed disclosure document in accordance with the regulations, in respect of one or more classes or series of ETF Securities being distributed under a prospectus.

ETF Security means a listed security of an ETF.

Other Dealer means a registered dealer that acts as authorized dealer or designated broker to other exchange-traded funds that are not managed by the Filer and that has received relief under a Prospectus Delivery Decision.

Prospectus Delivery Decision means a decision granting relief from the Prospectus Delivery Requirement to a Designated Broker, Authorized Dealer, Affiliate Dealer or Other Dealer dated July 19, 2013, or any subsequent decision granting similar relief to a Designated Broker, Authorized Dealer, Affiliate Dealer or Other Dealer, and in each case, that is in effect at the relevant time.

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

Summary Document means a document, in respect of one or more classes or series of ETF Securities being distributed under a prospectus, prepared in accordance with Schedule A.

TSX means the Toronto Stock Exchange.

Representations

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

1. The Filer is a corporation organized under the laws of the Province of Ontario, with a head office in the Province of Ontario.

2. Each ETF is, or will be, a mutual fund governed by the laws of the Province of Ontario and a reporting issuer under the laws of some or all of the Jurisdictions.
3. Each ETF is, or will be, subject to NI 81-102, subject to any exemptions therefrom that have been, or may be, granted by the applicable securities regulatory authorities.
4. Each ETF is, or will be, in continuous distribution. The ETF Securities of each ETF are, or will be, listed on the TSX or another marketplace in Canada.
5. The Filer has filed, or will file, a long form prospectus in accordance with National Instrument 41-101 *General Prospectus Requirements* on behalf of the ETFs, subject to any exemptions that have been or may be granted by the applicable securities regulatory authorities.
6. The Filer will act as the trustee, if applicable, investment fund manager and portfolio adviser to the ETFs. The Filer is registered in the Province of Ontario as an adviser for securities in the category of portfolio manager, as an adviser for commodities in the category of commodity trading manager, as a dealer in the category of exempt market dealer and as an investment fund manager.
7. ETF Securities are, or will be, distributed on a continuous basis in one or more of the Jurisdictions under a prospectus. ETF Securities may generally only be subscribed for or purchased directly from the ETFs by Authorized Dealers or Designated Brokers (**Creation Units**). Authorized Dealers or Designated Brokers subscribe for Creation Units for the purpose of facilitating investor purchases of ETF Securities on the TSX or another marketplace in Canada.
8. In addition to subscribing for and re-selling Creation Units, Authorized Dealers, Designated Brokers and Affiliate Dealers are also generally engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market. Other Dealers may also be engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market despite not being an Authorized Dealer, Designated Broker or Affiliate Dealer.
9. According to the Authorized Dealers and Designated Brokers, Creation Units are generally commingled with other ETF Securities purchased by the Authorized Dealers, Designated Brokers and Affiliate Dealers in the secondary market. As such, it is not practicable for the Authorized Dealers, Designated Brokers or Affiliate Dealers to determine whether a particular re-sale of ETF Securities involves Creation Units or ETF Securities purchased in the secondary market.
10. Designated Brokers perform certain other functions, which include standing in the market with a bid and ask price for ETF Securities for the purpose of maintaining liquidity for the ETF Securities.
11. Except for Authorized Dealer and Designated Broker subscriptions for Creation Units, as described above, and other distributions that are exempt from the Prospectus Delivery Requirement under the Legislation, ETF Securities generally may not be purchased directly from an ETF. Investors are generally expected to purchase and sell ETF Securities, directly or indirectly, through dealers executing trades through the facilities of the TSX or another marketplace in Canada. ETF Securities may also be issued directly to ETF investors upon the reinvestment of distributions of income or capital gains.
12. The Authorized Dealers and Designated Brokers do not provide the same services in connection with a distribution of Creation Units as would typically be provided by an underwriter in a conventional underwriting.
13. The Authorized Dealers and Designated Brokers are not involved in the preparation of an ETF's prospectus, do not incur any marketing costs or receive any underwriting fees or commissions from the ETFs or the ETF Managers in connection with the distribution of Creation Units. The Authorized Dealers and Designated Brokers generally seek to profit from their ability to create and redeem ETF Securities by engaging in arbitrage trading to capture spreads between the trading prices of ETF Securities and their underlying securities and by making markets for their clients to facilitate client trading in ETF Securities.
14. The Filer generally conducts its own marketing, advertising and promotion of the ETFs. The Filer may, at its discretion, charge an administration fee on the issuance of Creation Units to Authorized Dealers or Designated Brokers.
15. The principal regulator has advised the Filer that it takes the view that the first re-sale of a Creation Unit on the TSX or another marketplace in Canada will generally constitute a distribution of Creation Units under the Legislation and that the Authorized Dealers, Designated Brokers and Affiliate Dealers are subject to the Prospectus Delivery Requirement in connection with such re-sales. Re-sales of ETF Securities in the secondary market that are not Creation Units would not ordinarily constitute a distribution of such ETF Securities.

16. Under a Prospectus Delivery Decision, Authorized Dealers, Designated Brokers and Affiliate Dealers are exempt from the Prospectus Delivery Requirement in connection with the re-sale of Creation Units to investors on the TSX or another marketplace in Canada. Under a Prospectus Delivery Decision, Other Dealers are also exempt from the Prospectus Delivery Requirement in connection with the re-sale of creation units of other exchange-traded funds that are not managed by the Filer.
17. Each Prospectus Delivery Decision includes a condition that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer undertakes that it will, unless it has previously done so, send or deliver to each purchaser of an ETF Security who is a customer of the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer, and to whom a trade confirmation is required under the Legislation to be sent or delivered by the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer in connection with the purchase, the latest Summary Document filed in respect of the ETF Security, not later than midnight on the second day, exclusive of Saturdays, Sundays and holidays, after the purchase of the ETF Security.
18. The Filer will file with the applicable Jurisdictions on the System for Electronic Document Analysis and Retrieval (**SEDAR**) a Summary Document for each class or series of ETF Securities offered by the Filer and provide or make available to the Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers, the requisite number of copies of the Summary Document for the purpose of facilitating their compliance with the Prospectus Delivery Decision.
19. The Filer will file a Summary Document for each class or series of ETF Securities offered by the Filer within the timeframe necessary to allow Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers to effect delivery of the Summary Document as contemplated in the Prospectus Delivery Decision.
20. The Exemption Sought from the Prospectus Form Requirement is required to reflect the relief provided in the Prospectus Delivery Decision. Accordingly, the Filer will include language in each ETF's prospectus explaining the impact on a purchaser's statutory rights as a result of the Prospectus Delivery Decision in replacement of the language prescribed by the Prospectus Form Requirement.

Original Decision; Proposed Rules

21. The Filer is seeking to revoke the Original Decision and replace it with this decision.
22. The securities regulatory authorities are developing proposed rule amendments that will require the Filer to file an ETF Facts in connection with the filing of a prospectus. If the amendments are adopted, the requirement for the Filer to file an ETF Facts will supersede the requirement for the Filer to file a Summary Document under this decision. Since the introduction of the ETF Facts will likely be subject to a transition period, there may be a period of time where some ETFs have an ETF Facts while other ETFs have a Summary Document. If the Filer files an ETF Facts with respect to a class or series of ETF Securities, the Filer will use such ETF Facts instead of a Summary Document to satisfy its obligations under this decision with respect to any purchase of such class or series of ETF Securities that occurs after the filing of such ETF Facts.

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 (i) the Original Decision is revoked and replaced by this decision and (ii) the Exemption Sought is granted, provided that the Filer is in compliance with the following conditions:

1. The Filer files with the applicable Jurisdictions on SEDAR and displays on its website in a manner that would be considered prominent to a reasonable investor the Summary Document for each class or series of ETF Securities of an Existing Fund.
2. The Filer files concurrently on SEDAR the Summary Document for each class or series of ETF Securities when filing a final prospectus for that ETF.
3. The Filer amends the Summary Document at the same time it files any amendments to the ETF's prospectus that affect the disclosure in the Summary Document and files the amended Summary Document with the applicable Jurisdictions on SEDAR and makes it available on its website in a manner that would be considered prominent to a reasonable investor.
4. The Filer provides or makes available to each Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer, the number of copies of the Summary Document of each ETF Security that the Authorized Dealer,

- Designated Broker, Affiliate Dealer or Other Dealer reasonably requests in support of compliance with its respective Prospectus Delivery Decision.
5. Each ETF's preliminary prospectus, pro forma prospectus or any amendment will the next time it is filed, if it does not already do so,
 - (a) incorporate the relevant Summary Document by reference;
 - (b) contain the disclosure referred to in paragraph 20 above; and
 - (c) disclose both this decision and the Prospectus Delivery Decision under Item 34.1 of Form 41-101F2 *Exemptions and Approvals*.
 6. The Filer obtains an executed acknowledgement from each Authorized Dealer, Designated Broker and Affiliate Dealer, and uses its best efforts to obtain an acknowledgment from each Other Dealer:
 - (a) indicating its election, in connection with the re-sale of Creation Units on the TSX or another marketplace in Canada, to send or deliver the Summary Document in accordance with a Prospectus Delivery Decision or, alternatively, to comply with the Prospectus Delivery Requirement; and
 - (b) if the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer agrees to deliver the Summary Document in accordance with a Prospectus Delivery Decision:
 - (i) an undertaking that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under the Prospectus Delivery Decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (ii) confirming that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer has in place written policies and procedures to ensure that it is in compliance with the conditions of the Prospectus Delivery Decision.
 7. The Filer will keep records of which Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers, have provided it with an acknowledgement under a Prospectus Delivery Decision, and which intend to rely on and comply with the Prospectus Delivery Decision or intend to comply with the Prospectus Delivery Requirement.
 8. The Filer files with its principal regulator, to the attention of the Director, Investment Funds Branch, on or before January 31st in each calendar year, a certificate signed by an ultimate designated person certifying that, to the best of the knowledge of such person, after making due inquiry, the Filer has complied with the terms and conditions of this decision, and the Original Decision, as applicable, during the previous calendar year.
 9. If the Filer files an ETF Facts instead of a Summary Document with respect to a class or series of ETF Securities, the latest ETF Facts filed in respect of such class or series of ETF Securities must be substituted for the Summary Document in order to satisfy the foregoing conditions with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.
 10. Conditions (1), (2), (3) and (5)(a) above do not apply to the Exemption Sought with respect to a class or series of an ETF Security of an ETF if the Filer files an ETF Facts for such class or series of the ETF Security.
 11. Conditions (4), (5)(b), (5)(c), (6), (7) and (8) do not apply to an ETF with respect to the Exemption Sought after any new legislation or rule dealing with the Prospectus Delivery Decision takes effect and any applicable transition period has expired.

It is the further decision of the principal regulator under the Legislation that the Prior Underwriter's Certificate Relief and the Prospectus Delivery Representations are revoked.

The Exemption Sought from the Prospectus Form Requirement, as it relates to one or more of the Jurisdictions, will terminate on the latest of: (i) the coming into force of any legislation or rule dealing with the Exemption Sought from the Prospectus Form Requirement or (ii) the end date of any applicable transition period for any legislation or rule dealing with the Exemption Sought from the Prospectus Form Requirement.

As to the (i) revocation of the Original Decision, (ii) the Exemption Sought from the Underwriter's Certificate Requirement and (iii) the revocation of the Prior Underwriter's Certificate Relief and Prospectus Delivery Representations:

"Monica Kowal"
Vice-Chair
Ontario Securities Commission

"Mary Condon"
Commissioner
Ontario Securities Commission

As to the Exemption Sought from the Prospectus Form Requirement:

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

SCHEDULE A

Contents of Summary Document

General Instructions:

1. *Items 1 to 10 represent the minimum disclosure required in a Summary Document for a fund. The inclusion of additional information is not precluded so long as the Summary Document does not exceed a total of four pages in length (two pages double-sided).*
2. *Terms defined in National Instrument 81-102 Investment Funds, National Instrument 81-105 Mutual Fund Sales Practices or National Instrument 81-106 Investment Fund Continuous Disclosure and used in this Summary Document have the meanings that they have in those national instruments.*
3. *Information in the Summary Document must be clear and concise and presented in plain language.*
4. *The format and presentation of information in the Summary Document is not prescribed but the information must be presented in a manner that assists in readability and comprehension.*
5. *The order of the Items outlined below is not prescribed, except for Items 1 and 2, which must be presented as the first 2 items in the Summary Document.*
6. *Each reference to a fund in this Schedule A refers to an ETF as defined in the decision above.*

Item 1 – Introduction

Include at the top of the first page a heading consisting of:

- (a) the title “Summary Document”;
- (b) the name of the manager of the fund;
- (c) the name of the fund to which the Summary Document pertains; and
- (d) the date of the document.

Item 2 – Cautionary Language

Include a statement in italics in substantially the following form:

“The following is a summary of the principal features of this fund. You can find more detailed information about the fund in the prospectus. The prospectus is available on [insert name of the manager of the fund] website at [insert manager of the fund website], or by contacting [insert name of the manager of the fund] at [insert manager of the fund’s email address], or by calling [insert telephone number of the manager of the fund].”

Item 3 – Fund Details

Include the following disclosure:

- (a) ticker symbol;
- (b) fund identification code(s);
- (c) index ticker (as applicable);
- (d) exchange;
- (e) currency;
- (f) inception date;
- (g) RSP eligibility;

- (h) DRIP eligibility;
- (i) expected frequency and timing of distributions, and if applicable, the targeted amount for distributions;
- (j) management expense ratio, if available; and
- (k) portfolio manager, when the fund is actively managed.

Item 4 – Investment Objectives

Include a description of the fundamental nature of the fund, or the fundamental features of the fund that distinguishes it from other funds.

INSTRUCTIONS:

Include a description of what the fund primarily invests in, or intends to primarily invest in, such as

- (a) *a description of the fund, including what the fund invests in, and if it is trying to replicate an index, the name of the index, and an overview of the nature of securities covered by the index or the purpose of the index; and*
- (b) *the key investment strategies of the fund.*

Item 5 – Investments of the Fund

1. Include a table disclosing:
 - (a) the top 10 positions held by the fund; and
 - (b) the percentage of net asset value of the fund represented by the top 10 positions.
2. Include at least one, and up to two, charts or tables that illustrate the investment mix of the fund's investment portfolio.

INSTRUCTIONS:

- (a) *The information required under this Item is intended to give a snapshot of the composition of the fund's investment portfolio. The information required to be disclosed under this Item must be as at a date within 60 days before the date of the Summary Document.*
- (b) *The information required under Item 5(2) must show a breakdown of the fund's investment portfolio into appropriate subgroups and the percentage of the aggregate net asset value of the fund constituted by each subgroup. The names of the subgroups are not prescribed and can include security type, industry segment or geographic location. The fund should use the most appropriate categories given the nature of the fund. The choices made must be consistent with disclosure provided under "Summary of Investment Portfolio" in the fund's MRFP.*
- (c) *For new funds where the information required to be disclosed under this Item is not available, provide a brief statement explaining why the required information is not available.*

Item 6 – Risk

1. Include a statement in italics in substantially the following form:

"All investments involve risk. When you invest in the fund the value of your investment can go down as well as up. For a description of the specific risks of this fund, see the fund's prospectus."
2. If the cover page of the fund's prospectus contains text box risk disclosure, also include a description of those risk factors in the Summary Document.

Item 7 – Fund Expenses

1. Include an introduction using wording similar to the following:

"You don't pay these expenses directly. They affect you because they reduce the fund's returns."

2. Provide information about the expenses of the fund in the form of the following table:

	Annual rate (as a % of the fund's value)
<p>Management expense ratio (MER)</p> <p>This is the total of the fund's management fee and operating expenses.</p>	
<p>Trading expense ratio (TER)</p> <p>These are the fund's trading costs.</p>	
<p>Fund expenses</p> <p>The amount included for fund expenses is the amount arrived at by adding the MER and the TER.</p>	

3. If the information in (2) is unavailable because the fund is new including wording similar to the following:

"The fund's expenses are made up of the management fee, operating expenses and trading costs. The fund's annual management fee is []% of the fund's value. Because this fund is new, its operating expenses and trading costs are not yet available."

INSTRUCTIONS:

Use a bold font or other formatting to indicate that fund expenses is the total of all ongoing expenses set out in the chart and is not a separate expense charged to the fund.

Item 8 – Trailing Commissions

1. If the manager of the fund or another member of the fund's organization pays trailing commissions, include a brief description of these commissions.
2. The description of any trailing commission must include a statement in substantially the following words:

"The trailing commission is paid out of the management fee. The trailing commission is paid for as long as you own the fund."

Item 9 – Other Fees

1. Provide information about the amount of fees payable by an investor, other than those already described or payable by designated brokers and underwriters.
2. Include a statement using wording similar to the following:

"You may pay brokerage fees to your dealer when you purchase and sell units of the fund."

INSTRUCTIONS:

- (a) *Examples include any redemption charges, sales charges or other fees, if any, associated with buying and selling securities of the fund.*
- (b) *Provide a brief description of each fee disclosing the amount to be paid as a percentage (or, if applicable, a fixed dollar amount) and state who charges the fee.*

Item 10 – Statement of Rights

State in substantially the following words:

Under securities law in some provinces and territories, you have:

- *the right to cancel your purchase within 48 hours after you receive confirmation of the purchase, or*

- *other rights and remedies if this document or the fund's prospectus contains a misrepresentation. You must act within the time limit set by the securities law in your province or territory.*

For more information, see the securities law of your province or territory or ask a lawyer.

Item 11 – Past Performance

If the fund includes past performance:

1. Include an introduction using wording similar to the following:

This section tells you how the fund has performed over the past [insert the lesser of 10 years or the number of completed calendar years] years. Returns are after expenses have been deducted. These expenses reduce the fund's returns.

It's important to note that this doesn't tell you how the fund will perform in the future as past performance may not be repeated. Also, your actual after-tax return will depend on your personal tax situation.

2. Show the annual total return of the fund, in chronological order for the lesser of:
 - (a) each of the 10 most recently completed calendar years; and
 - (b) each of the completed calendar years in which the fund has been in existence and which the fund was a reporting issuer.
3. Show the
 - (a) final value, of a hypothetical \$1,000 investment in the fund as at the end of the period that ends within 60 days before the date of the Summary Document and consists of the lesser of:
 - (i) 10 years, or
 - (ii) the time since inception of the fund,and
 - (b) the annual compounded rate of return that would equate the initial \$1,000 investment to the final value.

INSTRUCTIONS:

In responding to the requirements of this Item, a fund must comply with the relevant sections of Part 15 of National Instrument 81-102 Investment Funds as if those sections applied to a Summary Document.

Item 12 – Benchmark Information

If the Summary Document includes benchmark information, ensure this information is consistent with the fund's MRFP and presented in the same format as Item 11.

2.1.5 FT Portfolios Canada Co. and Existing ETFs Managed by the Filer

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Revocation of prior relief – relief granted primarily to extend sunset clause set out in the original decision – relief granted on terms that are substantially similar to prior relief – Exemptive relief granted to exchange-traded funds for initial and continuous distribution of units – Relief to permit the funds' prospectus to not contain an underwriter's certificate and to include a modified statement of investor rights – Relief granted subject to manager filing a prescribed summary document for each fund on SEDAR and other terms and conditions set out in decision document – Relief consistent with the implementation of the Canadian Securities Administrators Point of Sale Disclosure Project, which contemplates rule-making to codify summary disclosure document for exchange-traded funds – Securities Act (Ontario) and National Instrument 41-101 General Prospectus Requirements.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 59(1), 144.

National Instrument 41-101 General Prospectus Requirements, s. 19.1, and Item 36.2 of Form 41-101F2.

August 24, 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
FT PORTFOLIOS CANADA CO.
(the Filer)

AND

THE EXISTING EXCHANGE-TRADED FUNDS MANAGED BY THE FILER
(the Existing Funds)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Existing Funds and such other exchange-traded mutual funds as the Filer, or an affiliate of the Filer, may establish in the future (the **Future Funds**, and together with the Existing Funds, the **ETFs** and individually, an **ETF**) for a decision under the securities legislation of the principal regulator (the **Legislation**) that:

1. exempts the Filer and each ETF from
 - (a) the requirement to include a certificate of an underwriter in an ETF's prospectus (the **Underwriter's Certificate Requirement**); and
 - (b) the requirement to include in an ETF's prospectus the statement respecting purchasers' statutory rights of withdrawal and remedies of rescission or damages in substantially the form prescribed in item 36.2 of Form 41-101F2 *Information Required in an Investment Fund Prospectus* (the **Prospectus Form Requirement**)(collectively, the **Exemption Sought**);

2. varies all previous decisions granted by the principal regulator prior to July 19, 2013 that exempted the Filer and the ETFs from the Underwriter's Certificate Requirement (the **Prior Underwriter's Certificate Relief**), by revoking the Prior Underwriter's Certificate Relief and by revoking, as applicable, the representations relating to prospectus delivery contained in such decisions (the **Prospectus Delivery Representations**); and
3. revokes a decision the Filer obtained from the principal regulator dated July 19, 2013 granting the Exemption Sought until September 1, 2015 (the **Original Decision**).

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 all of the provinces and territories of Canada other than Ontario (together with Ontario, the **Jurisdictions**).

Interpretation

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

Affiliate Dealer means a registered dealer that is an affiliate of an Authorized Dealer or Designated Broker and that participates in the re-sale of Creation Units (as defined below) from time to time.

Authorized Dealer means a registered dealer that has entered, or intends to enter, into an agreement with the manager of an ETF (an **ETF Manager**) authorizing the dealer to subscribe for, purchase and redeem Creation Units from one or more ETFs on a continuous basis from time to time.

Designated Broker means a registered dealer that has entered, or intends to enter, into an agreement with an ETF Manager to perform certain duties in relation to the ETF, including posting a liquid two-way market for the trading of the ETF's listed securities on the TSX or another marketplace.

ETF Facts means a prescribed disclosure document in accordance with the regulations, in respect of one or more classes or series of ETF Securities being distributed under a prospectus.

ETF Security means a listed security of an ETF.

Other Dealer means a registered dealer that acts as authorized dealer or designated broker to other exchange-traded funds that are not managed by the Filer and that has received relief under a Prospectus Delivery Decision.

Prospectus Delivery Decision means a decision granting relief from the Prospectus Delivery Requirement to a Designated Broker, Authorized Dealer, Affiliate Dealer or Other Dealer dated July 19, 2013, or any subsequent decision granting similar relief to a Designated Broker, Authorized Dealer, Affiliate Dealer or Other Dealer, and in each case, that is in effect at the relevant time.

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

Summary Document means a document, in respect of one or more classes or series of ETF Securities being distributed under a prospectus, prepared in accordance with Schedule A.

TSX means the Toronto Stock Exchange.

Representations

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

1. The Filer is a corporation organized under the laws of the Province of Nova Scotia, with a head office in Toronto, Ontario.

2. Each ETF is, or will be, a mutual fund governed by the laws of the Province of Ontario and a reporting issuer under the laws of some or all of the Jurisdictions.
3. Each ETF is, or will be, subject to NI 81-102, subject to any exemptions therefrom that have been, or may be, granted by the applicable securities regulatory authorities.
4. Each ETF is, or will be, in continuous distribution. The ETF Securities of each ETF are, or will be, listed on the TSX or another marketplace in Canada.
5. The Filer has filed, or will file, a long form prospectus in accordance with National Instrument 41-101 *General Prospectus Requirements* on behalf of the ETFs, subject to any exemptions that have been or may be granted by the applicable securities regulatory authorities.
6. The Filer will act as the trustee and investment fund manager to the ETFs. The Filer is registered in the Province of Ontario as an investment fund manager.
7. ETF Securities are, or will be, distributed on a continuous basis in one or more of the Jurisdictions under a prospectus. ETF Securities may generally only be subscribed for or purchased directly from the ETFs by Authorized Dealers or Designated Brokers (**Creation Units**). Authorized Dealers or Designated Brokers subscribe for Creation Units for the purpose of facilitating investor purchases of ETF Securities on the TSX or another marketplace in Canada.
8. In addition to subscribing for and re-selling Creation Units, Authorized Dealers, Designated Brokers and Affiliate Dealers are also generally engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market. Other Dealers may also be engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market despite not being an Authorized Dealer, Designated Broker or Affiliate Dealer.
9. According to the Authorized Dealers and Designated Brokers, Creation Units are generally commingled with other ETF Securities purchased by the Authorized Dealers, Designated Brokers and Affiliate Dealers in the secondary market. As such, it is not practicable for the Authorized Dealers, Designated Brokers or Affiliate Dealers to determine whether a particular re-sale of ETF Securities involves Creation Units or ETF Securities purchased in the secondary market.
10. Designated Brokers perform certain other functions, which include standing in the market with a bid and ask price for ETF Securities for the purpose of maintaining liquidity for the ETF Securities.
11. Except for Authorized Dealer and Designated Broker subscriptions for Creation Units, as described above, and other distributions that are exempt from the Prospectus Delivery Requirement under the Legislation, ETF Securities generally may not be purchased directly from an ETF. Investors are generally expected to purchase and sell ETF Securities, directly or indirectly, through dealers executing trades through the facilities of the TSX or another marketplace in Canada. ETF Securities may also be issued directly to ETF investors upon the reinvestment of distributions of income or capital gains.
12. The Authorized Dealers and Designated Brokers do not provide the same services in connection with a distribution of Creation Units as would typically be provided by an underwriter in a conventional underwriting.
13. The Authorized Dealers and Designated Brokers are not involved in the preparation of an ETF's prospectus, do not incur any marketing costs or receive any underwriting fees or commissions from the ETFs or the ETF Managers in connection with the distribution of Creation Units. The Authorized Dealers and Designated Brokers generally seek to profit from their ability to create and redeem ETF Securities by engaging in arbitrage trading to capture spreads between the trading prices of ETF Securities and their underlying securities and by making markets for their clients to facilitate client trading in ETF Securities.
14. The Filer generally conducts its own marketing, advertising and promotion of the ETFs. The Filer may, at its discretion, charge an administration fee on the issuance of Creation Units to Authorized Dealers or Designated Brokers.
15. The principal regulator has advised the Filer that it takes the view that the first re-sale of a Creation Unit on the TSX or another marketplace in Canada will generally constitute a distribution of Creation Units under the Legislation and that the Authorized Dealers, Designated Brokers and Affiliate Dealers are subject to the Prospectus Delivery Requirement in connection with such re-sales. Re-sales of ETF Securities in the secondary market that are not Creation Units would not ordinarily constitute a distribution of such ETF Securities.
16. Under a Prospectus Delivery Decision, Authorized Dealers, Designated Brokers and Affiliate Dealers are exempt from the Prospectus Delivery Requirement in connection with the re-sale of Creation Units to investors on the TSX or

another marketplace in Canada. Under a Prospectus Delivery Decision, Other Dealers are also exempt from the Prospectus Delivery Requirement in connection with the re-sale of creation units of other exchange-traded funds that are not managed by the Filer.

17. Each Prospectus Delivery Decision includes a condition that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer undertakes that it will, unless it has previously done so, send or deliver to each purchaser of an ETF Security who is a customer of the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer, and to whom a trade confirmation is required under the Legislation to be sent or delivered by the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer in connection with the purchase, the latest Summary Document filed in respect of the ETF Security, not later than midnight on the second day, exclusive of Saturdays, Sundays and holidays, after the purchase of the ETF Security.
18. The Filer will file with the applicable Jurisdictions on the System for Electronic Document Analysis and Retrieval (**SEDAR**) a Summary Document for each class or series of ETF Securities offered by the Filer and provide or make available to the Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers, the requisite number of copies of the Summary Document for the purpose of facilitating their compliance with the Prospectus Delivery Decision.
19. The Filer will file a Summary Document for each class or series of ETF Securities offered by the Filer within the timeframe necessary to allow Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers to effect delivery of the Summary Document as contemplated in the Prospectus Delivery Decision.
20. The Exemption Sought from the Prospectus Form Requirement is required to reflect the relief provided in the Prospectus Delivery Decision. Accordingly, the Filer will include language in each ETF's prospectus explaining the impact on a purchaser's statutory rights as a result of the Prospectus Delivery Decision in replacement of the language prescribed by the Prospectus Form Requirement.

Original Decision; Proposed Rules

21. The Filer is seeking to revoke the Original Decision and replace it with this decision.
22. The securities regulatory authorities are developing proposed rule amendments that will require the Filer to file an ETF Facts in connection with the filing of a prospectus. If the amendments are adopted, the requirement for the Filer to file an ETF Facts will supersede the requirement for the Filer to file a Summary Document under this decision. Since the introduction of the ETF Facts will likely be subject to a transition period, there may be a period of time where some ETFs have an ETF Facts while other ETFs have a Summary Document. If the Filer files an ETF Facts with respect to a class or series of ETF Securities, the Filer will use such ETF Facts instead of a Summary Document to satisfy its obligations under this decision with respect to any purchase of such class or series of ETF Securities that occurs after the filing of such ETF Facts.

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 (i) the Original Decision is revoked and replaced by this decision and (ii) the Exemption Sought is granted, provided that the Filer is in compliance with the following conditions:

1. The Filer files with the applicable Jurisdictions on SEDAR and displays on its website in a manner that would be considered prominent to a reasonable investor the Summary Document for each class or series of ETF Securities of an Existing Fund.
2. The Filer files concurrently on SEDAR the Summary Document for each class or series of ETF Securities when filing a final prospectus for that ETF.
3. The Filer amends the Summary Document at the same time it files any amendments to the ETF's prospectus that affect the disclosure in the Summary Document and files the amended Summary Document with the applicable Jurisdictions on SEDAR and makes it available on its website in a manner that would be considered prominent to a reasonable investor.
4. The Filer provides or makes available to each Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer, the number of copies of the Summary Document of each ETF Security that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer reasonably requests in support of compliance with its respective Prospectus Delivery Decision.

5. Each ETF's preliminary prospectus, pro forma prospectus or any amendment will the next time it is filed, if it does not already do so,
 - (a) incorporate the relevant Summary Document by reference;
 - (b) contain the disclosure referred to in paragraph 20 above; and
 - (c) disclose both this decision and the Prospectus Delivery Decision under Item 34.1 of Form 41-101F2 *Exemptions and Approvals*.
6. The Filer obtains an executed acknowledgement from each Authorized Dealer, Designated Broker and Affiliate Dealer, and uses its best efforts to obtain an acknowledgment from each Other Dealer:
 - (a) indicating its election, in connection with the re-sale of Creation Units on the TSX or another marketplace in Canada, to send or deliver the Summary Document in accordance with a Prospectus Delivery Decision or, alternatively, to comply with the Prospectus Delivery Requirement; and
 - (b) if the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer agrees to deliver the Summary Document in accordance with a Prospectus Delivery Decision:
 - (i) an undertaking that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under the Prospectus Delivery Decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (ii) confirming that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer has in place written policies and procedures to ensure that it is in compliance with the conditions of the Prospectus Delivery Decision.
7. The Filer will keep records of which Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers, have provided it with an acknowledgement under a Prospectus Delivery Decision, and which intend to rely on and comply with the Prospectus Delivery Decision or intend to comply with the Prospectus Delivery Requirement.
8. The Filer files with its principal regulator, to the attention of the Director, Investment Funds Branch, on or before January 31st in each calendar year, a certificate signed by an ultimate designated person certifying that, to the best of the knowledge of such person, after making due inquiry, the Filer has complied with the terms and conditions of this decision, and the Original Decision, as applicable, during the previous calendar year.
9. If the Filer files an ETF Facts instead of a Summary Document with respect to a class or series of ETF Securities, the latest ETF Facts filed in respect of such class or series of ETF Securities must be substituted for the Summary Document in order to satisfy the foregoing conditions with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.
10. Conditions (1), (2), (3) and (5)(a) above do not apply to the Exemption Sought with respect to a class or series of an ETF Security of an ETF if the Filer files an ETF Facts for such class or series of the ETF Security.
11. Conditions (4), (5)(b), (5)(c), (6), (7) and (8) do not apply to an ETF with respect to the Exemption Sought after any new legislation or rule dealing with the Prospectus Delivery Decision takes effect and any applicable transition period has expired.

It is the further decision of the principal regulator under the Legislation that the Prior Underwriter's Certificate Relief and the Prospectus Delivery Representations are revoked.

The Exemption Sought from the Prospectus Form Requirement, as it relates to one or more of the Jurisdictions, will terminate on the latest of: (i) the coming into force of any legislation or rule dealing with the Exemption Sought from the Prospectus Form Requirement or (ii) the end date of any applicable transition period for any legislation or rule dealing with the Exemption Sought from the Prospectus Form Requirement.

As to the (i) revocation of the Original Decision, (ii) the Exemption Sought from the Underwriter's Certificate Requirement and (iii) the revocation of the Prior Underwriter's Certificate Relief and Prospectus Delivery Representations:

"Monica Kowal"
Vice-Chair
Ontario Securities Commission

"Mary Condon"
Commissioner
Ontario Securities Commission

As to the Exemption Sought from the Prospectus Form Requirement:

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

SCHEDULE A

Contents of Summary Document

General Instructions:

1. *Items 1 to 10 represent the minimum disclosure required in a Summary Document for a fund. The inclusion of additional information is not precluded so long as the Summary Document does not exceed a total of four pages in length (two pages double-sided).*
2. *Terms defined in National Instrument 81-102 Investment Funds, National Instrument 81-105 Mutual Fund Sales Practices or National Instrument 81-106 Investment Fund Continuous Disclosure and used in this Summary Document have the meanings that they have in those national instruments.*
3. *Information in the Summary Document must be clear and concise and presented in plain language.*
4. *The format and presentation of information in the Summary Document is not prescribed but the information must be presented in a manner that assists in readability and comprehension.*
5. *The order of the Items outlined below is not prescribed, except for Items 1 and 2, which must be presented as the first 2 items in the Summary Document.*
6. *Each reference to a fund in this Schedule A refers to an ETF as defined in the decision above.*

Item 1 – Introduction

Include at the top of the first page a heading consisting of:

- (a) the title “Summary Document”;
- (b) the name of the manager of the fund;
- (c) the name of the fund to which the Summary Document pertains; and
- (d) the date of the document.

Item 2 – Cautionary Language

Include a statement in italics in substantially the following form:

“The following is a summary of the principal features of this fund. You can find more detailed information about the fund in the prospectus. The prospectus is available on [insert name of the manager of the fund] website at [insert manager of the fund website], or by contacting [insert name of the manager of the fund] at [insert manager of the fund’s email address], or by calling [insert telephone number of the manager of the fund].”

Item 3 – Fund Details

Include the following disclosure:

- (a) ticker symbol;
- (b) fund identification code(s);
- (c) index ticker (as applicable);
- (d) exchange;
- (e) currency;
- (f) inception date;
- (g) RSP eligibility;

Decisions, Orders and Rulings

- (h) DRIP eligibility;
- (i) expected frequency and timing of distributions, and if applicable, the targeted amount for distributions;
- (j) management expense ratio, if available; and
- (k) portfolio manager, when the fund is actively managed.

Item 4 – Investment Objectives

Include a description of the fundamental nature of the fund, or the fundamental features of the fund that distinguishes it from other funds.

INSTRUCTIONS:

Include a description of what the fund primarily invests in, or intends to primarily invest in, such as

- (a) *a description of the fund, including what the fund invests in, and if it is trying to replicate an index, the name of the index, and an overview of the nature of securities covered by the index or the purpose of the index; and*
- (b) *the key investment strategies of the fund.*

Item 5 – Investments of the Fund

1. Include a table disclosing:
 - (a) the top 10 positions held by the fund; and
 - (b) the percentage of net asset value of the fund represented by the top 10 positions.
2. Include at least one, and up to two, charts or tables that illustrate the investment mix of the fund's investment portfolio.

INSTRUCTIONS:

- (a) *The information required under this Item is intended to give a snapshot of the composition of the fund's investment portfolio. The information required to be disclosed under this Item must be as at a date within 60 days before the date of the Summary Document.*
- (b) *The information required under Item 5(2) must show a breakdown of the fund's investment portfolio into appropriate subgroups and the percentage of the aggregate net asset value of the fund constituted by each subgroup. The names of the subgroups are not prescribed and can include security type, industry segment or geographic location. The fund should use the most appropriate categories given the nature of the fund. The choices made must be consistent with disclosure provided under "Summary of Investment Portfolio" in the fund's MRFP.*
- (c) *For new funds where the information required to be disclosed under this Item is not available, provide a brief statement explaining why the required information is not available.*

Item 6 – Risk

1. Include a statement in italics in substantially the following form:

"All investments involve risk. When you invest in the fund the value of your investment can go down as well as up. For a description of the specific risks of this fund, see the fund's prospectus."
2. If the cover page of the fund's prospectus contains text box risk disclosure, also include a description of those risk factors in the Summary Document.

Item 7 – Fund Expenses

1. Include an introduction using wording similar to the following:

"You don't pay these expenses directly. They affect you because they reduce the fund's returns."

2. Provide information about the expenses of the fund in the form of the following table:

	Annual rate (as a % of the fund's value)
<p>Management expense ratio (MER)</p> <p>This is the total of the fund's management fee and operating expenses.</p>	
<p>Trading expense ratio (TER)</p> <p>These are the fund's trading costs.</p>	
<p>Fund expenses</p> <p>The amount included for fund expenses is the amount arrived at by adding the MER and the TER.</p>	

3. If the information in (2) is unavailable because the fund is new including wording similar to the following:

"The fund's expenses are made up of the management fee, operating expenses and trading costs. The fund's annual management fee is []% of the fund's value. Because this fund is new, its operating expenses and trading costs are not yet available."

INSTRUCTIONS:

Use a bold font or other formatting to indicate that fund expenses is the total of all ongoing expenses set out in the chart and is not a separate expense charged to the fund.

Item 8 – Trailing Commissions

1. If the manager of the fund or another member of the fund's organization pays trailing commissions, include a brief description of these commissions.
2. The description of any trailing commission must include a statement in substantially the following words:

"The trailing commission is paid out of the management fee. The trailing commission is paid for as long as you own the fund."

Item 9 – Other Fees

1. Provide information about the amount of fees payable by an investor, other than those already described or payable by designated brokers and underwriters.
2. Include a statement using wording similar to the following:

"You may pay brokerage fees to your dealer when you purchase and sell units of the fund."

INSTRUCTIONS:

- (a) *Examples include any redemption charges, sales charges or other fees, if any, associated with buying and selling securities of the fund.*
- (b) *Provide a brief description of each fee disclosing the amount to be paid as a percentage (or, if applicable, a fixed dollar amount) and state who charges the fee.*

Item 10 – Statement of Rights

State in substantially the following words:

Under securities law in some provinces and territories, you have:

- *the right to cancel your purchase within 48 hours after you receive confirmation of the purchase, or*

- *other rights and remedies if this document or the fund's prospectus contains a misrepresentation. You must act within the time limit set by the securities law in your province or territory.*

For more information, see the securities law of your province or territory or ask a lawyer.

Item 11 – Past Performance

If the fund includes past performance:

1. Include an introduction using wording similar to the following:

This section tells you how the fund has performed over the past [insert the lesser of 10 years or the number of completed calendar years] years. Returns are after expenses have been deducted. These expenses reduce the fund's returns.

It's important to note that this doesn't tell you how the fund will perform in the future as past performance may not be repeated. Also, your actual after-tax return will depend on your personal tax situation.

2. Show the annual total return of the fund, in chronological order for the lesser of:
 - (a) each of the 10 most recently completed calendar years; and
 - (b) each of the completed calendar years in which the fund has been in existence and which the fund was a reporting issuer.
3. Show the
 - (a) final value, of a hypothetical \$1,000 investment in the fund as at the end of the period that ends within 60 days before the date of the Summary Document and consists of the lesser of:
 - (i) 10 years, or
 - (ii) the time since inception of the fund,and
 - (b) the annual compounded rate of return that would equate the initial \$1,000 investment to the final value.

INSTRUCTIONS:

In responding to the requirements of this Item, a fund must comply with the relevant sections of Part 15 of National Instrument 81-102 Investment Funds as if those sections applied to a Summary Document.

Item 12 – Benchmark Information

If the Summary Document includes benchmark information, ensure this information is consistent with the fund's MRFP and presented in the same format as Item 11.

2.1.6 Invesco Canada Ltd. and Existing ETFs Managed by the Filer

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Revocation of prior relief – relief granted primarily to extend sunset clause set out in the original decision – relief granted on terms that are substantially similar to prior relief – Exemptive relief granted to exchange-traded funds for initial and continuous distribution of units – Relief to permit the funds' prospectus to not contain an underwriter's certificate and to include a modified statement of investor rights – Relief granted subject to manager filing a prescribed summary document for each fund on SEDAR and other terms and conditions set out in decision document – Relief consistent with the implementation of the Canadian Securities Administrators Point of Sale Disclosure Project, which contemplates rule-making to codify summary disclosure document for exchange-traded funds – Securities Act (Ontario) and National Instrument 41-101 General Prospectus Requirements.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 59(1), 144.

National Instrument 41-101 General Prospectus Requirements, s. 19.1, and Item 36.2 of Form 41-101F2.

August 24, 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
INVESCO CANADA LTD.
(the Filer)

AND

THE EXISTING EXCHANGE-TRADED FUNDS MANAGED BY THE FILER
(the Existing Funds)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Existing Funds and such other exchange-traded mutual funds as the Filer, or an affiliate of the Filer, may establish in the future (the **Future Funds**, and together with the Existing Funds, the **ETFs** and individually, an **ETF**) for a decision under the securities legislation of the principal regulator (the **Legislation**) that:

1. exempts the Filer and each ETF from
 - (a) the requirement to include a certificate of an underwriter in an ETF's prospectus (the **Underwriter's Certificate Requirement**); and
 - (b) the requirement to include in an ETF's prospectus the statement respecting purchasers' statutory rights of withdrawal and remedies of rescission or damages in substantially the form prescribed in item 36.2 of Form 41-101F2 *Information Required in an Investment Fund Prospectus* (the **Prospectus Form Requirement**)(collectively, the **Exemption Sought**);

2. varies all previous decisions granted by the principal regulator prior to July 19, 2013 that exempted the Filer and the ETFs from the Underwriter's Certificate Requirement (the **Prior Underwriter's Certificate Relief**), by revoking the Prior Underwriter's Certificate Relief and by revoking, as applicable, the representations relating to prospectus delivery contained in such decisions (the **Prospectus Delivery Representations**); and
3. revokes a decision the Filer obtained from the principal regulator dated July 19, 2013 granting the Exemption Sought until September 1, 2015 (the **Original Decision**).

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 all of the provinces and territories of Canada other than Ontario (together with Ontario, the **Jurisdictions**).

Interpretation

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

Affiliate Dealer means a registered dealer that is an affiliate of an Authorized Dealer or Designated Broker and that participates in the re-sale of Creation Units (as defined below) from time to time.

Authorized Dealer means a registered dealer that has entered, or intends to enter, into an agreement with the manager of an ETF (an **ETF Manager**) authorizing the dealer to subscribe for, purchase and redeem Creation Units from one or more ETFs on a continuous basis from time to time.

Designated Broker means a registered dealer that has entered, or intends to enter, into an agreement with an ETF Manager to perform certain duties in relation to the ETF, including posting a liquid two-way market for the trading of the ETF's listed securities on the TSX or another marketplace.

ETF Facts means a prescribed disclosure document in accordance with the regulations, in respect of one or more classes or series of ETF Securities being distributed under a prospectus.

ETF Security means a listed security of an ETF.

Other Dealer means a registered dealer that acts as authorized dealer or designated broker to other exchange-traded funds that are not managed by the Filer and that has received relief under a Prospectus Delivery Decision.

Prospectus Delivery Decision means a decision granting relief from the Prospectus Delivery Requirement to a Designated Broker, Authorized Dealer, Affiliate Dealer or Other Dealer dated July 19, 2013, or any subsequent decision granting similar relief to a Designated Broker, Authorized Dealer, Affiliate Dealer or Other Dealer, and in each case, that is in effect at the relevant time.

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

Summary Document means a document, in respect of one or more classes or series of ETF Securities being distributed under a prospectus, prepared in accordance with Schedule A.

TSX means the Toronto Stock Exchange.

Representations

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

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

2. Each ETF is, or will be, a mutual fund governed by the laws of the Province of Ontario and a reporting issuer under the laws of some or all of the Jurisdictions.
3. Each ETF is, or will be, subject to NI 81-102, subject to any exemptions therefrom that have been, or may be, granted by the applicable securities regulatory authorities.
4. Each ETF is, or will be, in continuous distribution. The ETF Securities of each ETF are, or will be, listed on the TSX or another marketplace in Canada.
5. The Filer has filed, or will file, a long form prospectus in accordance with National Instrument 41-101 *General Prospectus Requirements* on behalf of the ETFs, subject to any exemptions that have been or may be granted by the applicable securities regulatory authorities.
6. The Filer will act as the trustee, investment fund manager and portfolio adviser to the ETFs. The Filer is currently registered in the Province of Ontario as an adviser for securities in the category of portfolio manager, as an adviser for commodities in the category of commodity trading manager, as a dealer in the categories of mutual fund dealer and exempt market dealer, and as an investment fund manager.
7. ETF Securities are, or will be, distributed on a continuous basis in one or more of the Jurisdictions under a prospectus. ETF Securities may generally only be subscribed for or purchased directly from the ETFs by Authorized Dealers or Designated Brokers (**Creation Units**). Authorized Dealers or Designated Brokers subscribe for Creation Units for the purpose of facilitating investor purchases of ETF Securities on the TSX or another marketplace in Canada.
8. In addition to subscribing for and re-selling Creation Units, Authorized Dealers, Designated Brokers and Affiliate Dealers are also generally engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market. Other Dealers may also be engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market despite not being an Authorized Dealer, Designated Broker or Affiliate Dealer.
9. According to the Authorized Dealers and Designated Brokers, Creation Units are generally commingled with other ETF Securities purchased by the Authorized Dealers, Designated Brokers and Affiliate Dealers in the secondary market. As such, it is not practicable for the Authorized Dealers, Designated Brokers or Affiliate Dealers to determine whether a particular re-sale of ETF Securities involves Creation Units or ETF Securities purchased in the secondary market.
10. Designated Brokers perform certain other functions, which include standing in the market with a bid and ask price for ETF Securities for the purpose of maintaining liquidity for the ETF Securities.
11. Except for Authorized Dealer and Designated Broker subscriptions for Creation Units, as described above, and other distributions that are exempt from the Prospectus Delivery Requirement under the Legislation, ETF Securities generally may not be purchased directly from an ETF. Investors are generally expected to purchase and sell ETF Securities, directly or indirectly, through dealers executing trades through the facilities of the TSX or another marketplace in Canada. ETF Securities may also be issued directly to ETF investors upon the reinvestment of distributions of income or capital gains.
12. The Authorized Dealers and Designated Brokers do not provide the same services in connection with a distribution of Creation Units as would typically be provided by an underwriter in a conventional underwriting.
13. The Authorized Dealers and Designated Brokers are not involved in the preparation of an ETF's prospectus, do not incur any marketing costs or receive any underwriting fees or commissions from the ETFs or the ETF Managers in connection with the distribution of Creation Units. The Authorized Dealers and Designated Brokers generally seek to profit from their ability to create and redeem ETF Securities by engaging in arbitrage trading to capture spreads between the trading prices of ETF Securities and their underlying securities and by making markets for their clients to facilitate client trading in ETF Securities.
14. The Filer generally conducts its own marketing, advertising and promotion of the ETFs. The Filer may, at its discretion, charge an administration fee on the issuance of Creation Units to Authorized Dealers or Designated Brokers.
15. The principal regulator has advised the Filer that it takes the view that the first re-sale of a Creation Unit on the TSX or another marketplace in Canada will generally constitute a distribution of Creation Units under the Legislation and that the Authorized Dealers, Designated Brokers and Affiliate Dealers are subject to the Prospectus Delivery Requirement in connection with such re-sales. Re-sales of ETF Securities in the secondary market that are not Creation Units would not ordinarily constitute a distribution of such ETF Securities.

16. Under a Prospectus Delivery Decision, Authorized Dealers, Designated Brokers and Affiliate Dealers are exempt from the Prospectus Delivery Requirement in connection with the re-sale of Creation Units to investors on the TSX or another marketplace in Canada. Under a Prospectus Delivery Decision, Other Dealers are also exempt from the Prospectus Delivery Requirement in connection with the re-sale of creation units of other exchange-traded funds that are not managed by the Filer.
17. Each Prospectus Delivery Decision includes a condition that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer undertakes that it will, unless it has previously done so, send or deliver to each purchaser of an ETF Security who is a customer of the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer, and to whom a trade confirmation is required under the Legislation to be sent or delivered by the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer in connection with the purchase, the latest Summary Document filed in respect of the ETF Security, not later than midnight on the second day, exclusive of Saturdays, Sundays and holidays, after the purchase of the ETF Security.
18. The Filer will file with the applicable Jurisdictions on the System for Electronic Document Analysis and Retrieval (**SEDAR**) a Summary Document for each class or series of ETF Securities offered by the Filer and provide or make available to the Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers, the requisite number of copies of the Summary Document for the purpose of facilitating their compliance with the Prospectus Delivery Decision.
19. The Filer will file a Summary Document for each class or series of ETF Securities offered by the Filer within the timeframe necessary to allow Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers to effect delivery of the Summary Document as contemplated in the Prospectus Delivery Decision.
20. The Exemption Sought from the Prospectus Form Requirement is required to reflect the relief provided in the Prospectus Delivery Decision. Accordingly, the Filer will include language in each ETF's prospectus explaining the impact on a purchaser's statutory rights as a result of the Prospectus Delivery Decision in replacement of the language prescribed by the Prospectus Form Requirement.

Original Decision; Proposed Rules

21. The Filer is seeking to revoke the Original Decision and replace it with this decision.
22. The securities regulatory authorities are developing proposed rule amendments that will require the Filer to file an ETF Facts in connection with the filing of a prospectus. If the amendments are adopted, the requirement for the Filer to file an ETF Facts will supersede the requirement for the Filer to file a Summary Document under this decision. Since the introduction of the ETF Facts will likely be subject to a transition period, there may be a period of time where some ETFs have an ETF Facts while other ETFs have a Summary Document. If the Filer files an ETF Facts with respect to a class or series of ETF Securities, the Filer will use such ETF Facts instead of a Summary Document to satisfy its obligations under this decision with respect to any purchase of such class or series of ETF Securities that occurs after the filing of such ETF Facts.

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 (i) the Original Decision is revoked and replaced by this decision and (ii) the Exemption Sought is granted, provided that the Filer is in compliance with the following conditions:

1. The Filer files with the applicable Jurisdictions on SEDAR and displays on its website in a manner that would be considered prominent to a reasonable investor the Summary Document for each class or series of ETF Securities of an Existing Fund.
2. The Filer files concurrently on SEDAR the Summary Document for each class or series of ETF Securities when filing a final prospectus for that ETF.
3. The Filer amends the Summary Document at the same time it files any amendments to the ETF's prospectus that affect the disclosure in the Summary Document and files the amended Summary Document with the applicable Jurisdictions on SEDAR and makes it available on its website in a manner that would be considered prominent to a reasonable investor.
4. The Filer provides or makes available to each Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer, the number of copies of the Summary Document of each ETF Security that the Authorized Dealer,

- Designated Broker, Affiliate Dealer or Other Dealer reasonably requests in support of compliance with its respective Prospectus Delivery Decision.
5. Each ETF's preliminary prospectus, pro forma prospectus or any amendment will the next time it is filed, if it does not already do so,
 - (a) incorporate the relevant Summary Document by reference;
 - (b) contain the disclosure referred to in paragraph 20 above; and
 - (c) disclose both this decision and the Prospectus Delivery Decision under Item 34.1 of Form 41-101F2 *Exemptions and Approvals*.
 6. The Filer obtains an executed acknowledgement from each Authorized Dealer, Designated Broker and Affiliate Dealer, and uses its best efforts to obtain an acknowledgment from each Other Dealer:
 - (a) indicating its election, in connection with the re-sale of Creation Units on the TSX or another marketplace in Canada, to send or deliver the Summary Document in accordance with a Prospectus Delivery Decision or, alternatively, to comply with the Prospectus Delivery Requirement; and
 - (b) if the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer agrees to deliver the Summary Document in accordance with a Prospectus Delivery Decision:
 - (i) an undertaking that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under the Prospectus Delivery Decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (ii) confirming that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer has in place written policies and procedures to ensure that it is in compliance with the conditions of the Prospectus Delivery Decision.
 7. The Filer will keep records of which Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers, have provided it with an acknowledgement under a Prospectus Delivery Decision, and which intend to rely on and comply with the Prospectus Delivery Decision or intend to comply with the Prospectus Delivery Requirement.
 8. The Filer files with its principal regulator, to the attention of the Director, Investment Funds Branch, on or before January 31st in each calendar year, a certificate signed by an ultimate designated person certifying that, to the best of the knowledge of such person, after making due inquiry, the Filer has complied with the terms and conditions of this decision, and the Original Decision, as applicable, during the previous calendar year.
 9. If the Filer files an ETF Facts instead of a Summary Document with respect to a class or series of ETF Securities, the latest ETF Facts filed in respect of such class or series of ETF Securities must be substituted for the Summary Document in order to satisfy the foregoing conditions with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.
 10. Conditions (1), (2), (3) and (5)(a) above do not apply to the Exemption Sought with respect to a class or series of an ETF Security of an ETF if the Filer files an ETF Facts for such class or series of the ETF Security.
 11. Conditions (4), (5)(b), (5)(c), (6), (7) and (8) do not apply to an ETF with respect to the Exemption Sought after any new legislation or rule dealing with the Prospectus Delivery Decision takes effect and any applicable transition period has expired.

It is the further decision of the principal regulator under the Legislation that the Prior Underwriter's Certificate Relief and the Prospectus Delivery Representations are revoked.

The Exemption Sought from the Prospectus Form Requirement, as it relates to one or more of the Jurisdictions, will terminate on the latest of: (i) the coming into force of any legislation or rule dealing with the Exemption Sought from the Prospectus Form Requirement or (ii) the end date of any applicable transition period for any legislation or rule dealing with the Exemption Sought from the Prospectus Form Requirement.

As to the (i) revocation of the Original Decision, (ii) the Exemption Sought from the Underwriter's Certificate Requirement and (iii) the revocation of the Prior Underwriter's Certificate Relief and Prospectus Delivery Representations:

"Monica Kowal"
Vice-Chair
Ontario Securities Commission

"Mary Condon"
Commissioner
Ontario Securities Commission

As to the Exemption Sought from the Prospectus Form Requirement:

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

SCHEDULE A

Contents of Summary Document

General Instructions:

1. *Items 1 to 10 represent the minimum disclosure required in a Summary Document for a fund. The inclusion of additional information is not precluded so long as the Summary Document does not exceed a total of four pages in length (two pages double-sided).*
2. *Terms defined in National Instrument 81-102 Investment Funds, National Instrument 81-105 Mutual Fund Sales Practices or National Instrument 81-106 Investment Fund Continuous Disclosure and used in this Summary Document have the meanings that they have in those national instruments.*
3. *Information in the Summary Document must be clear and concise and presented in plain language.*
4. *The format and presentation of information in the Summary Document is not prescribed but the information must be presented in a manner that assists in readability and comprehension.*
5. *The order of the Items outlined below is not prescribed, except for Items 1 and 2, which must be presented as the first 2 items in the Summary Document.*
6. *Each reference to a fund in this Schedule A refers to an ETF as defined in the decision above.*

Item 1 – Introduction

Include at the top of the first page a heading consisting of:

- (a) the title “Summary Document”;
- (b) the name of the manager of the fund;
- (c) the name of the fund to which the Summary Document pertains; and
- (d) the date of the document.

Item 2 – Cautionary Language

Include a statement in italics in substantially the following form:

“The following is a summary of the principal features of this fund. You can find more detailed information about the fund in the prospectus. The prospectus is available on [insert name of the manager of the fund] website at [insert manager of the fund website], or by contacting [insert name of the manager of the fund] at [insert manager of the fund’s email address], or by calling [insert telephone number of the manager of the fund].”

Item 3 – Fund Details

Include the following disclosure:

- (a) ticker symbol;
- (b) fund identification code(s);
- (c) index ticker (as applicable);
- (d) exchange;
- (e) currency;
- (f) inception date;
- (g) RSP eligibility;

Decisions, Orders and Rulings

- (h) DRIP eligibility;
- (i) expected frequency and timing of distributions, and if applicable, the targeted amount for distributions;
- (j) management expense ratio, if available; and
- (k) portfolio manager, when the fund is actively managed.

Item 4 – Investment Objectives

Include a description of the fundamental nature of the fund, or the fundamental features of the fund that distinguishes it from other funds.

INSTRUCTIONS:

Include a description of what the fund primarily invests in, or intends to primarily invest in, such as

- (a) *a description of the fund, including what the fund invests in, and if it is trying to replicate an index, the name of the index, and an overview of the nature of securities covered by the index or the purpose of the index; and*
- (b) *the key investment strategies of the fund.*

Item 5 – Investments of the Fund

1. Include a table disclosing:
 - (a) the top 10 positions held by the fund; and
 - (b) the percentage of net asset value of the fund represented by the top 10 positions.
2. Include at least one, and up to two, charts or tables that illustrate the investment mix of the fund's investment portfolio.

INSTRUCTIONS:

- (a) *The information required under this Item is intended to give a snapshot of the composition of the fund's investment portfolio. The information required to be disclosed under this Item must be as at a date within 60 days before the date of the Summary Document.*
- (b) *The information required under Item 5(2) must show a breakdown of the fund's investment portfolio into appropriate subgroups and the percentage of the aggregate net asset value of the fund constituted by each subgroup. The names of the subgroups are not prescribed and can include security type, industry segment or geographic location. The fund should use the most appropriate categories given the nature of the fund. The choices made must be consistent with disclosure provided under "Summary of Investment Portfolio" in the fund's MRFP.*
- (c) *For new funds where the information required to be disclosed under this Item is not available, provide a brief statement explaining why the required information is not available.*

Item 6 – Risk

1. Include a statement in italics in substantially the following form:

"All investments involve risk. When you invest in the fund the value of your investment can go down as well as up. For a description of the specific risks of this fund, see the fund's prospectus."
2. If the cover page of the fund's prospectus contains text box risk disclosure, also include a description of those risk factors in the Summary Document.

Item 7 – Fund Expenses

1. Include an introduction using wording similar to the following:

"You don't pay these expenses directly. They affect you because they reduce the fund's returns."

2. Provide information about the expenses of the fund in the form of the following table:

	Annual rate (as a % of the fund's value)
<p>Management expense ratio (MER)</p> <p>This is the total of the fund's management fee and operating expenses.</p>	
<p>Trading expense ratio (TER)</p> <p>These are the fund's trading costs.</p>	
<p>Fund expenses</p> <p>The amount included for fund expenses is the amount arrived at by adding the MER and the TER.</p>	

3. If the information in (2) is unavailable because the fund is new including wording similar to the following:

"The fund's expenses are made up of the management fee, operating expenses and trading costs. The fund's annual management fee is []% of the fund's value. Because this fund is new, its operating expenses and trading costs are not yet available."

INSTRUCTIONS:

Use a bold font or other formatting to indicate that fund expenses is the total of all ongoing expenses set out in the chart and is not a separate expense charged to the fund.

Item 8 – Trailing Commissions

1. If the manager of the fund or another member of the fund's organization pays trailing commissions, include a brief description of these commissions.
2. The description of any trailing commission must include a statement in substantially the following words:

"The trailing commission is paid out of the management fee. The trailing commission is paid for as long as you own the fund."

Item 9 – Other Fees

1. Provide information about the amount of fees payable by an investor, other than those already described or payable by designated brokers and underwriters.
2. Include a statement using wording similar to the following:

"You may pay brokerage fees to your dealer when you purchase and sell units of the fund."

INSTRUCTIONS:

- (a) *Examples include any redemption charges, sales charges or other fees, if any, associated with buying and selling securities of the fund.*
- (b) *Provide a brief description of each fee disclosing the amount to be paid as a percentage (or, if applicable, a fixed dollar amount) and state who charges the fee.*

Item 10 – Statement of Rights

State in substantially the following words:

Under securities law in some provinces and territories, you have:

- *the right to cancel your purchase within 48 hours after you receive confirmation of the purchase, or*

- *other rights and remedies if this document or the fund's prospectus contains a misrepresentation. You must act within the time limit set by the securities law in your province or territory.*

For more information, see the securities law of your province or territory or ask a lawyer.

Item 11 – Past Performance

If the fund includes past performance:

1. Include an introduction using wording similar to the following:

This section tells you how the fund has performed over the past [insert the lesser of 10 years or the number of completed calendar years] years. Returns are after expenses have been deducted. These expenses reduce the fund's returns.

It's important to note that this doesn't tell you how the fund will perform in the future as past performance may not be repeated. Also, your actual after-tax return will depend on your personal tax situation.

2. Show the annual total return of the fund, in chronological order for the lesser of:
 - (a) each of the 10 most recently completed calendar years; and
 - (b) each of the completed calendar years in which the fund has been in existence and which the fund was a reporting issuer.
3. Show the
 - (a) final value, of a hypothetical \$1,000 investment in the fund as at the end of the period that ends within 60 days before the date of the Summary Document and consists of the lesser of:
 - (i) 10 years, or
 - (ii) the time since inception of the fund,and
 - (b) the annual compounded rate of return that would equate the initial \$1,000 investment to the final value.

INSTRUCTIONS:

In responding to the requirements of this Item, a fund must comply with the relevant sections of Part 15 of National Instrument 81-102 Investment Funds as if those sections applied to a Summary Document.

Item 12 – Benchmark Information

If the Summary Document includes benchmark information, ensure this information is consistent with the fund's MRFP and presented in the same format as Item 11.

2.1.7 Purpose Investments Inc. and Existing ETFs Managed by the Filer

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Revocation of prior relief – relief granted primarily to extend sunset clause set out in the original decision – relief granted on terms that are substantially similar to prior relief – Exemptive relief granted to exchange-traded funds for initial and continuous distribution of units – Relief to permit the funds' prospectus to not contain an underwriter's certificate and to include a modified statement of investor rights – Relief granted subject to manager filing a prescribed summary document for each fund on SEDAR and other terms and conditions set out in decision document – Relief consistent with the implementation of the Canadian Securities Administrators Point of Sale Disclosure Project, which contemplates rule-making to codify summary disclosure document for exchange-traded funds – Securities Act (Ontario) and National Instrument 41-101 General Prospectus Requirements.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 59(1), 144.

National Instrument 41-101 General Prospectus Requirements, s. 19.1, and Item 36.2 of Form 41-101F2.

August 24, 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
PURPOSE INVESTMENTS INC.
(the Filer)

AND

THE EXISTING EXCHANGE-TRADED FUNDS MANAGED BY THE FILER
(the Existing Funds)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Existing Funds and such other exchange-traded mutual funds as the Filer, or an affiliate of the Filer, may establish in the future (the **Future Funds**, and together with the Existing Funds, the **ETFs** and individually, an **ETF**) for a decision under the securities legislation of the principal regulator (the **Legislation**) that:

1. exempts the Filer and each ETF from
 - (a) the requirement to include a certificate of an underwriter in an ETF's prospectus (the **Underwriter's Certificate Requirement**); and
 - (b) the requirement to include in an ETF's prospectus the statement respecting purchasers' statutory rights of withdrawal and remedies of rescission or damages in substantially the form prescribed in item 11 of Part A of Form 81-101F1 *Contents of Simplified Prospectus* or item 36.2 of Form 41-101F2 *Information Required in an Investment Fund Prospectus*, as applicable (the **Prospectus Form Requirement**)(collectively, the **Exemption Sought**);

2. varies all previous decisions granted by the principal regulator prior to August 6, 2013 that exempted the Filer and the ETFs from the Underwriter's Certificate Requirement (the **Prior Underwriter's Certificate Relief**), by revoking the Prior Underwriter's Certificate Relief and by revoking, as applicable, the representations relating to prospectus delivery contained in such decisions (the **Prospectus Delivery Representations**); and
3. revokes a decision the Filer obtained from the principal regulator dated August 6, 2013 granting the Exemption Sought until September 1, 2015 (the **Original Decision**).

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 all of the provinces and territories of Canada other than Ontario (together with Ontario, the Jurisdictions).

Interpretation

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

Affiliate Dealer means a registered dealer that is an affiliate of an Authorized Dealer or Designated Broker and that participates in the re-sale of Creation Units (as defined below) from time to time.

Authorized Dealer means a registered dealer that has entered, or intends to enter, into an agreement with the manager of an ETF (an **ETF Manager**) authorizing the dealer to subscribe for, purchase and redeem Creation Units from one or more ETFs on a continuous basis from time to time.

Designated Broker means a registered dealer that has entered, or intends to enter, into an agreement with an ETF Manager to perform certain duties in relation to the ETF, including posting a liquid two-way market for the trading of the ETF's listed securities on the TSX or another marketplace.

ETF Facts means a prescribed disclosure document in accordance with the regulations, in respect of one or more classes or series of ETF Securities being distributed under a prospectus.

ETF Security means a listed security of an ETF.

Other Dealer means a registered dealer that acts as authorized dealer or designated broker to other exchange-traded funds that are not managed by the Filer and that has received relief under a Prospectus Delivery Decision.

Prospectus Delivery Decision means a decision granting relief from the Prospectus Delivery Requirement to a Designated Broker, Authorized Dealer, Affiliate Dealer or Other Dealer dated July 19, 2013, or any subsequent decision granting similar relief to a Designated Broker, Authorized Dealer, Affiliate Dealer or Other Dealer, and in each case, that is in effect at the relevant time.

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

Summary Document means a document, in respect of one or more classes or series of ETF Securities being distributed under a prospectus, prepared in accordance with Schedule A.

TSX means the Toronto Stock Exchange.

Representations

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

1. The Filer is a corporation organized under the laws of Ontario, with a head office in Ontario.

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2. Each ETF is, or will be, a mutual fund governed by the laws of the Province of Ontario and a reporting issuer under the laws of some or all of the Jurisdictions.
3. Each ETF is, or will be, subject to NI 81-102, subject to any exemptions therefrom that have been, or may be, granted by the applicable securities regulatory authorities.
4. Each ETF is, or will be, in continuous distribution. The ETF Securities of each ETF are, or will be, listed on the TSX or another marketplace in Canada.
5. The Filer has filed, or will file, a simplified prospectus and annual information form in accordance with National Instrument 81-101 *Mutual Fund Prospectus Disclosure (NI 81-101)* or a long form prospectus in accordance with National Instrument 41-101 *General Prospectus Requirements*, as applicable, on behalf of the ETFs, subject to any exemptions that have been or may be granted by the applicable securities regulatory authorities.
6. The Filer will act as the trustee, investment fund manager and portfolio adviser to the ETFs. The Filer is registered in the Province of Ontario as an adviser in the category of portfolio manager, as a dealer in the category of exempt market dealer and as an investment fund manager.
7. ETF Securities are, or will be, distributed on a continuous basis in one or more of the Jurisdictions under a prospectus. ETF Securities may generally only be subscribed for or purchased directly from the ETFs by Authorized Dealers or Designated Brokers (**Creation Units**). Authorized Dealers or Designated Brokers subscribe for Creation Units for the purpose of facilitating investor purchases of ETF Securities on the TSX or another marketplace in Canada.
8. In addition to subscribing for and re-selling Creation Units, Authorized Dealers, Designated Brokers and Affiliate Dealers are also generally engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market. Other Dealers may also be engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market despite not being an Authorized Dealer, Designated Broker or Affiliate Dealer.
9. According to the Authorized Dealers and Designated Brokers, Creation Units are generally commingled with other ETF Securities purchased by the Authorized Dealers, Designated Brokers and Affiliate Dealers in the secondary market. As such, it is not practicable for the Authorized Dealers, Designated Brokers or Affiliate Dealers to determine whether a particular re-sale of ETF Securities involves Creation Units or ETF Securities purchased in the secondary market.
10. Designated Brokers perform certain other functions, which include standing in the market with a bid and ask price for ETF Securities for the purpose of maintaining liquidity for the ETF Securities.
11. Except for Authorized Dealer and Designated Broker subscriptions for Creation Units, as described above, and other distributions that are exempt from the Prospectus Delivery Requirement under the Legislation, ETF Securities generally may not be purchased directly from an ETF. Investors are generally expected to purchase and sell ETF Securities, directly or indirectly, through dealers executing trades through the facilities of the TSX or another marketplace in Canada. ETF Securities may also be issued directly to ETF investors upon the reinvestment of distributions of income or capital gains.
12. The Authorized Dealers and Designated Brokers do not provide the same services in connection with a distribution of Creation Units as would typically be provided by an underwriter in a conventional underwriting.
13. The Authorized Dealers and Designated Brokers are not involved in the preparation of an ETF's prospectus, do not incur any marketing costs or receive any underwriting fees or commissions from the ETFs or the ETF Managers in connection with the distribution of Creation Units. The Authorized Dealers and Designated Brokers generally seek to profit from their ability to create and redeem ETF Securities by engaging in arbitrage trading to capture spreads between the trading prices of ETF Securities and their underlying securities and by making markets for their clients to facilitate client trading in ETF Securities.
14. The Filer generally conducts its own marketing, advertising and promotion of the ETFs. The Filer may, at its discretion, charge an administration fee on the issuance of Creation Units to Authorized Dealers or Designated Brokers.
15. The principal regulator has advised the Filer that it takes the view that the first re-sale of a Creation Unit on the TSX or another marketplace in Canada will generally constitute a distribution of Creation Units under the Legislation and that the Authorized Dealers, Designated Brokers and Affiliate Dealers are subject to the Prospectus Delivery Requirement in connection with such re-sales. Re-sales of ETF Securities in the secondary market that are not Creation Units would not ordinarily constitute a distribution of such ETF Securities.

16. Under a Prospectus Delivery Decision, Authorized Dealers, Designated Brokers and Affiliate Dealers are exempt from the Prospectus Delivery Requirement in connection with the re-sale of Creation Units to investors on the TSX or another marketplace in Canada. Under a Prospectus Delivery Decision, Other Dealers are also exempt from the Prospectus Delivery Requirement in connection with the re-sale of creation units of other exchange-traded funds that are not managed by the Filer.
17. Each Prospectus Delivery Decision includes a condition that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer undertakes that it will, unless it has previously done so, send or deliver to each purchaser of an ETF Security who is a customer of the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer, and to whom a trade confirmation is required under the Legislation to be sent or delivered by the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer in connection with the purchase, the latest Summary Document filed in respect of the ETF Security, not later than midnight on the second day, exclusive of Saturdays, Sundays and holidays, after the purchase of the ETF Security.
18. The Filer will file with the applicable Jurisdictions on the System for Electronic Document Analysis and Retrieval (**SEDAR**) a Summary Document for each class or series of ETF Securities offered by the Filer and provide or make available to the Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers, the requisite number of copies of the Summary Document for the purpose of facilitating their compliance with the Prospectus Delivery Decision.
19. The Filer will file a Summary Document for each class or series of ETF Securities offered by the Filer within the timeframe necessary to allow Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers to effect delivery of the Summary Document as contemplated in the Prospectus Delivery Decision.
20. The Exemption Sought from the Prospectus Form Requirement is required to reflect the relief provided in the Prospectus Delivery Decision. Accordingly, the Filer will include language in each ETF's prospectus explaining the impact on a purchaser's statutory rights as a result of the Prospectus Delivery Decision in replacement of the language prescribed by the Prospectus Form Requirement, in addition to the disclosure required by Item 11 of Part A of Form 81-101F1 *Contents of Simplified Prospectus*, if the ETF Securities are qualified for distribution by simplified prospectus under NI 81-101, subject to any exemptions granted by the applicable securities regulatory authorities.

Original Decision; Proposed Rules

21. The Filer is seeking to revoke the Original Decision and replace it with this decision.
22. The securities regulatory authorities are developing proposed rule amendments that will require the Filer to file an ETF Facts in connection with the filing of a prospectus. If the amendments are adopted, the requirement for the Filer to file an ETF Facts will supersede the requirement for the Filer to file a Summary Document under this decision. Since the introduction of the ETF Facts will likely be subject to a transition period, there may be a period of time where some ETFs have an ETF Facts while other ETFs have a Summary Document. If the Filer files an ETF Facts with respect to a class or series of ETF Securities, the Filer will use such ETF Facts instead of a Summary Document to satisfy its obligations under this decision with respect to any purchase of such class or series of ETF Securities that occurs after the filing of such ETF Facts.

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 (i) the Original Decision is revoked and replaced by this decision and (ii) the Exemption Sought is granted, provided that the Filer is in compliance with the following conditions:

1. The Filer files with the applicable Jurisdictions on SEDAR and displays on its website in a manner that would be considered prominent to a reasonable investor the Summary Document for each class or series of ETF Securities of an Existing Fund.
2. The Filer files concurrently on SEDAR the Summary Document for each class or series of ETF Securities when filing a final prospectus for that ETF.
3. The Filer amends the Summary Document at the same time it files any amendments to the ETF's prospectus that affect the disclosure in the Summary Document and files the amended Summary Document with the applicable Jurisdictions on SEDAR and makes it available on its website in a manner that would be considered prominent to a reasonable investor.

4. The Filer provides or makes available to each Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer, the number of copies of the Summary Document of each ETF Security that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer reasonably requests in support of compliance with its respective Prospectus Delivery Decision.
5. Each ETF's preliminary prospectus, pro forma prospectus or any amendment will the next time it is filed, if it does not already do so,
 - (a) incorporate the relevant Summary Document by reference;
 - (b) contain the disclosure referred to in paragraph 20 above; and
 - (c) disclose both this decision and the Prospectus Delivery Decision under Item 23 of Form 81-101F2 *Contents of Annual Information Form* or Item 34.1 of Form 41-101F2 *Information Required in an Investment Fund Prospectus*, as applicable.
6. The Filer obtains an executed acknowledgement from each Authorized Dealer, Designated Broker and Affiliate Dealer, and uses its best efforts to obtain an acknowledgment from each Other Dealer:
 - (a) indicating its election, in connection with the re-sale of Creation Units on the TSX or another marketplace in Canada, to send or deliver the Summary Document in accordance with a Prospectus Delivery Decision or, alternatively, to comply with the Prospectus Delivery Requirement; and
 - (b) if the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer agrees to deliver the Summary Document in accordance with a Prospectus Delivery Decision:
 - (i) an undertaking that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under the Prospectus Delivery Decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (ii) confirming that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer has in place written policies and procedures to ensure that it is in compliance with the conditions of the Prospectus Delivery Decision.
7. The Filer will keep records of which Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers, have provided it with an acknowledgement under a Prospectus Delivery Decision, and which intend to rely on and comply with the Prospectus Delivery Decision or intend to comply with the Prospectus Delivery Requirement.
8. The Filer files with its principal regulator, to the attention of the Director, Investment Funds Branch, on or before January 31st in each calendar year, a certificate signed by an ultimate designated person certifying that, to the best of the knowledge of such person, after making due inquiry, the Filer has complied with the terms and conditions of this decision, and the Original Decision, as applicable, during the previous calendar year.
9. If the Filer files an ETF Facts instead of a Summary Document with respect to a class or series of ETF Securities, the latest ETF Facts filed in respect of such class or series of ETF Securities must be substituted for the Summary Document in order to satisfy the foregoing conditions with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.
10. Conditions (1), (2), (3) and (5)(a) above do not apply to the Exemption Sought with respect to a class or series of an ETF Security of an ETF if the Filer files an ETF Facts for such class or series of the ETF Security.
11. Conditions (4), (5)(b), (5)(c), (6), (7) and (8) do not apply to an ETF with respect to the Exemption Sought after any new legislation or rule dealing with the Prospectus Delivery Decision takes effect and any applicable transition period has expired.

It is the further decision of the principal regulator under the Legislation that the Prior Underwriter's Certificate Relief and the Prospectus Delivery Representations are revoked.

The Exemption Sought from the Prospectus Form Requirement, as it relates to one or more of the Jurisdictions, will terminate on the latest of: (i) the coming into force of any legislation or rule dealing with the Exemption Sought from the Prospectus Form

Requirement or (ii) the end date of any applicable transition period for any legislation or rule dealing with the Exemption Sought from the Prospectus Form Requirement.

As to the (i) revocation of the Original Decision, (ii) the Exemption Sought from the Underwriter's Certificate Requirement and (iii) the revocation of the Prior Underwriter's Certificate Relief and Prospectus Delivery Representations:

"Monica Kowal"
Vice-Chair
Ontario Securities Commission

"Mary Condon"
Commissioner
Ontario Securities Commission

As to the Exemption Sought from the Prospectus Form Requirement:

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

SCHEDULE A

Contents of Summary Document

General Instructions:

1. *Items 1 to 10 represent the minimum disclosure required in a Summary Document for a fund. The inclusion of additional information is not precluded so long as the Summary Document does not exceed a total of four pages in length (two pages double-sided).*
2. *Terms defined in National Instrument 81-102 Investment Funds, National Instrument 81-105 Mutual Fund Sales Practices or National Instrument 81-106 Investment Fund Continuous Disclosure and used in this Summary Document have the meanings that they have in those national instruments.*
3. *Information in the Summary Document must be clear and concise and presented in plain language.*
4. *The format and presentation of information in the Summary Document is not prescribed but the information must be presented in a manner that assists in readability and comprehension.*
5. *The order of the Items outlined below is not prescribed, except for Items 1 and 2, which must be presented as the first 2 items in the Summary Document.*
6. *Each reference to a fund in this Schedule A refers to an ETF as defined in the decision above.*

Item 1 – Introduction

Include at the top of the first page a heading consisting of:

- (a) the title “Summary Document”;
- (b) the name of the manager of the fund;
- (c) the name of the fund to which the Summary Document pertains; and
- (d) the date of the document.

Item 2 – Cautionary Language

Include a statement in italics in substantially the following form:

“The following is a summary of the principal features of this fund. You can find more detailed information about the fund in the prospectus. The prospectus is available on [insert name of the manager of the fund] website at [insert manager of the fund website], or by contacting [insert name of the manager of the fund] at [insert manager of the fund’s email address], or by calling [insert telephone number of the manager of the fund].”

Item 3 – Fund Details

Include the following disclosure:

- (a) ticker symbol;
- (b) fund identification code(s);
- (c) index ticker (as applicable);
- (d) exchange;
- (e) currency;
- (f) inception date;
- (g) RSP eligibility;

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- (h) DRIP eligibility;
- (i) expected frequency and timing of distributions, and if applicable, the targeted amount for distributions;
- (j) management expense ratio, if available; and
- (k) portfolio manager, when the fund is actively managed.

Item 4 – Investment Objectives

Include a description of the fundamental nature of the fund, or the fundamental features of the fund that distinguishes it from other funds.

INSTRUCTIONS:

Include a description of what the fund primarily invests in, or intends to primarily invest in, such as

- (a) *a description of the fund, including what the fund invests in, and if it is trying to replicate an index, the name of the index, and an overview of the nature of securities covered by the index or the purpose of the index; and*
- (b) *the key investment strategies of the fund.*

Item 5 – Investments of the Fund

1. Include a table disclosing:
 - (a) the top 10 positions held by the fund; and
 - (b) the percentage of net asset value of the fund represented by the top 10 positions.
2. Include at least one, and up to two, charts or tables that illustrate the investment mix of the fund's investment portfolio.

INSTRUCTIONS:

- (a) *The information required under this Item is intended to give a snapshot of the composition of the fund's investment portfolio. The information required to be disclosed under this Item must be as at a date within 60 days before the date of the Summary Document.*
- (b) *The information required under Item 5(2) must show a breakdown of the fund's investment portfolio into appropriate subgroups and the percentage of the aggregate net asset value of the fund constituted by each subgroup. The names of the subgroups are not prescribed and can include security type, industry segment or geographic location. The fund should use the most appropriate categories given the nature of the fund. The choices made must be consistent with disclosure provided under "Summary of Investment Portfolio" in the fund's MRFP.*
- (c) *For new funds where the information required to be disclosed under this Item is not available, provide a brief statement explaining why the required information is not available.*

Item 6 – Risk

1. Include a statement in italics in substantially the following form:

"All investments involve risk. When you invest in the fund the value of your investment can go down as well as up. For a description of the specific risks of this fund, see the fund's prospectus."
2. If the cover page of the fund's prospectus contains text box risk disclosure, also include a description of those risk factors in the Summary Document.

Item 7 – Fund Expenses

1. Include an introduction using wording similar to the following:

"You don't pay these expenses directly. They affect you because they reduce the fund's returns."

2. Provide information about the expenses of the fund in the form of the following table:

	Annual rate (as a % of the fund's value)
<p>Management expense ratio (MER)</p> <p>This is the total of the fund's management fee and operating expenses.</p>	
<p>Trading expense ratio (TER)</p> <p>These are the fund's trading costs.</p>	
<p>Fund expenses</p> <p>The amount included for fund expenses is the amount arrived at by adding the MER and the TER.</p>	

3. If the information in (2) is unavailable because the fund is new including wording similar to the following:

"The fund's expenses are made up of the management fee, operating expenses and trading costs. The fund's annual management fee is []% of the fund's value. Because this fund is new, its operating expenses and trading costs are not yet available."

INSTRUCTIONS:

Use a bold font or other formatting to indicate that fund expenses is the total of all ongoing expenses set out in the chart and is not a separate expense charged to the fund.

Item 8 – Trailing Commissions

1. If the manager of the fund or another member of the fund's organization pays trailing commissions, include a brief description of these commissions.
2. The description of any trailing commission must include a statement in substantially the following words:

"The trailing commission is paid out of the management fee. The trailing commission is paid for as long as you own the fund."

Item 9 – Other Fees

1. Provide information about the amount of fees payable by an investor, other than those already described or payable by designated brokers and underwriters.
2. Include a statement using wording similar to the following:

"You may pay brokerage fees to your dealer when you purchase and sell units of the fund."

INSTRUCTIONS:

- (a) *Examples include any redemption charges, sales charges or other fees, if any, associated with buying and selling securities of the fund.*
- (b) *Provide a brief description of each fee disclosing the amount to be paid as a percentage (or, if applicable, a fixed dollar amount) and state who charges the fee.*

Item 10 – Statement of Rights

State in substantially the following words:

Under securities law in some provinces and territories, you have:

- *the right to cancel your purchase within 48 hours after you receive confirmation of the purchase, or*

- *other rights and remedies if this document or the fund's prospectus contains a misrepresentation. You must act within the time limit set by the securities law in your province or territory.*

For more information, see the securities law of your province or territory or ask a lawyer.

Item 11 – Past Performance

If the fund includes past performance:

1. Include an introduction using wording similar to the following:

This section tells you how the fund has performed over the past [insert the lesser of 10 years or the number of completed calendar years] years. Returns are after expenses have been deducted. These expenses reduce the fund's returns.

It's important to note that this doesn't tell you how the fund will perform in the future as past performance may not be repeated. Also, your actual after-tax return will depend on your personal tax situation.

2. Show the annual total return of the fund, in chronological order for the lesser of:
 - (a) each of the 10 most recently completed calendar years; and
 - (b) each of the completed calendar years in which the fund has been in existence and which the fund was a reporting issuer.
3. Show the
 - (a) final value, of a hypothetical \$1,000 investment in the fund as at the end of the period that ends within 60 days before the date of the Summary Document and consists of the lesser of:
 - (i) 10 years, or
 - (ii) the time since inception of the fund,and
 - (b) the annual compounded rate of return that would equate the initial \$1,000 investment to the final value.

INSTRUCTIONS:

In responding to the requirements of this Item, a fund must comply with the relevant sections of Part 15 of National Instrument 81-102 Investment Funds as if those sections applied to a Summary Document.

Item 12 – Benchmark Information

If the Summary Document includes benchmark information, ensure this information is consistent with the fund's MRFP and presented in the same format as Item 11.

2.1.8 Questrade Wealth Management Inc. and Existing ETFs Managed by the Filer

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Revocation of prior relief – relief granted primarily to extend sunset clause set out in the original decision – relief granted on terms that are substantially similar to prior relief – Exemptive relief granted to exchange-traded funds for initial and continuous distribution of units – Relief to permit the funds' prospectus to not contain an underwriter's certificate and to include a modified statement of investor rights – Relief granted subject to manager filing a prescribed summary document for each fund on SEDAR and other terms and conditions set out in decision document – Relief consistent with the implementation of the Canadian Securities Administrators Point of Sale Disclosure Project, which contemplates rule-making to codify summary disclosure document for exchange-traded funds – Securities Act (Ontario) and National Instrument 41-101 General Prospectus Requirements.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 59(1), 144.

National Instrument 41-101 General Prospectus Requirements, s. 19.1, and Item 36.2 of Form 41-101F2.

August 24, 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
QUESTRADE WEALTH MANAGEMENT INC.
(the Filer)

AND

THE EXISTING EXCHANGE-TRADED FUNDS MANAGED BY THE FILER
(the Existing Funds)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Existing Funds and such other exchange-traded mutual funds as the Filer, or an affiliate of the Filer, may establish in the future (the **Future Funds**, and together with the Existing Funds, the **ETFs** and individually, an **ETF**) for a decision under the securities legislation of the principal regulator (the **Legislation**) that:

1. exempts the Filer and each ETF from
 - (a) the requirement to include a certificate of an underwriter in an ETF's prospectus (the **Underwriter's Certificate Requirement**); and
 - (b) the requirement to include in an ETF's prospectus the statement respecting purchasers' statutory rights of withdrawal and remedies of rescission or damages in substantially the form prescribed in item 36.2 of Form 41-101F2 *Information Required in an Investment Fund Prospectus* (the **Prospectus Form Requirement**)(collectively, the **Exemption Sought**); and

2. revokes the previous decisions granted by the principal regulator dated January 23, 2015 (the “**Original Decision**”) that exempted the Filer and the ETFs from the Underwriter’s Certificate Requirement (the **Prior Underwriter’s Certificate Relief**) and the Prospectus Form Requirement (the “**Prior Prospectus Form Relief**”) until September 1, 2015.

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 all of the provinces and territories of Canada other than Ontario (together with Ontario, the Jurisdictions).

Interpretation

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

Affiliate Dealer means a registered dealer that is an affiliate of an Authorized Dealer or Designated Broker and that participates in the re-sale of Creation Units (as defined below) from time to time.

Authorized Dealer means a registered dealer that has entered, or intends to enter, into an agreement with the manager of an ETF (an **ETF Manager**) authorizing the dealer to subscribe for, purchase and redeem Creation Units from one or more ETFs on a continuous basis from time to time.

Designated Broker means a registered dealer that has entered, or intends to enter, into an agreement with an ETF Manager to perform certain duties in relation to the ETF, including posting a liquid two-way market for the trading of the ETF’s listed securities on the TSX or another marketplace.

ETF Facts means a prescribed disclosure document in accordance with the regulations, in respect of one or more classes or series of ETF Securities being distributed under a prospectus.

ETF Security means a listed security of an ETF.

Other Dealer means a registered dealer that acts as authorized dealer or designated broker to other exchange-traded funds that are not managed by the Filer and that has received relief under a Prospectus Delivery Decision.

Prospectus Delivery Decision means a decision granting relief from the Prospectus Delivery Requirement to a Designated Broker, Authorized Dealer, Affiliate Dealer or Other Dealer dated July 19, 2013, or any subsequent decision granting similar relief to a Designated Broker, Authorized Dealer, Affiliate Dealer or Other Dealer, and in each case, that is in effect at the relevant time.

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

Summary Document means a document, in respect of one or more classes or series of ETF Securities being distributed under a prospectus, prepared in accordance with Schedule A.

TSX means the Toronto Stock Exchange.

Representations

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

1. The Filer is a corporation organized under the laws of the Province of Ontario, with a head office in Toronto, Ontario.
2. Each ETF is, or will be, a mutual fund governed by the laws of the Province of Ontario and a reporting issuer under the laws of some or all of the Jurisdictions.

3. Each ETF is, or will be, subject to NI 81-102, subject to any exemptions therefrom that have been, or may be, granted by the applicable securities regulatory authorities.
4. Each ETF is, or will be, in continuous distribution. The ETF Securities of each ETF are, or will be, listed on the TSX or another marketplace in Canada.
5. The Filer has filed, or will file, a long form prospectus in accordance with National Instrument 41-101 *General Prospectus Requirements* on behalf of the ETFs, subject to any exemptions that have been or may be granted by the applicable securities regulatory authorities.
6. The Filer, a registered investment fund manager, exempt market dealer and restricted portfolio manager in Ontario, will be the trustee, manager and portfolio manager of the ETFs and will be responsible for the administration of the ETFs
7. ETF Securities are, or will be, distributed on a continuous basis in one or more of the Jurisdictions under a prospectus. ETF Securities may generally only be subscribed for or purchased directly from the ETFs by Authorized Dealers or Designated Brokers (**Creation Units**). Authorized Dealers or Designated Brokers subscribe for Creation Units for the purpose of facilitating investor purchases of ETF Securities on the TSX or another marketplace in Canada.
8. In addition to subscribing for and re-selling Creation Units, Authorized Dealers, Designated Brokers and Affiliate Dealers are also generally engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market. Other Dealers may also be engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market despite not being an Authorized Dealer, Designated Broker or Affiliate Dealer.
9. According to the Authorized Dealers and Designated Brokers, Creation Units are generally commingled with other ETF Securities purchased by the Authorized Dealers, Designated Brokers and Affiliate Dealers in the secondary market. As such, it is not practicable for the Authorized Dealers, Designated Brokers or Affiliate Dealers to determine whether a particular re-sale of ETF Securities involves Creation Units or ETF Securities purchased in the secondary market.
10. Designated Brokers perform certain other functions, which include standing in the market with a bid and ask price for ETF Securities for the purpose of maintaining liquidity for the ETF Securities.
11. Except for Authorized Dealer and Designated Broker subscriptions for Creation Units, as described above, and other distributions that are exempt from the Prospectus Delivery Requirement under the Legislation, ETF Securities generally may not be purchased directly from an ETF. Investors are generally expected to purchase and sell ETF Securities, directly or indirectly, through dealers executing trades through the facilities of the TSX or another marketplace in Canada. ETF Securities may also be issued directly to ETF investors upon the reinvestment of distributions of income or capital gains.
12. The Authorized Dealers and Designated Brokers do not provide the same services in connection with a distribution of Creation Units as would typically be provided by an underwriter in a conventional underwriting.
13. The Authorized Dealers and Designated Brokers are not involved in the preparation of an ETF's prospectus, do not incur any marketing costs or receive any underwriting fees or commissions from the ETFs or the ETF Managers in connection with the distribution of Creation Units. The Authorized Dealers and Designated Brokers generally seek to profit from their ability to create and redeem ETF Securities by engaging in arbitrage trading to capture spreads between the trading prices of ETF Securities and their underlying securities and by making markets for their clients to facilitate client trading in ETF Securities.
14. The Filer generally conducts its own marketing, advertising and promotion of the ETFs. The Filer may, at its discretion, charge an administration fee on the issuance of Creation Units to Authorized Dealers or Designated Brokers.
15. The principal regulator has advised the Filer that it takes the view that the first re-sale of a Creation Unit on the TSX or another marketplace in Canada will generally constitute a distribution of Creation Units under the Legislation and that the Authorized Dealers, Designated Brokers and Affiliate Dealers are subject to the Prospectus Delivery Requirement in connection with such re-sales. Re-sales of ETF Securities in the secondary market that are not Creation Units would not ordinarily constitute a distribution of such ETF Securities.
16. Under a Prospectus Delivery Decision, Authorized Dealers, Designated Brokers and Affiliate Dealers are exempt from the Prospectus Delivery Requirement in connection with the re-sale of Creation Units to investors on the TSX or another marketplace in Canada. Under a Prospectus Delivery Decision, Other Dealers are also exempt from the Prospectus Delivery Requirement in connection with the re-sale of creation units of other exchange-traded funds that are not managed by the Filer.

17. Each Prospectus Delivery Decision includes a condition that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer undertakes that it will, unless it has previously done so, send or deliver to each purchaser of an ETF Security who is a customer of the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer, and to whom a trade confirmation is required under the Legislation to be sent or delivered by the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer in connection with the purchase, the latest Summary Document filed in respect of the ETF Security, not later than midnight on the second day, exclusive of Saturdays, Sundays and holidays, after the purchase of the ETF Security.
18. The Filer will file with the applicable Jurisdictions on the System for Electronic Document Analysis and Retrieval (**SEDAR**) a Summary Document for each class or series of ETF Securities offered by the Filer and provide or make available to the Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers, the requisite number of copies of the Summary Document for the purpose of facilitating their compliance with the Prospectus Delivery Decision.
19. The Filer will file a Summary Document for each class or series of ETF Securities offered by the Filer within the timeframe necessary to allow Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers to effect delivery of the Summary Document as contemplated in the Prospectus Delivery Decision.
20. The Exemption Sought from the Prospectus Form Requirement is required to reflect the relief provided in the Prospectus Delivery Decision. Accordingly, the Filer will include language in each ETF's prospectus explaining the impact on a purchaser's statutory rights as a result of the Prospectus Delivery Decision in replacement of the language prescribed by the Prospectus Form Requirement.

Original Decision; Proposed Rules

21. The Filer is seeking to revoke the Original Decision as it relates to the Prior Underwriter's Certificate Relief and Prior Prospectus Form Relief and to replace such relief with this decision.
22. The securities regulatory authorities are developing proposed rule amendments that will require the Filer to file an ETF Facts in connection with the filing of a prospectus. If the amendments are adopted, the requirement for the Filer to file an ETF Facts will supersede the requirement for the Filer to file a Summary Document under this decision. Since the introduction of the ETF Facts will likely be subject to a transition period, there may be a period of time where some ETFs have an ETF Facts while other ETFs have a Summary Document. If the Filer files an ETF Facts with respect to a class or series of ETF Securities, the Filer will use such ETF Facts instead of a Summary Document to satisfy its obligations under this decision with respect to any purchase of such class or series of ETF Securities that occurs after the filing of such ETF Facts.

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 (i) the Original Decision solely as it relates to the Prior Underwriter's Certificate Relief and the Prior Prospectus Form Relief is revoked and replaced by this decision and (ii) the Exemption Sought is granted, provided that the Filer is in compliance with the following conditions:

1. The Filer files with the applicable Jurisdictions on SEDAR and displays on its website in a manner that would be considered prominent to a reasonable investor the Summary Document for each class or series of ETF Securities of an Existing Fund.
2. The Filer files concurrently on SEDAR the Summary Document for each class or series of ETF Securities when filing a final prospectus for that ETF.
3. The Filer amends the Summary Document at the same time it files any amendments to the ETF's prospectus that affect the disclosure in the Summary Document and files the amended Summary Document with the applicable Jurisdictions on SEDAR and makes it available on its website in a manner that would be considered prominent to a reasonable investor.
4. The Filer provides or makes available to each Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer, the number of copies of the Summary Document of each ETF Security that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer reasonably requests in support of compliance with its respective Prospectus Delivery Decision.

5. Each ETF's preliminary prospectus, pro forma prospectus or any amendment will the next time it is filed, if it does not already do so,
 - (a) incorporate the relevant Summary Document by reference;
 - (b) contain the disclosure referred to in paragraph 20 above; and
 - (c) disclose both this decision and the Prospectus Delivery Decision under Item 34.1 of Form 41-101F2 *Exemptions and Approvals*.
6. The Filer obtains an executed acknowledgement from each Authorized Dealer, Designated Broker and Affiliate Dealer, and uses its best efforts to obtain an acknowledgment from each Other Dealer:
 - (a) indicating its election, in connection with the re-sale of Creation Units on the TSX or another marketplace in Canada, to send or deliver the Summary Document in accordance with a Prospectus Delivery Decision or, alternatively, to comply with the Prospectus Delivery Requirement; and
 - (b) if the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer agrees to deliver the Summary Document in accordance with a Prospectus Delivery Decision:
 - (i) an undertaking that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under the Prospectus Delivery Decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (ii) confirming that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer has in place written policies and procedures to ensure that it is in compliance with the conditions of the Prospectus Delivery Decision.
7. The Filer will keep records of which Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers, have provided it with an acknowledgement under a Prospectus Delivery Decision, and which intend to rely on and comply with the Prospectus Delivery Decision or intend to comply with the Prospectus Delivery Requirement.
8. The Filer files with its principal regulator, to the attention of the Director, Investment Funds Branch, on or before January 31st in each calendar year, a certificate signed by an ultimate designated person certifying that, to the best of the knowledge of such person, after making due inquiry, the Filer has complied with the terms and conditions of this decision, and the Original Decision, as applicable, during the previous calendar year.
9. If the Filer files an ETF Facts instead of a Summary Document with respect to a class or series of ETF Securities, the latest ETF Facts filed in respect of such class or series of ETF Securities must be substituted for the Summary Document in order to satisfy the foregoing conditions with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.
10. Conditions (1), (2), (3) and (5)(a) above do not apply to the Exemption Sought with respect to a class or series of an ETF Security of an ETF if the Filer files an ETF Facts for such class or series of the ETF Security.
11. Conditions (4), (5)(b), (5)(c), (6), (7) and (8) do not apply to an ETF with respect to the Exemption Sought after any new legislation or rule dealing with the Prospectus Delivery Decision takes effect and any applicable transition period has expired.

It is the further decision of the principal regulator under the Legislation that the Prior Underwriter's Certificate Relief and Prior Prospectus Form Relief are revoked.

The Exemption Sought from the Prospectus Form Requirement, as it relates to one or more of the Jurisdictions, will terminate on the latest of: (i) the coming into force of any legislation or rule dealing with the Exemption Sought from the Prospectus Form Requirement or (ii) the end date of any applicable transition period for any legislation or rule dealing with the Exemption Sought from the Prospectus Form Requirement.

As to the (i) revocation of the Original Decision as it relates to the Prior Underwriter's Certificate Relief and Prior Prospectus Form Relief, and (ii) the Exemption Sought from the Underwriter's Certificate:

"Monica Kowal"
Vice-Chair
Ontario Securities Commission

"Mary Condon"
Commissioner
Ontario Securities Commission

As to the Exemption Sought from the Prospectus Form Requirement:

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

APPENDIX A

Contents of Summary Document

General Instructions:

1. *Items 1 to 10 represent the minimum disclosure required in a Summary Document for a fund. The inclusion of additional information is not precluded so long as the Summary Document does not exceed a total of four pages in length (two pages double-sided).*
2. *Terms defined in National Instrument 81-102 Investment Funds, National Instrument 81-105 Mutual Fund Sales Practices or National Instrument 81-106 Investment Fund Continuous Disclosure and used in this Summary Document have the meanings that they have in those national instruments.*
3. *Information in the Summary Document must be clear and concise and presented in plain language.*
4. *The format and presentation of information in the Summary Document is not prescribed but the information must be presented in a manner that assists in readability and comprehension.*
5. *The order of the Items outlined below is not prescribed, except for Items 1 and 2, which must be presented as the first 2 items in the Summary Document.*
6. *Each reference to a fund in this Schedule A refers to an ETF as defined in the decision above.*

Item 1 – Introduction

Include at the top of the first page a heading consisting of:

- (a) the title “Summary Document”;
- (b) the name of the manager of the fund;
- (c) the name of the fund to which the Summary Document pertains; and
- (d) the date of the document.

Item 2 – Cautionary Language

Include a statement in italics in substantially the following form:

“The following is a summary of the principal features of this fund. You can find more detailed information about the fund in the prospectus. The prospectus is available on [insert name of the manager of the fund] website at [insert manager of the fund website], or by contacting [insert name of the manager of the fund] at [insert manager of the fund’s email address], or by calling [insert telephone number of the manager of the fund].”

Item 3 – Fund Details

Include the following disclosure:

- (a) ticker symbol;
- (b) fund identification code(s);
- (c) index ticker (as applicable);
- (d) exchange;
- (e) currency;
- (f) inception date;
- (g) RSP eligibility;

Decisions, Orders and Rulings

- (h) DRIP eligibility;
- (i) expected frequency and timing of distributions, and if applicable, the targeted amount for distributions;
- (j) management expense ratio, if available; and
- (k) portfolio manager, when the fund is actively managed.

Item 4 – Investment Objectives

Include a description of the fundamental nature of the fund, or the fundamental features of the fund that distinguishes it from other funds.

INSTRUCTIONS:

Include a description of what the fund primarily invests in, or intends to primarily invest in, such as

- (a) *a description of the fund, including what the fund invests in, and if it is trying to replicate an index, the name of the index, and an overview of the nature of securities covered by the index or the purpose of the index; and*
- (b) *the key investment strategies of the fund.*

Item 5 – Investments of the Fund

1. Include a table disclosing:
 - (a) the top 10 positions held by the fund; and
 - (b) the percentage of net asset value of the fund represented by the top 10 positions.
2. Include at least one, and up to two, charts or tables that illustrate the investment mix of the fund's investment portfolio.

INSTRUCTIONS:

- (a) *The information required under this Item is intended to give a snapshot of the composition of the fund's investment portfolio. The information required to be disclosed under this Item must be as at a date within 60 days before the date of the Summary Document.*
- (b) *The information required under Item 5(2) must show a breakdown of the fund's investment portfolio into appropriate subgroups and the percentage of the aggregate net asset value of the fund constituted by each subgroup. The names of the subgroups are not prescribed and can include security type, industry segment or geographic location. The fund should use the most appropriate categories given the nature of the fund. The choices made must be consistent with disclosure provided under "Summary of Investment Portfolio" in the fund's MRFP.*
- (c) *For new funds where the information required to be disclosed under this Item is not available, provide a brief statement explaining why the required information is not available.*

Item 6 – Risk

1. Include a statement in italics in substantially the following form:

"All investments involve risk. When you invest in the fund the value of your investment can go down as well as up. For a description of the specific risks of this fund, see the fund's prospectus."
2. If the cover page of the fund's prospectus contains text box risk disclosure, also include a description of those risk factors in the Summary Document.

Item 7 – Fund Expenses

1. Include an introduction using wording similar to the following:

"You don't pay these expenses directly. They affect you because they reduce the fund's returns."

2. Provide information about the expenses of the fund in the form of the following table:

	Annual rate (as a % of the fund's value)
<p>Management expense ratio (MER)</p> <p>This is the total of the fund's management fee and operating expenses.</p>	
<p>Trading expense ratio (TER)</p> <p>These are the fund's trading costs.</p>	
<p>Fund expenses</p> <p>The amount included for fund expenses is the amount arrived at by adding the MER and the TER.</p>	

3. If the information in (2) is unavailable because the fund is new including wording similar to the following:

"The fund's expenses are made up of the management fee, operating expenses and trading costs. The fund's annual management fee is []% of the fund's value. Because this fund is new, its operating expenses and trading costs are not yet available."

INSTRUCTIONS:

Use a bold font or other formatting to indicate that fund expenses is the total of all ongoing expenses set out in the chart and is not a separate expense charged to the fund.

Item 8 – Trailing Commissions

1. If the manager of the fund or another member of the fund's organization pays trailing commissions, include a brief description of these commissions.
2. The description of any trailing commission must include a statement in substantially the following words:

"The trailing commission is paid out of the management fee. The trailing commission is paid for as long as you own the fund."

Item 9 – Other Fees

1. Provide information about the amount of fees payable by an investor, other than those already described or payable by designated brokers and underwriters.
2. Include a statement using wording similar to the following:

"You may pay brokerage fees to your dealer when you purchase and sell units of the fund."

INSTRUCTIONS:

- (a) *Examples include any redemption charges, sales charges or other fees, if any, associated with buying and selling securities of the fund.*
- (b) *Provide a brief description of each fee disclosing the amount to be paid as a percentage (or, if applicable, a fixed dollar amount) and state who charges the fee.*

Item 10 – Statement of Rights

State in substantially the following words:

Under securities law in some provinces and territories, you have:

- *the right to cancel your purchase within 48 hours after you receive confirmation of the purchase, or*

- *other rights and remedies if this document or the fund's prospectus contains a misrepresentation. You must act within the time limit set by the securities law in your province or territory.*

For more information, see the securities law of your province or territory or ask a lawyer.

Item 11 – Past Performance

If the fund includes past performance:

1. Include an introduction using wording similar to the following:

This section tells you how the fund has performed over the past [insert the lesser of 10 years or the number of completed calendar years] years. Returns are after expenses have been deducted. These expenses reduce the fund's returns.

It's important to note that this doesn't tell you how the fund will perform in the future as past performance may not be repeated. Also, your actual after-tax return will depend on your personal tax situation.

2. Show the annual total return of the fund, in chronological order for the lesser of:
 - (a) each of the 10 most recently completed calendar years; and
 - (b) each of the completed calendar years in which the fund has been in existence and which the fund was a reporting issuer.
3. Show the
 - (a) final value, of a hypothetical \$1,000 investment in the fund as at the end of the period that ends within 60 days before the date of the Summary Document and consists of the lesser of:
 - (i) 10 years, or
 - (ii) the time since inception of the fund,and
 - (b) the annual compounded rate of return that would equate the initial \$1,000 investment to the final value.

INSTRUCTIONS:

In responding to the requirements of this Item, a fund must comply with the relevant sections of Part 15 of National Instrument 81-102 Investment Funds as if those sections applied to a Summary Document.

Item 12 – Benchmark Information

If the Summary Document includes benchmark information, ensure this information is consistent with the fund's MRFP and presented in the same format as Item 11.

2.1.9 RBC Global Asset Management Inc. and Existing ETFs Managed by the Filer

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Revocation of prior relief – relief granted primarily to extend sunset clause set out in the original decision – relief granted on terms that are substantially similar to prior relief – Exemptive relief granted to exchange-traded funds for initial and continuous distribution of units – Relief to permit the funds' prospectus to not contain an underwriter's certificate and to include a modified statement of investor rights – Relief granted subject to manager filing a prescribed summary document for each fund on SEDAR and other terms and conditions set out in decision document – Relief consistent with the implementation of the Canadian Securities Administrators Point of Sale Disclosure Project, which contemplates rule-making to codify summary disclosure document for exchange-traded funds – Securities Act (Ontario) and National Instrument 41-101 General Prospectus Requirements.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 59(1), 144.

National Instrument 41-101 General Prospectus Requirements, s. 19.1, and Item 36.2 of Form 41-101F2.

August 24, 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
RBC GLOBAL ASSET MANAGEMENT INC.
(the Filer)

AND

THE EXISTING EXCHANGE-TRADED FUNDS MANAGED BY THE FILER
(the Existing Funds)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Existing Funds and such other exchange-traded mutual funds as the Filer, or an affiliate of the Filer, may establish in the future (the **Future Funds**, and together with the Existing Funds, the **ETFs** and individually, an **ETF**) for a decision under the securities legislation of the principal regulator (the **Legislation**) that:

1. exempts the Filer and each ETF from
 - (a) the requirement to include a certificate of an underwriter in an ETF's prospectus (the **Underwriter's Certificate Requirement**); and
 - (b) the requirement to include in an ETF's prospectus the statement respecting purchasers' statutory rights of withdrawal and remedies of rescission or damages in substantially the form prescribed in item 36.2 of Form 41-101F2 *Information Required in an Investment Fund Prospectus* (the **Prospectus Form Requirement**)(collectively, the **Exemption Sought**);

2. varies all previous decisions granted by the principal regulator prior to July 19, 2013 that exempted the Filer and the ETFs from the Underwriter's Certificate Requirement (the **Prior Underwriter's Certificate Relief**), by revoking the Prior Underwriter's Certificate Relief and by revoking, as applicable, the representations relating to prospectus delivery contained in such decisions (the **Prospectus Delivery Representations**); and
3. revokes a decision the Filer obtained from the principal regulator dated July 19, 2013 granting the Exemption Sought until September 1, 2015 (the **Original Decision**).

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 all of the provinces and territories of Canada other than Ontario (together with Ontario, the **Jurisdictions**).

Interpretation

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

Affiliate Dealer means a registered dealer that is an affiliate of an Authorized Dealer or Designated Broker and that participates in the re-sale of Creation Units (as defined below) from time to time.

Authorized Dealer means a registered dealer that has entered, or intends to enter, into an agreement with the manager of an ETF (an **ETF Manager**) authorizing the dealer to subscribe for, purchase and redeem Creation Units from one or more ETFs on a continuous basis from time to time.

Designated Broker means a registered dealer that has entered, or intends to enter, into an agreement with an ETF Manager to perform certain duties in relation to the ETF, including posting a liquid two-way market for the trading of the ETF's listed securities on the TSX or another marketplace.

ETF Facts means a prescribed disclosure document in accordance with the regulations, in respect of one or more classes or series of ETF Securities being distributed under a prospectus.

ETF Security means a listed security of an ETF.

Other Dealer means a registered dealer that acts as authorized dealer or designated broker to other exchange-traded funds that are not managed by the Filer and that has received relief under a Prospectus Delivery Decision.

Prospectus Delivery Decision means a decision granting relief from the Prospectus Delivery Requirement to a Designated Broker, Authorized Dealer, Affiliate Dealer or Other Dealer dated July 19, 2013, or any subsequent decision granting similar relief to a Designated Broker, Authorized Dealer, Affiliate Dealer or Other Dealer, and in each case, that is in effect at the relevant time.

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

Summary Document means a document, in respect of one or more classes or series of ETF Securities being distributed under a prospectus, prepared in accordance with Schedule A.

TSX means the Toronto Stock Exchange.

Representations

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

1. The Filer is a corporation organized under the federal laws of Canada, with a head office in Ontario.

2. Each ETF is, or will be, a mutual fund governed by the laws of the Province of Ontario and a reporting issuer under the laws of some or all of the Jurisdictions.
3. Each ETF is, or will be, subject to NI 81-102, subject to any exemptions therefrom that have been, or may be, granted by the applicable securities regulatory authorities.
4. Each ETF is, or will be, in continuous distribution. The ETF Securities of each ETF are, or will be, listed on the TSX or another marketplace in Canada.
5. The Filer has filed, or will file, a long form prospectus in accordance with National Instrument 41-101 *General Prospectus Requirements* on behalf of the ETFs, subject to any exemptions that have been or may be granted by the applicable securities regulatory authorities.
6. The Filer will act as the trustee, investment fund manager and portfolio adviser to the ETFs. The Filer is registered in the Province of Ontario as an adviser in the category of portfolio manager, as an adviser for commodities in the category of commodity trading manager, as a dealer in the category of exempt market dealer and as an investment fund manager.
7. ETF Securities are, or will be, distributed on a continuous basis in one or more of the Jurisdictions under a prospectus. ETF Securities may generally only be subscribed for or purchased directly from the ETFs by Authorized Dealers or Designated Brokers (**Creation Units**). Authorized Dealers or Designated Brokers subscribe for Creation Units for the purpose of facilitating investor purchases of ETF Securities on the TSX or another marketplace in Canada.
8. In addition to subscribing for and re-selling Creation Units, Authorized Dealers, Designated Brokers and Affiliate Dealers are also generally engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market. Other Dealers may also be engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market despite not being an Authorized Dealer, Designated Broker or Affiliate Dealer.
9. According to the Authorized Dealers and Designated Brokers, Creation Units are generally commingled with other ETF Securities purchased by the Authorized Dealers, Designated Brokers and Affiliate Dealers in the secondary market. As such, it is not practicable for the Authorized Dealers, Designated Brokers or Affiliate Dealers to determine whether a particular re-sale of ETF Securities involves Creation Units or ETF Securities purchased in the secondary market.
10. Designated Brokers perform certain other functions, which include standing in the market with a bid and ask price for ETF Securities for the purpose of maintaining liquidity for the ETF Securities.
11. Except for Authorized Dealer and Designated Broker subscriptions for Creation Units, as described above, and other distributions that are exempt from the Prospectus Delivery Requirement under the Legislation, ETF Securities generally may not be purchased directly from an ETF. Investors are generally expected to purchase and sell ETF Securities, directly or indirectly, through dealers executing trades through the facilities of the TSX or another marketplace in Canada. ETF Securities may also be issued directly to ETF investors upon the reinvestment of distributions of income or capital gains.
12. The Authorized Dealers and Designated Brokers do not provide the same services in connection with a distribution of Creation Units as would typically be provided by an underwriter in a conventional underwriting.
13. The Authorized Dealers and Designated Brokers are not involved in the preparation of an ETF's prospectus, do not incur any marketing costs or receive any underwriting fees or commissions from the ETFs or the ETF Managers in connection with the distribution of Creation Units. The Authorized Dealers and Designated Brokers generally seek to profit from their ability to create and redeem ETF Securities by engaging in arbitrage trading to capture spreads between the trading prices of ETF Securities and their underlying securities and by making markets for their clients to facilitate client trading in ETF Securities.
14. The Filer generally conducts its own marketing, advertising and promotion of the ETFs. The Filer may, at its discretion, charge an administration fee on the issuance of Creation Units to Authorized Dealers or Designated Brokers.
15. The principal regulator has advised the Filer that it takes the view that the first re-sale of a Creation Unit on the TSX or another marketplace in Canada will generally constitute a distribution of Creation Units under the Legislation and that the Authorized Dealers, Designated Brokers and Affiliate Dealers are subject to the Prospectus Delivery Requirement in connection with such re-sales. Re-sales of ETF Securities in the secondary market that are not Creation Units would not ordinarily constitute a distribution of such ETF Securities.

16. Under a Prospectus Delivery Decision, Authorized Dealers, Designated Brokers and Affiliate Dealers are exempt from the Prospectus Delivery Requirement in connection with the re-sale of Creation Units to investors on the TSX or another marketplace in Canada. Under a Prospectus Delivery Decision, Other Dealers are also exempt from the Prospectus Delivery Requirement in connection with the re-sale of creation units of other exchange-traded funds that are not managed by the Filer.
17. Each Prospectus Delivery Decision includes a condition that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer undertakes that it will, unless it has previously done so, send or deliver to each purchaser of an ETF Security who is a customer of the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer, and to whom a trade confirmation is required under the Legislation to be sent or delivered by the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer in connection with the purchase, the latest Summary Document filed in respect of the ETF Security, not later than midnight on the second day, exclusive of Saturdays, Sundays and holidays, after the purchase of the ETF Security.
18. The Filer will file with the applicable Jurisdictions on the System for Electronic Document Analysis and Retrieval (**SEDAR**) a Summary Document for each class or series of ETF Securities offered by the Filer and provide or make available to the Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers, the requisite number of copies of the Summary Document for the purpose of facilitating their compliance with the Prospectus Delivery Decision.
19. The Filer will file a Summary Document for each class or series of ETF Securities offered by the Filer within the timeframe necessary to allow Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers to effect delivery of the Summary Document as contemplated in the Prospectus Delivery Decision.
20. The Exemption Sought from the Prospectus Form Requirement is required to reflect the relief provided in the Prospectus Delivery Decision. Accordingly, the Filer will include language in each ETF's prospectus explaining the impact on a purchaser's statutory rights as a result of the Prospectus Delivery Decision in replacement of the language prescribed by the Prospectus Form Requirement.

Original Decision; Proposed Rules

21. The Filer is seeking to revoke the Original Decision and replace it with this decision.
22. The securities regulatory authorities are developing proposed rule amendments that will require the Filer to file an ETF Facts in connection with the filing of a prospectus. If the amendments are adopted, the requirement for the Filer to file an ETF Facts will supersede the requirement for the Filer to file a Summary Document under this decision. Since the introduction of the ETF Facts will likely be subject to a transition period, there may be a period of time where some ETFs have an ETF Facts while other ETFs have a Summary Document. If the Filer files an ETF Facts with respect to a class or series of ETF Securities, the Filer will use such ETF Facts instead of a Summary Document to satisfy its obligations under this decision with respect to any purchase of such class or series of ETF Securities that occurs after the filing of such ETF Facts.

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 (i) the Original Decision is revoked and replaced by this decision and (ii) the Exemption Sought is granted, provided that the Filer is in compliance with the following conditions:

1. The Filer files with the applicable Jurisdictions on SEDAR and displays on its website in a manner that would be considered prominent to a reasonable investor the Summary Document for each class or series of ETF Securities of an Existing Fund.
2. The Filer files concurrently on SEDAR the Summary Document for each class or series of ETF Securities when filing a final prospectus for that ETF.
3. The Filer amends the Summary Document at the same time it files any amendments to the ETF's prospectus that affect the disclosure in the Summary Document and files the amended Summary Document with the applicable Jurisdictions on SEDAR and makes it available on its website in a manner that would be considered prominent to a reasonable investor.
4. The Filer provides or makes available to each Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer, the number of copies of the Summary Document of each ETF Security that the Authorized Dealer,

- Designated Broker, Affiliate Dealer or Other Dealer reasonably requests in support of compliance with its respective Prospectus Delivery Decision.
5. Each ETF's preliminary prospectus, pro forma prospectus or any amendment will the next time it is filed, if it does not already do so,
 - (a) incorporate the relevant Summary Document by reference;
 - (b) contain the disclosure referred to in paragraph 20 above; and
 - (c) disclose both this decision and the Prospectus Delivery Decision under Item 34.1 of Form 41-101F2 *Exemptions and Approvals*.
 6. The Filer obtains an executed acknowledgement from each Authorized Dealer, Designated Broker and Affiliate Dealer, and uses its best efforts to obtain an acknowledgment from each Other Dealer:
 - (a) indicating its election, in connection with the re-sale of Creation Units on the TSX or another marketplace in Canada, to send or deliver the Summary Document in accordance with a Prospectus Delivery Decision or, alternatively, to comply with the Prospectus Delivery Requirement; and
 - (b) if the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer agrees to deliver the Summary Document in accordance with a Prospectus Delivery Decision:
 - (i) an undertaking that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under the Prospectus Delivery Decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (ii) confirming that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer has in place written policies and procedures to ensure that it is in compliance with the conditions of the Prospectus Delivery Decision.
 7. The Filer will keep records of which Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers, have provided it with an acknowledgement under a Prospectus Delivery Decision, and which intend to rely on and comply with the Prospectus Delivery Decision or intend to comply with the Prospectus Delivery Requirement.
 8. The Filer files with its principal regulator, to the attention of the Director, Investment Funds Branch, on or before January 31st in each calendar year, a certificate signed by an ultimate designated person certifying that, to the best of the knowledge of such person, after making due inquiry, the Filer has complied with the terms and conditions of this decision, and the Original Decision, as applicable, during the previous calendar year.
 9. If the Filer files an ETF Facts instead of a Summary Document with respect to a class or series of ETF Securities, the latest ETF Facts filed in respect of such class or series of ETF Securities must be substituted for the Summary Document in order to satisfy the foregoing conditions with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.
 10. Conditions (1), (2), (3) and (5)(a) above do not apply to the Exemption Sought with respect to a class or series of an ETF Security of an ETF if the Filer files an ETF Facts for such class or series of the ETF Security.
 11. Conditions (4), (5)(b), (5)(c), (6), (7) and (8) do not apply to an ETF with respect to the Exemption Sought after any new legislation or rule dealing with the Prospectus Delivery Decision takes effect and any applicable transition period has expired.

It is the further decision of the principal regulator under the Legislation that the Prior Underwriter's Certificate Relief and the Prospectus Delivery Representations are revoked.

The Exemption Sought from the Prospectus Form Requirement, as it relates to one or more of the Jurisdictions, will terminate on the latest of: (i) the coming into force of any legislation or rule dealing with the Exemption Sought from the Prospectus Form Requirement or (ii) the end date of any applicable transition period for any legislation or rule dealing with the Exemption Sought from the Prospectus Form Requirement.

As to the (i) revocation of the Original Decision, (ii) the Exemption Sought from the Underwriter's Certificate Requirement and (iii) the revocation of the Prior Underwriter's Certificate Relief and Prospectus Delivery Representations:

"Monica Kowal"
Vice-Chair
Ontario Securities Commission

"Mary Condon"
Commissioner
Ontario Securities Commission

As to the Exemption Sought from the Prospectus Form Requirement:

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

SCHEDULE A

Contents of Summary Document

General Instructions:

1. *Items 1 to 10 represent the minimum disclosure required in a Summary Document for a fund. The inclusion of additional information is not precluded so long as the Summary Document does not exceed a total of four pages in length (two pages double-sided).*
2. *Terms defined in National Instrument 81-102 Investment Funds, National Instrument 81-105 Mutual Fund Sales Practices or National Instrument 81-106 Investment Fund Continuous Disclosure and used in this Summary Document have the meanings that they have in those national instruments.*
3. *Information in the Summary Document must be clear and concise and presented in plain language.*
4. *The format and presentation of information in the Summary Document is not prescribed but the information must be presented in a manner that assists in readability and comprehension.*
5. *The order of the Items outlined below is not prescribed, except for Items 1 and 2, which must be presented as the first 2 items in the Summary Document.*
6. *Each reference to a fund in this Schedule A refers to an ETF as defined in the decision above.*

Item 1 – Introduction

Include at the top of the first page a heading consisting of:

- (a) the title “Summary Document”;
- (b) the name of the manager of the fund;
- (c) the name of the fund to which the Summary Document pertains; and
- (d) the date of the document.

Item 2 – Cautionary Language

Include a statement in italics in substantially the following form:

“The following is a summary of the principal features of this fund. You can find more detailed information about the fund in the prospectus. The prospectus is available on [insert name of the manager of the fund] website at [insert manager of the fund website], or by contacting [insert name of the manager of the fund] at [insert manager of the fund’s email address], or by calling [insert telephone number of the manager of the fund].”

Item 3 – Fund Details

Include the following disclosure:

- (a) ticker symbol;
- (b) fund identification code(s);
- (c) index ticker (as applicable);
- (d) exchange;
- (e) currency;
- (f) inception date;
- (g) RSP eligibility;

Decisions, Orders and Rulings

- (h) DRIP eligibility;
- (i) expected frequency and timing of distributions, and if applicable, the targeted amount for distributions;
- (j) management expense ratio, if available; and
- (k) portfolio manager, when the fund is actively managed.

Item 4 – Investment Objectives

Include a description of the fundamental nature of the fund, or the fundamental features of the fund that distinguishes it from other funds.

INSTRUCTIONS:

Include a description of what the fund primarily invests in, or intends to primarily invest in, such as

- (a) *a description of the fund, including what the fund invests in, and if it is trying to replicate an index, the name of the index, and an overview of the nature of securities covered by the index or the purpose of the index; and*
- (b) *the key investment strategies of the fund.*

Item 5 – Investments of the Fund

1. Include a table disclosing:
 - (a) the top 10 positions held by the fund; and
 - (b) the percentage of net asset value of the fund represented by the top 10 positions.
2. Include at least one, and up to two, charts or tables that illustrate the investment mix of the fund's investment portfolio.

INSTRUCTIONS:

- (a) *The information required under this Item is intended to give a snapshot of the composition of the fund's investment portfolio. The information required to be disclosed under this Item must be as at a date within 60 days before the date of the Summary Document.*
- (b) *The information required under Item 5(2) must show a breakdown of the fund's investment portfolio into appropriate subgroups and the percentage of the aggregate net asset value of the fund constituted by each subgroup. The names of the subgroups are not prescribed and can include security type, industry segment or geographic location. The fund should use the most appropriate categories given the nature of the fund. The choices made must be consistent with disclosure provided under "Summary of Investment Portfolio" in the fund's MRFP.*
- (c) *For new funds where the information required to be disclosed under this Item is not available, provide a brief statement explaining why the required information is not available.*

Item 6 – Risk

1. Include a statement in italics in substantially the following form:

"All investments involve risk. When you invest in the fund the value of your investment can go down as well as up. For a description of the specific risks of this fund, see the fund's prospectus."
2. If the cover page of the fund's prospectus contains text box risk disclosure, also include a description of those risk factors in the Summary Document.

Item 7 – Fund Expenses

1. Include an introduction using wording similar to the following:

"You don't pay these expenses directly. They affect you because they reduce the fund's returns."

2. Provide information about the expenses of the fund in the form of the following table:

	Annual rate (as a % of the fund's value)
<p>Management expense ratio (MER)</p> <p>This is the total of the fund's management fee and operating expenses.</p>	
<p>Trading expense ratio (TER)</p> <p>These are the fund's trading costs.</p>	
<p>Fund expenses</p> <p>The amount included for fund expenses is the amount arrived at by adding the MER and the TER.</p>	

3. If the information in (2) is unavailable because the fund is new including wording similar to the following:

"The fund's expenses are made up of the management fee, operating expenses and trading costs. The fund's annual management fee is []% of the fund's value. Because this fund is new, its operating expenses and trading costs are not yet available."

INSTRUCTIONS:

Use a bold font or other formatting to indicate that fund expenses is the total of all ongoing expenses set out in the chart and is not a separate expense charged to the fund.

Item 8 – Trailing Commissions

1. If the manager of the fund or another member of the fund's organization pays trailing commissions, include a brief description of these commissions.
2. The description of any trailing commission must include a statement in substantially the following words:

"The trailing commission is paid out of the management fee. The trailing commission is paid for as long as you own the fund."

Item 9 – Other Fees

1. Provide information about the amount of fees payable by an investor, other than those already described or payable by designated brokers and underwriters.
2. Include a statement using wording similar to the following:

"You may pay brokerage fees to your dealer when you purchase and sell units of the fund."

INSTRUCTIONS:

- (a) *Examples include any redemption charges, sales charges or other fees, if any, associated with buying and selling securities of the fund.*
- (b) *Provide a brief description of each fee disclosing the amount to be paid as a percentage (or, if applicable, a fixed dollar amount) and state who charges the fee.*

Item 10 – Statement of Rights

State in substantially the following words:

Under securities law in some provinces and territories, you have:

- *the right to cancel your purchase within 48 hours after you receive confirmation of the purchase, or*

- *other rights and remedies if this document or the fund's prospectus contains a misrepresentation. You must act within the time limit set by the securities law in your province or territory.*

For more information, see the securities law of your province or territory or ask a lawyer.

Item 11 – Past Performance

If the fund includes past performance:

1. Include an introduction using wording similar to the following:

This section tells you how the fund has performed over the past [insert the lesser of 10 years or the number of completed calendar years] years. Returns are after expenses have been deducted. These expenses reduce the fund's returns.

It's important to note that this doesn't tell you how the fund will perform in the future as past performance may not be repeated. Also, your actual after-tax return will depend on your personal tax situation.

2. Show the annual total return of the fund, in chronological order for the lesser of:
 - (a) each of the 10 most recently completed calendar years; and
 - (b) each of the completed calendar years in which the fund has been in existence and which the fund was a reporting issuer.
3. Show the
 - (a) final value, of a hypothetical \$1,000 investment in the fund as at the end of the period that ends within 60 days before the date of the Summary Document and consists of the lesser of:
 - (i) 10 years, or
 - (ii) the time since inception of the fund,and
 - (b) the annual compounded rate of return that would equate the initial \$1,000 investment to the final value.

INSTRUCTIONS:

In responding to the requirements of this Item, a fund must comply with the relevant sections of Part 15 of National Instrument 81-102 Investment Funds as if those sections applied to a Summary Document.

Item 12 – Benchmark Information

If the Summary Document includes benchmark information, ensure this information is consistent with the fund's MRFP and presented in the same format as Item 11.

2.1.10 Vanguard Investments Canada Inc. and Existing ETFs Managed by the Filer

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Revocation of prior relief – relief granted primarily to extend sunset clause set out in the original decision – relief granted on terms that are substantially similar to prior relief – Exemptive relief granted to exchange-traded funds for initial and continuous distribution of units – Relief to permit the funds' prospectus to not contain an underwriter's certificate and to include a modified statement of investor rights – Relief granted subject to manager filing a prescribed summary document for each fund on SEDAR and other terms and conditions set out in decision document – Relief consistent with the implementation of the Canadian Securities Administrators Point of Sale Disclosure Project, which contemplates rule-making to codify summary disclosure document for exchange-traded funds – Securities Act (Ontario) and National Instrument 41-101 General Prospectus Requirements.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 59(1), 144.

National Instrument 41-101 General Prospectus Requirements, s. 19.1, and Item 36.2 of Form 41-101F2.

August 24, 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
VANGUARD INVESTMENTS CANADA INC.
(the Filer)

AND

THE EXISTING EXCHANGE-TRADED FUNDS MANAGED BY THE FILER
(the Existing Funds)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Existing Funds and such other exchange-traded mutual funds as the Filer, or an affiliate of the Filer, may establish in the future (the **Future Funds**, and together with the Existing Funds, the **ETFs** and individually, an **ETF**) for a decision under the securities legislation of the principal regulator (the **Legislation**) that:

1. exempts the Filer and each ETF from
 - (a) the requirement to include a certificate of an underwriter in an ETF's prospectus (the **Underwriter's Certificate Requirement**); and
 - (b) the requirement to include in an ETF's prospectus the statement respecting purchasers' statutory rights of withdrawal and remedies of rescission or damages in substantially the form prescribed in item 36.2 of Form 41-101F2 *Information Required in an Investment Fund Prospectus* (the **Prospectus Form Requirement**)(collectively, the **Exemption Sought**);

2. varies all previous decisions granted by the principal regulator prior to July 19, 2013 that exempted the Filer and the ETFs from the Underwriter's Certificate Requirement (the **Prior Underwriter's Certificate Relief**), by revoking the Prior Underwriter's Certificate Relief and by revoking, as applicable, the representations relating to prospectus delivery contained in such decisions (the **Prospectus Delivery Representations**); and
3. revokes a decision the Filer obtained from the principal regulator dated July 19, 2013 granting the Exemption Sought until September 1, 2015 (the **Original Decision**).

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 all of the provinces and territories of Canada other than Ontario (together with Ontario, the **Jurisdictions**).

Interpretation

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

Affiliate Dealer means a registered dealer that is an affiliate of an Authorized Dealer or Designated Broker and that participates in the re-sale of Creation Units (as defined below) from time to time.

Authorized Dealer means a registered dealer that has entered, or intends to enter, into an agreement with the manager of an ETF (an **ETF Manager**) authorizing the dealer to subscribe for, purchase and redeem Creation Units from one or more ETFs on a continuous basis from time to time.

Designated Broker means a registered dealer that has entered, or intends to enter, into an agreement with an ETF Manager to perform certain duties in relation to the ETF, including posting a liquid two-way market for the trading of the ETF's listed securities on the TSX or another marketplace.

ETF Facts means a prescribed disclosure document in accordance with the regulations, in respect of one or more classes or series of ETF Securities being distributed under a prospectus.

ETF Security means a listed security of an ETF.

Other Dealer means a registered dealer that acts as authorized dealer or designated broker to other exchange-traded funds that are not managed by the Filer and that has received relief under a Prospectus Delivery Decision.

Prospectus Delivery Decision means a decision granting relief from the Prospectus Delivery Requirement to a Designated Broker, Authorized Dealer, Affiliate Dealer or Other Dealer dated July 19, 2013, or any subsequent decision granting similar relief to a Designated Broker, Authorized Dealer, Affiliate Dealer or Other Dealer, and in each case, that is in effect at the relevant time.

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

Summary Document means a document, in respect of one or more classes or series of ETF Securities being distributed under a prospectus, prepared in accordance with Schedule A.

TSX means the Toronto Stock Exchange.

Representations

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

1. The Filer is a corporation organized under the federal laws of Canada, with a head office in Ontario.

2. Each ETF is, or will be, a mutual fund governed by the laws of the Province of Ontario and a reporting issuer under the laws of some or all of the Jurisdictions.
3. Each ETF is, or will be, subject to NI 81-102, subject to any exemptions therefrom that have been, or may be, granted by the applicable securities regulatory authorities.
4. Each ETF is, or will be, in continuous distribution. The ETF Securities of each ETF are, or will be, listed on the TSX or another marketplace in Canada.
5. The Filer has filed, or will file, a long form prospectus in accordance with National Instrument 41-101 *General Prospectus Requirements* on behalf of the ETFs, subject to any exemptions that have been or may be granted by the applicable securities regulatory authorities.
6. The Filer will act as the trustee, investment fund manager and portfolio adviser to the ETFs. The Filer is registered in the Province of Ontario as an adviser for securities in the category of portfolio manager, as an adviser for commodities in the category of commodity trading manager, as a dealer in the category of exempt market dealer and as an investment fund manager.
7. ETF Securities are, or will be, distributed on a continuous basis in one or more of the Jurisdictions under a prospectus. ETF Securities may generally only be subscribed for or purchased directly from the ETFs by Authorized Dealers or Designated Brokers (**Creation Units**). Authorized Dealers or Designated Brokers subscribe for Creation Units for the purpose of facilitating investor purchases of ETF Securities on the TSX or another marketplace in Canada.
8. In addition to subscribing for and re-selling Creation Units, Authorized Dealers, Designated Brokers and Affiliate Dealers are also generally engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market. Other Dealers may also be engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market despite not being an Authorized Dealer, Designated Broker or Affiliate Dealer.
9. According to the Authorized Dealers and Designated Brokers, Creation Units are generally commingled with other ETF Securities purchased by the Authorized Dealers, Designated Brokers and Affiliate Dealers in the secondary market. As such, it is not practicable for the Authorized Dealers, Designated Brokers or Affiliate Dealers to determine whether a particular re-sale of ETF Securities involves Creation Units or ETF Securities purchased in the secondary market.
10. Designated Brokers perform certain other functions, which include standing in the market with a bid and ask price for ETF Securities for the purpose of maintaining liquidity for the ETF Securities.
11. Except for Authorized Dealer and Designated Broker subscriptions for Creation Units, as described above, and other distributions that are exempt from the Prospectus Delivery Requirement under the Legislation, ETF Securities generally may not be purchased directly from an ETF. Investors are generally expected to purchase and sell ETF Securities, directly or indirectly, through dealers executing trades through the facilities of the TSX or another marketplace in Canada. ETF Securities may also be issued directly to ETF investors upon the reinvestment of distributions of income or capital gains.
12. The Authorized Dealers and Designated Brokers do not provide the same services in connection with a distribution of Creation Units as would typically be provided by an underwriter in a conventional underwriting.
13. The Authorized Dealers and Designated Brokers are not involved in the preparation of an ETF's prospectus, do not incur any marketing costs or receive any underwriting fees or commissions from the ETFs or the ETF Managers in connection with the distribution of Creation Units. The Authorized Dealers and Designated Brokers generally seek to profit from their ability to create and redeem ETF Securities by engaging in arbitrage trading to capture spreads between the trading prices of ETF Securities and their underlying securities and by making markets for their clients to facilitate client trading in ETF Securities.
14. The Filer generally conducts its own marketing, advertising and promotion of the ETFs. The Filer may, at its discretion, charge an administration fee on the issuance of Creation Units to Authorized Dealers or Designated Brokers.
15. The principal regulator has advised the Filer that it takes the view that the first re-sale of a Creation Unit on the TSX or another marketplace in Canada will generally constitute a distribution of Creation Units under the Legislation and that the Authorized Dealers, Designated Brokers and Affiliate Dealers are subject to the Prospectus Delivery Requirement in connection with such re-sales. Re-sales of ETF Securities in the secondary market that are not Creation Units would not ordinarily constitute a distribution of such ETF Securities.

16. Under a Prospectus Delivery Decision, Authorized Dealers, Designated Brokers and Affiliate Dealers are exempt from the Prospectus Delivery Requirement in connection with the re-sale of Creation Units to investors on the TSX or another marketplace in Canada. Under a Prospectus Delivery Decision, Other Dealers are also exempt from the Prospectus Delivery Requirement in connection with the re-sale of creation units of other exchange-traded funds that are not managed by the Filer.
17. Each Prospectus Delivery Decision includes a condition that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer undertakes that it will, unless it has previously done so, send or deliver to each purchaser of an ETF Security who is a customer of the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer, and to whom a trade confirmation is required under the Legislation to be sent or delivered by the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer in connection with the purchase, the latest Summary Document filed in respect of the ETF Security, not later than midnight on the second day, exclusive of Saturdays, Sundays and holidays, after the purchase of the ETF Security.
18. The Filer will file with the applicable Jurisdictions on the System for Electronic Document Analysis and Retrieval (**SEDAR**) a Summary Document for each class or series of ETF Securities offered by the Filer and provide or make available to the Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers, the requisite number of copies of the Summary Document for the purpose of facilitating their compliance with the Prospectus Delivery Decision.
19. The Filer will file a Summary Document for each class or series of ETF Securities offered by the Filer within the timeframe necessary to allow Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers to effect delivery of the Summary Document as contemplated in the Prospectus Delivery Decision.
20. The Exemption Sought from the Prospectus Form Requirement is required to reflect the relief provided in the Prospectus Delivery Decision. Accordingly, the Filer will include language in each ETF's prospectus explaining the impact on a purchaser's statutory rights as a result of the Prospectus Delivery Decision in replacement of the language prescribed by the Prospectus Form Requirement.

Original Decision; Proposed Rules

21. The Filer is seeking to revoke the Original Decision and replace it with this decision.
22. The securities regulatory authorities are developing proposed rule amendments that will require the Filer to file an ETF Facts in connection with the filing of a prospectus. If the amendments are adopted, the requirement for the Filer to file an ETF Facts will supersede the requirement for the Filer to file a Summary Document under this decision. Since the introduction of the ETF Facts will likely be subject to a transition period, there may be a period of time where some ETFs have an ETF Facts while other ETFs have a Summary Document. If the Filer files an ETF Facts with respect to a class or series of ETF Securities, the Filer will use such ETF Facts instead of a Summary Document to satisfy its obligations under this decision with respect to any purchase of such class or series of ETF Securities that occurs after the filing of such ETF Facts.

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 (i) the Original Decision is revoked and replaced by this decision and (ii) the Exemption Sought is granted, provided that the Filer is in compliance with the following conditions:

1. The Filer files with the applicable Jurisdictions on SEDAR and displays on its website in a manner that would be considered prominent to a reasonable investor the Summary Document for each class or series of ETF Securities of an Existing Fund.
2. The Filer files concurrently on SEDAR the Summary Document for each class or series of ETF Securities when filing a final prospectus for that ETF.
3. The Filer amends the Summary Document at the same time it files any amendments to the ETF's prospectus that affect the disclosure in the Summary Document and files the amended Summary Document with the applicable Jurisdictions on SEDAR and makes it available on its website in a manner that would be considered prominent to a reasonable investor.
4. The Filer provides or makes available to each Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer, the number of copies of the Summary Document of each ETF Security that the Authorized Dealer,

- Designated Broker, Affiliate Dealer or Other Dealer reasonably requests in support of compliance with its respective Prospectus Delivery Decision.
5. Each ETF's preliminary prospectus, pro forma prospectus or any amendment will the next time it is filed, if it does not already do so,
 - (a) incorporate the relevant Summary Document by reference;
 - (b) contain the disclosure referred to in paragraph 20 above; and
 - (c) disclose both this decision and the Prospectus Delivery Decision under Item 34.1 of Form 41-101F2 *Exemptions and Approvals*.
 6. The Filer obtains an executed acknowledgement from each Authorized Dealer, Designated Broker and Affiliate Dealer, and uses its best efforts to obtain an acknowledgment from each Other Dealer:
 - (a) indicating its election, in connection with the re-sale of Creation Units on the TSX or another marketplace in Canada, to send or deliver the Summary Document in accordance with a Prospectus Delivery Decision or, alternatively, to comply with the Prospectus Delivery Requirement; and
 - (b) if the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer agrees to deliver the Summary Document in accordance with a Prospectus Delivery Decision:
 - (i) an undertaking that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under the Prospectus Delivery Decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (ii) confirming that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer has in place written policies and procedures to ensure that it is in compliance with the conditions of the Prospectus Delivery Decision.
 7. The Filer will keep records of which Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers, have provided it with an acknowledgement under a Prospectus Delivery Decision, and which intend to rely on and comply with the Prospectus Delivery Decision or intend to comply with the Prospectus Delivery Requirement.
 8. The Filer files with its principal regulator, to the attention of the Director, Investment Funds Branch, on or before January 31st in each calendar year, a certificate signed by an ultimate designated person certifying that, to the best of the knowledge of such person, after making due inquiry, the Filer has complied with the terms and conditions of this decision, and the Original Decision, as applicable, during the previous calendar year.
 9. If the Filer files an ETF Facts instead of a Summary Document with respect to a class or series of ETF Securities, the latest ETF Facts filed in respect of such class or series of ETF Securities must be substituted for the Summary Document in order to satisfy the foregoing conditions with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.
 10. Conditions (1), (2), (3) and (5)(a) above do not apply to the Exemption Sought with respect to a class or series of an ETF Security of an ETF if the Filer files an ETF Facts for such class or series of the ETF Security.
 11. Conditions (4), (5)(b), (5)(c), (6), (7) and (8) do not apply to an ETF with respect to the Exemption Sought after any new legislation or rule dealing with the Prospectus Delivery Decision takes effect and any applicable transition period has expired.

It is the further decision of the principal regulator under the Legislation that the Prior Underwriter's Certificate Relief and the Prospectus Delivery Representations are revoked.

The Exemption Sought from the Prospectus Form Requirement, as it relates to one or more of the Jurisdictions, will terminate on the latest of: (i) the coming into force of any legislation or rule dealing with the Exemption Sought from the Prospectus Form Requirement or (ii) the end date of any applicable transition period for any legislation or rule dealing with the Exemption Sought from the Prospectus Form Requirement.

As to the (i) revocation of the Original Decision, (ii) the Exemption Sought from the Underwriter's Certificate Requirement and (iii) the revocation of the Prior Underwriter's Certificate Relief and Prospectus Delivery Representations:

"Monica Kowal"
Vice-Chair
Ontario Securities Commission

"Mary Condon"
Commissioner
Ontario Securities Commission

As to the Exemption Sought from the Prospectus Form Requirement:

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

SCHEDULE A

Contents of Summary Document

General Instructions:

1. *Items 1 to 10 represent the minimum disclosure required in a Summary Document for a fund. The inclusion of additional information is not precluded so long as the Summary Document does not exceed a total of four pages in length (two pages double-sided).*
2. *Terms defined in National Instrument 81-102 Investment Funds, National Instrument 81-105 Mutual Fund Sales Practices or National Instrument 81-106 Investment Fund Continuous Disclosure and used in this Summary Document have the meanings that they have in those national instruments.*
3. *Information in the Summary Document must be clear and concise and presented in plain language.*
4. *The format and presentation of information in the Summary Document is not prescribed but the information must be presented in a manner that assists in readability and comprehension.*
5. *The order of the Items outlined below is not prescribed, except for Items 1 and 2, which must be presented as the first 2 items in the Summary Document.*
6. *Each reference to a fund in this Schedule A refers to an ETF as defined in the decision above.*

Item 1 – Introduction

Include at the top of the first page a heading consisting of:

- (a) the title “Summary Document”;
- (b) the name of the manager of the fund;
- (c) the name of the fund to which the Summary Document pertains; and
- (d) the date of the document.

Item 2 – Cautionary Language

Include a statement in italics in substantially the following form:

“The following is a summary of the principal features of this fund. You can find more detailed information about the fund in the prospectus. The prospectus is available on [insert name of the manager of the fund] website at [insert manager of the fund website], or by contacting [insert name of the manager of the fund] at [insert manager of the fund’s email address], or by calling [insert telephone number of the manager of the fund].”

Item 3 – Fund Details

Include the following disclosure:

- (a) ticker symbol;
- (b) fund identification code(s);
- (c) index ticker (as applicable);
- (d) exchange;
- (e) currency;
- (f) inception date;
- (g) RSP eligibility;

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- (h) DRIP eligibility;
- (i) expected frequency and timing of distributions, and if applicable, the targeted amount for distributions;
- (j) management expense ratio, if available; and
- (k) portfolio manager, when the fund is actively managed.

Item 4 – Investment Objectives

Include a description of the fundamental nature of the fund, or the fundamental features of the fund that distinguishes it from other funds.

INSTRUCTIONS:

Include a description of what the fund primarily invests in, or intends to primarily invest in, such as

- (a) *a description of the fund, including what the fund invests in, and if it is trying to replicate an index, the name of the index, and an overview of the nature of securities covered by the index or the purpose of the index; and*
- (b) *the key investment strategies of the fund.*

Item 5 – Investments of the Fund

1. Include a table disclosing:
 - (a) the top 10 positions held by the fund; and
 - (b) the percentage of net asset value of the fund represented by the top 10 positions.
2. Include at least one, and up to two, charts or tables that illustrate the investment mix of the fund's investment portfolio.

INSTRUCTIONS:

- (a) *The information required under this Item is intended to give a snapshot of the composition of the fund's investment portfolio. The information required to be disclosed under this Item must be as at a date within 60 days before the date of the Summary Document.*
- (b) *The information required under Item 5(2) must show a breakdown of the fund's investment portfolio into appropriate subgroups and the percentage of the aggregate net asset value of the fund constituted by each subgroup. The names of the subgroups are not prescribed and can include security type, industry segment or geographic location. The fund should use the most appropriate categories given the nature of the fund. The choices made must be consistent with disclosure provided under "Summary of Investment Portfolio" in the fund's MRFP.*
- (c) *For new funds where the information required to be disclosed under this Item is not available, provide a brief statement explaining why the required information is not available.*

Item 6 – Risk

1. Include a statement in italics in substantially the following form:

"All investments involve risk. When you invest in the fund the value of your investment can go down as well as up. For a description of the specific risks of this fund, see the fund's prospectus."
2. If the cover page of the fund's prospectus contains text box risk disclosure, also include a description of those risk factors in the Summary Document.

Item 7 – Fund Expenses

1. Include an introduction using wording similar to the following:

"You don't pay these expenses directly. They affect you because they reduce the fund's returns."

2. Provide information about the expenses of the fund in the form of the following table:

	Annual rate (as a % of the fund's value)
<p>Management expense ratio (MER)</p> <p>This is the total of the fund's management fee and operating expenses.</p>	
<p>Trading expense ratio (TER)</p> <p>These are the fund's trading costs.</p>	
<p>Fund expenses</p> <p>The amount included for fund expenses is the amount arrived at by adding the MER and the TER.</p>	

3. If the information in (2) is unavailable because the fund is new including wording similar to the following:

“The fund’s expenses are made up of the management fee, operating expenses and trading costs. The fund’s annual management fee is []% of the fund’s value. Because this fund is new, its operating expenses and trading costs are not yet available.”

INSTRUCTIONS:

Use a bold font or other formatting to indicate that fund expenses is the total of all ongoing expenses set out in the chart and is not a separate expense charged to the fund.

Item 8 – Trailing Commissions

1. If the manager of the fund or another member of the fund’s organization pays trailing commissions, include a brief description of these commissions.
2. The description of any trailing commission must include a statement in substantially the following words:

“The trailing commission is paid out of the management fee. The trailing commission is paid for as long as you own the fund.”

Item 9 – Other Fees

1. Provide information about the amount of fees payable by an investor, other than those already described or payable by designated brokers and underwriters.
2. Include a statement using wording similar to the following:

“You may pay brokerage fees to your dealer when you purchase and sell units of the fund.”

INSTRUCTIONS:

- (a) *Examples include any redemption charges, sales charges or other fees, if any, associated with buying and selling securities of the fund.*
- (b) *Provide a brief description of each fee disclosing the amount to be paid as a percentage (or, if applicable, a fixed dollar amount) and state who charges the fee.*

Item 10 – Statement of Rights

State in substantially the following words:

Under securities law in some provinces and territories, you have:

- *the right to cancel your purchase within 48 hours after you receive confirmation of the purchase, or*

- *other rights and remedies if this document or the fund's prospectus contains a misrepresentation. You must act within the time limit set by the securities law in your province or territory.*

For more information, see the securities law of your province or territory or ask a lawyer.

Item 11 – Past Performance

If the fund includes past performance:

1. Include an introduction using wording similar to the following:

This section tells you how the fund has performed over the past [insert the lesser of 10 years or the number of completed calendar years] years. Returns are after expenses have been deducted. These expenses reduce the fund's returns.

It's important to note that this doesn't tell you how the fund will perform in the future as past performance may not be repeated. Also, your actual after-tax return will depend on your personal tax situation.

2. Show the annual total return of the fund, in chronological order for the lesser of:
 - (a) each of the 10 most recently completed calendar years; and
 - (b) each of the completed calendar years in which the fund has been in existence and which the fund was a reporting issuer.
3. Show the
 - (a) final value, of a hypothetical \$1,000 investment in the fund as at the end of the period that ends within 60 days before the date of the Summary Document and consists of the lesser of:
 - (i) 10 years, or
 - (ii) the time since inception of the fund,and
 - (b) the annual compounded rate of return that would equate the initial \$1,000 investment to the final value.

INSTRUCTIONS:

In responding to the requirements of this Item, a fund must comply with the relevant sections of Part 15 of National Instrument 81-102 Investment Funds as if those sections applied to a Summary Document.

Item 12 – Benchmark Information

If the Summary Document includes benchmark information, ensure this information is consistent with the fund's MRFP and presented in the same format as Item 11.

2.1.11 Horizons ETFs Management (Canada) Inc. and AlphaPro Management Inc. and Existing Funds Managed by the Filer

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Revocation of prior relief – relief granted primarily to extend sunset clause set out in the original decision – relief granted on terms that are substantially similar to prior relief – Exemptive relief granted to exchange-traded funds for initial and continuous distribution of units – Relief to permit the funds' prospectus to not contain an underwriter's certificate and to include a modified statement of investor rights – Relief granted subject to manager filing a prescribed summary document for each fund on SEDAR and other terms and conditions set out in decision document – Relief consistent with the implementation of the Canadian Securities Administrators Point of Sale Disclosure Project, which contemplates rule-making to codify summary disclosure document for exchange-traded funds – Securities Act (Ontario) and National Instrument 41-101 General Prospectus Requirements.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 59(1), 144.

National Instrument 41-101 General Prospectus Requirements, s. 19.1, and Item 36.2 of Form 41-101F2.

August 24, 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
HORIZONS ETFS MANAGEMENT (CANADA) INC. AND ALPHAPRO MANAGEMENT INC.
(collectively, the Filer)**

AND

**THE EXISTING EXCHANGE-TRADED FUNDS MANAGED BY THE FILER
(the Existing Funds)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Existing Funds and such other exchange-traded mutual funds as the Filer, or an affiliate of the Filer, may establish in the future (the **Future Funds**, and together with the Existing Funds, the **ETFs** and individually, an **ETF**) for a decision under the securities legislation of the principal regulator (the **Legislation**) that:

1. exempts the Filer and each ETF from
 - (a) the requirement to include a certificate of an underwriter in an ETF's prospectus (the **Underwriter's Certificate Requirement**); and
 - (b) the requirement to include in an ETF's prospectus the statement respecting purchasers' statutory rights of withdrawal and remedies of rescission or damages in substantially the form prescribed in item 36.2 of Form 41-101F2 *Information Required in an Investment Fund Prospectus* (the **Prospectus Form Requirement**)(collectively, the **Exemption Sought**);

2. varies all previous decisions granted by the principal regulator prior to July 19, 2013 that exempted the Filer and the ETFs from the Underwriter's Certificate Requirement (the **Prior Underwriter's Certificate Relief**), by revoking the Prior Underwriter's Certificate Relief and by revoking, as applicable, the representations relating to prospectus delivery contained in such decisions (the **Prospectus Delivery Representations**); and
3. revokes a decision the Filer obtained from the principal regulator dated July 19, 2013 granting the Exemption Sought until September 1, 2015 (the **Original Decision**).

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 all of the provinces and territories of Canada other than Ontario (together with Ontario, the **Jurisdictions**).

Interpretation

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

Affiliate Dealer means a registered dealer that is an affiliate of an Authorized Dealer or Designated Broker and that participates in the re-sale of Creation Units (as defined below) from time to time.

Authorized Dealer means a registered dealer that has entered, or intends to enter, into an agreement with the manager of an ETF (an **ETF Manager**) authorizing the dealer to subscribe for, purchase and redeem Creation Units from one or more ETFs on a continuous basis from time to time.

Designated Broker means a registered dealer that has entered, or intends to enter, into an agreement with an ETF Manager to perform certain duties in relation to the ETF, including posting a liquid two-way market for the trading of the ETF's listed securities on the TSX or another marketplace.

ETF Facts means a prescribed disclosure document in accordance with the regulations, in respect of one or more classes or series of ETF Securities being distributed under a prospectus.

ETF Security means a listed security of an ETF.

Other Dealer means a registered dealer that acts as authorized dealer or designated broker to other exchange-traded funds that are not managed by the Filer and that has received relief under a Prospectus Delivery Decision.

Prospectus Delivery Decision means a decision granting relief from the Prospectus Delivery Requirement to a Designated Broker, Authorized Dealer, Affiliate Dealer or Other Dealer dated July 19, 2013, or any subsequent decision granting similar relief to a Designated Broker, Authorized Dealer, Affiliate Dealer or Other Dealer, and in each case, that is in effect at the relevant time.

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

Summary Document means a document, in respect of one or more classes or series of ETF Securities being distributed under a prospectus, prepared in accordance with Schedule A.

TSX means the Toronto Stock Exchange.

Representations

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

1. Horizons ETFs Management (Canada) Inc. (**Horizons**) is a corporation organized under the federal laws of Canada, with a head office in Ontario. AlphaPro Management Inc. (**AlphaPro**) is also a corporation organized under the federal laws of Canada, with a head office in Ontario.

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2. Each ETF is, or will be, a mutual fund governed by the laws of the Province of Ontario and a reporting issuer under the laws of some or all of the Jurisdictions.
3. Each ETF is, or will be, subject to NI 81-102, subject to any exemptions therefrom that have been, or may be, granted by the applicable securities regulatory authorities.
4. Each ETF is, or will be, in continuous distribution. The ETF Securities of each ETF are, or will be, listed on the TSX or another marketplace in Canada.
5. The Filer has filed, or will file, a long form prospectus in accordance with National Instrument 41-101 *General Prospectus Requirements* on behalf of the ETFs, subject to any exemptions that have been or may be granted by the applicable securities regulatory authorities.
6. The Filer or an affiliate will act as the trustee and/or the investment fund manager of the ETFs. Horizons and AlphaPro are each registered in the Province of Ontario as an investment fund manager.
7. ETF Securities are, or will be, distributed on a continuous basis in one or more of the Jurisdictions under a prospectus. ETF Securities may generally only be subscribed for or purchased directly from the ETFs by Authorized Dealers or Designated Brokers (**Creation Units**). Authorized Dealers or Designated Brokers subscribe for Creation Units for the purpose of facilitating investor purchases of ETF Securities on the TSX or another marketplace in Canada.
8. In addition to subscribing for and re-selling Creation Units, Authorized Dealers, Designated Brokers and Affiliate Dealers are also generally engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market. Other Dealers may also be engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market despite not being an Authorized Dealer, Designated Broker or Affiliate Dealer.
9. According to the Authorized Dealers and Designated Brokers, Creation Units are generally commingled with other ETF Securities purchased by the Authorized Dealers, Designated Brokers and Affiliate Dealers in the secondary market. As such, it is not practicable for the Authorized Dealers, Designated Brokers or Affiliate Dealers to determine whether a particular re-sale of ETF Securities involves Creation Units or ETF Securities purchased in the secondary market.
10. Designated Brokers perform certain other functions, which include standing in the market with a bid and ask price for ETF Securities for the purpose of maintaining liquidity for the ETF Securities.
11. Except for Authorized Dealer and Designated Broker subscriptions for Creation Units, as described above, and other distributions that are exempt from the Prospectus Delivery Requirement under the Legislation, ETF Securities generally may not be purchased directly from an ETF. Investors are generally expected to purchase and sell ETF Securities, directly or indirectly, through dealers executing trades through the facilities of the TSX or another marketplace in Canada. ETF Securities may also be issued directly to ETF investors upon the reinvestment of distributions of income or capital gains.
12. The Authorized Dealers and Designated Brokers do not provide the same services in connection with a distribution of Creation Units as would typically be provided by an underwriter in a conventional underwriting.
13. The Authorized Dealers and Designated Brokers are not involved in the preparation of an ETF's prospectus, do not incur any marketing costs or receive any underwriting fees or commissions from the ETFs or the ETF Managers in connection with the distribution of Creation Units. The Authorized Dealers and Designated Brokers generally seek to profit from their ability to create and redeem ETF Securities by engaging in arbitrage trading to capture spreads between the trading prices of ETF Securities and their underlying securities and by making markets for their clients to facilitate client trading in ETF Securities.
14. The Filer generally conducts its own marketing, advertising and promotion of the ETFs. The Filer may, at its discretion, charge an administration fee on the issuance of Creation Units to Authorized Dealers or Designated Brokers.
15. The principal regulator has advised the Filer that it takes the view that the first re-sale of a Creation Unit on the TSX or another marketplace in Canada will generally constitute a distribution of Creation Units under the Legislation and that the Authorized Dealers, Designated Brokers and Affiliate Dealers are subject to the Prospectus Delivery Requirement in connection with such re-sales. Re-sales of ETF Securities in the secondary market that are not Creation Units would not ordinarily constitute a distribution of such ETF Securities.
16. Under a Prospectus Delivery Decision, Authorized Dealers, Designated Brokers and Affiliate Dealers are exempt from the Prospectus Delivery Requirement in connection with the re-sale of Creation Units to investors on the TSX or

another marketplace in Canada. Under a Prospectus Delivery Decision, Other Dealers are also exempt from the Prospectus Delivery Requirement in connection with the re-sale of creation units of other exchange-traded funds that are not managed by the Filer.

17. Each Prospectus Delivery Decision includes a condition that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer undertakes that it will, unless it has previously done so, send or deliver to each purchaser of an ETF Security who is a customer of the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer, and to whom a trade confirmation is required under the Legislation to be sent or delivered by the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer in connection with the purchase, the latest Summary Document filed in respect of the ETF Security, not later than midnight on the second day, exclusive of Saturdays, Sundays and holidays, after the purchase of the ETF Security.
18. The Filer will file with the applicable Jurisdictions on the System for Electronic Document Analysis and Retrieval (**SEDAR**) a Summary Document for each class or series of ETF Securities offered by the Filer and provide or make available to the Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers, the requisite number of copies of the Summary Document for the purpose of facilitating their compliance with the Prospectus Delivery Decision.
19. The Filer will file a Summary Document for each class or series of ETF Securities offered by the Filer within the timeframe necessary to allow Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers to effect delivery of the Summary Document as contemplated in the Prospectus Delivery Decision.
20. The Exemption Sought from the Prospectus Form Requirement is required to reflect the relief provided in the Prospectus Delivery Decision. Accordingly, the Filer will include language in each ETF's prospectus explaining the impact on a purchaser's statutory rights as a result of the Prospectus Delivery Decision in replacement of the language prescribed by the Prospectus Form Requirement.

Original Decision; Proposed Rules

21. The Filer is seeking to revoke the Original Decision and replace it with this decision.
22. The securities regulatory authorities are developing proposed rule amendments that will require the Filer to file an ETF Facts in connection with the filing of a prospectus. If the amendments are adopted, the requirement for the Filer to file an ETF Facts will supersede the requirement for the Filer to file a Summary Document under this decision. Since the introduction of the ETF Facts will likely be subject to a transition period, there may be a period of time where some ETFs have an ETF Facts while other ETFs have a Summary Document. If the Filer files an ETF Facts with respect to a class or series of ETF Securities, the Filer will use such ETF Facts instead of a Summary Document to satisfy its obligations under this decision with respect to any purchase of such class or series of ETF Securities that occurs after the filing of such ETF Facts.

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 (i) the Original Decision is revoked and replaced by this decision and (ii) the Exemption Sought is granted, provided that the Filer is in compliance with the following conditions:

1. The Filer files with the applicable Jurisdictions on SEDAR and displays on its website in a manner that would be considered prominent to a reasonable investor the Summary Document for each class or series of ETF Securities of an Existing Fund.
2. The Filer files concurrently on SEDAR the Summary Document for each class or series of ETF Securities when filing a final prospectus for that ETF.
3. The Filer amends the Summary Document at the same time it files any amendments to the ETF's prospectus that affect the disclosure in the Summary Document and files the amended Summary Document with the applicable Jurisdictions on SEDAR and makes it available on its website in a manner that would be considered prominent to a reasonable investor.
4. The Filer provides or makes available to each Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer, the number of copies of the Summary Document of each ETF Security that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer reasonably requests in support of compliance with its respective Prospectus Delivery Decision.

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5. Each ETF's preliminary prospectus, pro forma prospectus or any amendment will the next time it is filed, if it does not already do so,
 - (a) incorporate the relevant Summary Document by reference;
 - (b) contain the disclosure referred to in paragraph 20 above; and
 - (c) disclose both this decision and the Prospectus Delivery Decision under Item 34.1 of Form 41-101F2 *Exemptions and Approvals*.
6. The Filer obtains an executed acknowledgement from each Authorized Dealer, Designated Broker and Affiliate Dealer, and uses its best efforts to obtain an acknowledgment from each Other Dealer:
 - (a) indicating its election, in connection with the re-sale of Creation Units on the TSX or another marketplace in Canada, to send or deliver the Summary Document in accordance with a Prospectus Delivery Decision or, alternatively, to comply with the Prospectus Delivery Requirement; and
 - (b) if the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer agrees to deliver the Summary Document in accordance with a Prospectus Delivery Decision:
 - (i) an undertaking that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under the Prospectus Delivery Decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (ii) confirming that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer has in place written policies and procedures to ensure that it is in compliance with the conditions of the Prospectus Delivery Decision.
7. The Filer will keep records of which Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers, have provided it with an acknowledgement under a Prospectus Delivery Decision, and which intend to rely on and comply with the Prospectus Delivery Decision or intend to comply with the Prospectus Delivery Requirement.
8. The Filer files with its principal regulator, to the attention of the Director, Investment Funds Branch, on or before January 31st in each calendar year, a certificate signed by an ultimate designated person certifying that, to the best of the knowledge of such person, after making due inquiry, the Filer has complied with the terms and conditions of this decision, and the Original Decision, as applicable, during the previous calendar year.
9. If the Filer files an ETF Facts instead of a Summary Document with respect to a class or series of ETF Securities, the latest ETF Facts filed in respect of such class or series of ETF Securities must be substituted for the Summary Document in order to satisfy the foregoing conditions with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.
10. Conditions (1), (2), (3) and (5)(a) above do not apply to the Exemption Sought with respect to a class or series of an ETF Security of an ETF if the Filer files an ETF Facts for such class or series of the ETF Security.
11. Conditions (4), (5)(b), (5)(c), (6), (7) and (8) do not apply to an ETF with respect to the Exemption Sought after any new legislation or rule dealing with the Prospectus Delivery Decision takes effect and any applicable transition period has expired.

It is the further decision of the principal regulator under the Legislation that the Prior Underwriter's Certificate Relief and the Prospectus Delivery Representations are revoked.

The Exemption Sought from the Prospectus Form Requirement, as it relates to one or more of the Jurisdictions, will terminate on the latest of: (i) the coming into force of any legislation or rule dealing with the Exemption Sought from the Prospectus Form Requirement or (ii) the end date of any applicable transition period for any legislation or rule dealing with the Exemption Sought from the Prospectus Form Requirement.

As to the (i) revocation of the Original Decision, (ii) the Exemption Sought from the Underwriter's Certificate Requirement and (iii) the revocation of the Prior Underwriter's Certificate Relief and Prospectus Delivery Representations:

"Monica Kowal"
Vice-Chair
Ontario Securities Commission

"Mary Condon"
Commissioner
Ontario Securities Commission

As to the Exemption Sought from the Prospectus Form Requirement:

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

SCHEDULE A

Contents of Summary Document

General Instructions:

1. *Items 1 to 10 represent the minimum disclosure required in a Summary Document for a fund. The inclusion of additional information is not precluded so long as the Summary Document does not exceed a total of four pages in length (two pages double-sided).*
2. *Terms defined in National Instrument 81-102 Investment Funds, National Instrument 81-105 Mutual Fund Sales Practices or National Instrument 81-106 Investment Fund Continuous Disclosure and used in this Summary Document have the meanings that they have in those national instruments.*
3. *Information in the Summary Document must be clear and concise and presented in plain language.*
4. *The format and presentation of information in the Summary Document is not prescribed but the information must be presented in a manner that assists in readability and comprehension.*
5. *The order of the Items outlined below is not prescribed, except for Items 1 and 2, which must be presented as the first 2 items in the Summary Document.*
6. *Each reference to a fund in this Schedule A refers to an ETF as defined in the decision above.*

Item 1 – Introduction

Include at the top of the first page a heading consisting of:

- (a) the title “Summary Document”;
- (b) the name of the manager of the fund;
- (c) the name of the fund to which the Summary Document pertains; and
- (d) the date of the document.

Item 2 – Cautionary Language

Include a statement in italics in substantially the following form:

“The following is a summary of the principal features of this fund. You can find more detailed information about the fund in the prospectus. The prospectus is available on [insert name of the manager of the fund] website at [insert manager of the fund website], or by contacting [insert name of the manager of the fund] at [insert manager of the fund’s email address], or by calling [insert telephone number of the manager of the fund].”

Item 3 – Fund Details

Include the following disclosure:

- (a) ticker symbol;
- (b) fund identification code(s);
- (c) index ticker (as applicable);
- (d) exchange;
- (e) currency;
- (f) inception date;
- (g) RSP eligibility;

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- (h) DRIP eligibility;
- (i) expected frequency and timing of distributions, and if applicable, the targeted amount for distributions;
- (j) management expense ratio, if available; and
- (k) portfolio manager, when the fund is actively managed.

Item 4 – Investment Objectives

Include a description of the fundamental nature of the fund, or the fundamental features of the fund that distinguishes it from other funds.

INSTRUCTIONS:

Include a description of what the fund primarily invests in, or intends to primarily invest in, such as

- (a) *a description of the fund, including what the fund invests in, and if it is trying to replicate an index, the name of the index, and an overview of the nature of securities covered by the index or the purpose of the index; and*
- (b) *the key investment strategies of the fund.*

Item 5 – Investments of the Fund

1. Include a table disclosing:
 - (a) the top 10 positions held by the fund; and
 - (b) the percentage of net asset value of the fund represented by the top 10 positions.
2. Include at least one, and up to two, charts or tables that illustrate the investment mix of the fund's investment portfolio.

INSTRUCTIONS:

- (a) *The information required under this Item is intended to give a snapshot of the composition of the fund's investment portfolio. The information required to be disclosed under this Item must be as at a date within 60 days before the date of the Summary Document.*
- (b) *The information required under Item 5(2) must show a breakdown of the fund's investment portfolio into appropriate subgroups and the percentage of the aggregate net asset value of the fund constituted by each subgroup. The names of the subgroups are not prescribed and can include security type, industry segment or geographic location. The fund should use the most appropriate categories given the nature of the fund. The choices made must be consistent with disclosure provided under "Summary of Investment Portfolio" in the fund's MRFP.*
- (c) *For new funds where the information required to be disclosed under this Item is not available, provide a brief statement explaining why the required information is not available.*

Item 6 – Risk

1. Include a statement in italics in substantially the following form:

"All investments involve risk. When you invest in the fund the value of your investment can go down as well as up. For a description of the specific risks of this fund, see the fund's prospectus."
2. If the cover page of the fund's prospectus contains text box risk disclosure, also include a description of those risk factors in the Summary Document.

Item 7 – Fund Expenses

1. Include an introduction using wording similar to the following:

"You don't pay these expenses directly. They affect you because they reduce the fund's returns."

2. Provide information about the expenses of the fund in the form of the following table:

	Annual rate (as a % of the fund's value)
<p>Management expense ratio (MER)</p> <p>This is the total of the fund's management fee and operating expenses.</p>	
<p>Trading expense ratio (TER)</p> <p>These are the fund's trading costs.</p>	
<p>Fund expenses</p> <p>The amount included for fund expenses is the amount arrived at by adding the MER and the TER.</p>	

3. If the information in (2) is unavailable because the fund is new including wording similar to the following:

"The fund's expenses are made up of the management fee, operating expenses and trading costs. The fund's annual management fee is []% of the fund's value. Because this fund is new, its operating expenses and trading costs are not yet available."

INSTRUCTIONS:

Use a bold font or other formatting to indicate that fund expenses is the total of all ongoing expenses set out in the chart and is not a separate expense charged to the fund.

Item 8 – Trailing Commissions

1. If the manager of the fund or another member of the fund's organization pays trailing commissions, include a brief description of these commissions.
2. The description of any trailing commission must include a statement in substantially the following words:

"The trailing commission is paid out of the management fee. The trailing commission is paid for as long as you own the fund."

Item 9 – Other Fees

1. Provide information about the amount of fees payable by an investor, other than those already described or payable by designated brokers and underwriters.
2. Include a statement using wording similar to the following:

"You may pay brokerage fees to your dealer when you purchase and sell units of the fund."

INSTRUCTIONS:

- (a) *Examples include any redemption charges, sales charges or other fees, if any, associated with buying and selling securities of the fund.*
- (b) *Provide a brief description of each fee disclosing the amount to be paid as a percentage (or, if applicable, a fixed dollar amount) and state who charges the fee.*

Item 10 – Statement of Rights

State in substantially the following words:

Under securities law in some provinces and territories, you have:

- *the right to cancel your purchase within 48 hours after you receive confirmation of the purchase, or*

- *other rights and remedies if this document or the fund's prospectus contains a misrepresentation. You must act within the time limit set by the securities law in your province or territory.*

For more information, see the securities law of your province or territory or ask a lawyer.

Item 11 – Past Performance

If the fund includes past performance:

1. Include an introduction using wording similar to the following:

This section tells you how the fund has performed over the past [insert the lesser of 10 years or the number of completed calendar years] years. Returns are after expenses have been deducted. These expenses reduce the fund's returns.

It's important to note that this doesn't tell you how the fund will perform in the future as past performance may not be repeated. Also, your actual after-tax return will depend on your personal tax situation.

2. Show the annual total return of the fund, in chronological order for the lesser of:
 - (a) each of the 10 most recently completed calendar years; and
 - (b) each of the completed calendar years in which the fund has been in existence and which the fund was a reporting issuer.
3. Show the
 - (a) final value, of a hypothetical \$1,000 investment in the fund as at the end of the period that ends within 60 days before the date of the Summary Document and consists of the lesser of:
 - (i) 10 years, or
 - (ii) the time since inception of the fund,and
 - (b) the annual compounded rate of return that would equate the initial \$1,000 investment to the final value.

INSTRUCTIONS:

In responding to the requirements of this Item, a fund must comply with the relevant sections of Part 15 of National Instrument 81-102 Investment Funds as if those sections applied to a Summary Document.

Item 12 – Benchmark Information

If the Summary Document includes benchmark information, ensure this information is consistent with the fund's MRFP and presented in the same format as Item 11.

2.1.12 BMO Asset Management Inc. and Existing ETFs Managed by the Filer

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Revocation of prior relief – relief granted primarily to extend sunset clause set out in the original decision – relief granted on terms that are substantially similar to prior relief – Exemptive relief granted to exchange-traded funds for initial and continuous distribution of units – Relief to permit the funds' prospectus to not contain an underwriter's certificate and to include a modified statement of investor rights – Relief granted subject to manager filing a prescribed summary document for each fund on SEDAR and other terms and conditions set out in decision document – Relief consistent with the implementation of the Canadian Securities Administrators Point of Sale Disclosure Project, which contemplates rule-making to codify summary disclosure document for exchange-traded funds – Securities Act (Ontario) and National Instrument 41-101 General Prospectus Requirements.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 59(1), 144.

National Instrument 41-101 General Prospectus Requirements, s. 19.1, and Item 36.2 of Form 41-101F2.

August 24, 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
BMO ASSET MANAGEMENT INC.
(the Filer)

AND

THE EXISTING EXCHANGE-TRADED FUNDS MANAGED BY THE FILER
(the Existing Funds)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Existing Funds and such other exchange-traded mutual funds as the Filer, or an affiliate of the Filer, may establish in the future (the **Future Funds**, and together with the Existing Funds, the **ETFs** and individually, an **ETF**) for a decision under the securities legislation of the principal regulator (the **Legislation**) that:

1. exempts the Filer and each ETF from
 - (a) the requirement to include a certificate of an underwriter in an ETF's prospectus (the **Underwriter's Certificate Requirement**); and
 - (b) the requirement to include in an ETF's prospectus the statement respecting purchasers' statutory rights of withdrawal and remedies of rescission or damages in substantially the form prescribed in item 36.2 of Form 41-101F2 *Information Required in an Investment Fund Prospectus* (the **Prospectus Form Requirement**)(collectively, the **Exemption Sought**);

2. varies all previous decisions granted by the principal regulator prior to July 19, 2013 that exempted the Filer and the ETFs from the Underwriter's Certificate Requirement (the **Prior Underwriter's Certificate Relief**), by revoking the Prior Underwriter's Certificate Relief and by revoking, as applicable, the representations relating to prospectus delivery contained in such decisions (the **Prospectus Delivery Representations**); and
3. revokes a decision the Filer obtained from the principal regulator dated July 19, 2013 granting the Exemption Sought until September 1, 2015 (the **Original Decision**).

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 all of the provinces and territories of Canada other than Ontario (together with Ontario, the **Jurisdictions**).

Interpretation

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

Affiliate Dealer means a registered dealer that is an affiliate of an Authorized Dealer or Designated Broker and that participates in the re-sale of Creation Units (as defined below) from time to time.

Authorized Dealer means a registered dealer that has entered, or intends to enter, into an agreement with the manager of an ETF (an **ETF Manager**) authorizing the dealer to subscribe for, purchase and redeem Creation Units from one or more ETFs on a continuous basis from time to time.

Designated Broker means a registered dealer that has entered, or intends to enter, into an agreement with an ETF Manager to perform certain duties in relation to the ETF, including posting a liquid two-way market for the trading of the ETF's listed securities on the TSX or another marketplace.

ETF Facts means a prescribed disclosure document in accordance with the regulations, in respect of one or more classes or series of ETF Securities being distributed under a prospectus.

ETF Security means a listed security of an ETF.

Other Dealer means a registered dealer that acts as authorized dealer or designated broker to other exchange-traded funds that are not managed by the Filer and that has received relief under a Prospectus Delivery Decision.

Prospectus Delivery Decision means a decision granting relief from the Prospectus Delivery Requirement to a Designated Broker, Authorized Dealer, Affiliate Dealer or Other Dealer dated July 19, 2013, or any subsequent decision granting similar relief to a Designated Broker, Authorized Dealer, Affiliate Dealer or Other Dealer, and in each case, that is in effect at the relevant time.

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

Summary Document means a document, in respect of one or more classes or series of ETF Securities being distributed under a prospectus, prepared in accordance with Schedule A.

TSX means the Toronto Stock Exchange.

Representations

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

1. The Filer is a corporation organized under the laws of Ontario, with a head office in Ontario.

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2. Each ETF is, or will be, a mutual fund governed by the laws of the Province of Ontario and a reporting issuer under the laws of some or all of the Jurisdictions.
3. Each ETF is, or will be, subject to NI 81-102, subject to any exemptions therefrom that have been, or may be, granted by the applicable securities regulatory authorities.
4. Each ETF is, or will be, in continuous distribution. The ETF Securities of each ETF are, or will be, listed on the TSX or another marketplace in Canada.
5. The Filer has filed, or will file, a long form prospectus in accordance with National Instrument 41-101 *General Prospectus Requirements* on behalf of the ETFs, subject to any exemptions that have been or may be granted by the applicable securities regulatory authorities.
6. The Filer acts, and will act, as the trustee, investment fund manager and portfolio manager of the ETFs. In Ontario, the Filer is registered as an adviser in the categories of portfolio manager and commodity trading manager, as a dealer in the category of exempt market dealer and as an investment fund manager.
7. ETF Securities are, or will be, distributed on a continuous basis in one or more of the Jurisdictions under a prospectus. ETF Securities may generally only be subscribed for or purchased directly from the ETFs by Authorized Dealers or Designated Brokers (**Creation Units**). Authorized Dealers or Designated Brokers subscribe for Creation Units for the purpose of facilitating investor purchases of ETF Securities on the TSX or another marketplace in Canada.
8. In addition to subscribing for and re-selling Creation Units, Authorized Dealers, Designated Brokers and Affiliate Dealers are also generally engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market. Other Dealers may also be engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market despite not being an Authorized Dealer, Designated Broker or Affiliate Dealer.
9. According to the Authorized Dealers and Designated Brokers, Creation Units are generally commingled with other ETF Securities purchased by the Authorized Dealers, Designated Brokers and Affiliate Dealers in the secondary market. As such, it is not practicable for the Authorized Dealers, Designated Brokers or Affiliate Dealers to determine whether a particular re-sale of ETF Securities involves Creation Units or ETF Securities purchased in the secondary market.
10. Designated Brokers perform certain other functions, which include standing in the market with a bid and ask price for ETF Securities for the purpose of maintaining liquidity for the ETF Securities.
11. Except for Authorized Dealer and Designated Broker subscriptions for Creation Units, as described above, and other distributions that are exempt from the Prospectus Delivery Requirement under the Legislation, ETF Securities generally may not be purchased directly from an ETF. Investors are generally expected to purchase and sell ETF Securities, directly or indirectly, through dealers executing trades through the facilities of the TSX or another marketplace in Canada. ETF Securities may also be issued directly to ETF investors upon the reinvestment of distributions of income or capital gains.
12. The Authorized Dealers and Designated Brokers do not provide the same services in connection with a distribution of Creation Units as would typically be provided by an underwriter in a conventional underwriting.
13. The Authorized Dealers and Designated Brokers are not involved in the preparation of an ETF's prospectus, do not incur any marketing costs or receive any underwriting fees or commissions from the ETFs or the ETF Managers in connection with the distribution of Creation Units. The Authorized Dealers and Designated Brokers generally seek to profit from their ability to create and redeem ETF Securities by engaging in arbitrage trading to capture spreads between the trading prices of ETF Securities and their underlying securities and by making markets for their clients to facilitate client trading in ETF Securities.
14. The Filer generally conducts its own marketing, advertising and promotion of the ETFs. The Filer may, at its discretion, charge an administration fee on the issuance of Creation Units to Authorized Dealers or Designated Brokers.
15. The principal regulator has advised the Filer that it takes the view that the first re-sale of a Creation Unit on the TSX or another marketplace in Canada will generally constitute a distribution of Creation Units under the Legislation and that the Authorized Dealers, Designated Brokers and Affiliate Dealers are subject to the Prospectus Delivery Requirement in connection with such re-sales. Re-sales of ETF Securities in the secondary market that are not Creation Units would not ordinarily constitute a distribution of such ETF Securities.

16. Under a Prospectus Delivery Decision, Authorized Dealers, Designated Brokers and Affiliate Dealers are exempt from the Prospectus Delivery Requirement in connection with the re-sale of Creation Units to investors on the TSX or another marketplace in Canada. Under a Prospectus Delivery Decision, Other Dealers are also exempt from the Prospectus Delivery Requirement in connection with the re-sale of creation units of other exchange-traded funds that are not managed by the Filer.
17. Each Prospectus Delivery Decision includes a condition that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer undertakes that it will, unless it has previously done so, send or deliver to each purchaser of an ETF Security who is a customer of the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer, and to whom a trade confirmation is required under the Legislation to be sent or delivered by the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer in connection with the purchase, the latest Summary Document filed in respect of the ETF Security, not later than midnight on the second day, exclusive of Saturdays, Sundays and holidays, after the purchase of the ETF Security.
18. The Filer will file with the applicable Jurisdictions on the System for Electronic Document Analysis and Retrieval (**SEDAR**) a Summary Document for each class or series of ETF Securities offered by the Filer and provide or make available to the Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers, the requisite number of copies of the Summary Document for the purpose of facilitating their compliance with the Prospectus Delivery Decision.
19. The Filer will file a Summary Document for each class or series of ETF Securities offered by the Filer within the timeframe necessary to allow Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers to effect delivery of the Summary Document as contemplated in the Prospectus Delivery Decision.
20. The Exemption Sought from the Prospectus Form Requirement is required to reflect the relief provided in the Prospectus Delivery Decision. Accordingly, the Filer will include language in each ETF's prospectus explaining the impact on a purchaser's statutory rights as a result of the Prospectus Delivery Decision in replacement of the language prescribed by the Prospectus Form Requirement.

Original Decision; Proposed Rules

21. The Filer is seeking to revoke the Original Decision and replace it with this decision.
22. The securities regulatory authorities are developing proposed rule amendments that will require the Filer to file an ETF Facts in connection with the filing of a prospectus. If the amendments are adopted, the requirement for the Filer to file an ETF Facts will supersede the requirement for the Filer to file a Summary Document under this decision. Since the introduction of the ETF Facts will likely be subject to a transition period, there may be a period of time where some ETFs have an ETF Facts while other ETFs have a Summary Document. If the Filer files an ETF Facts with respect to a class or series of ETF Securities, the Filer will use such ETF Facts instead of a Summary Document to satisfy its obligations under this decision with respect to any purchase of such class or series of ETF Securities that occurs after the filing of such ETF Facts.

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 (i) the Original Decision is revoked and replaced by this decision and (ii) the Exemption Sought is granted, provided that the Filer is in compliance with the following conditions:

1. The Filer files with the applicable Jurisdictions on SEDAR and displays on its website in a manner that would be considered prominent to a reasonable investor the Summary Document for each class or series of ETF Securities of an Existing Fund.
2. The Filer files concurrently on SEDAR the Summary Document for each class or series of ETF Securities when filing a final prospectus for that ETF.
3. The Filer amends the Summary Document at the same time it files any amendments to the ETF's prospectus that affect the disclosure in the Summary Document and files the amended Summary Document with the applicable Jurisdictions on SEDAR and makes it available on its website in a manner that would be considered prominent to a reasonable investor.
4. The Filer provides or makes available to each Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer, the number of copies of the Summary Document of each ETF Security that the Authorized Dealer, Designated Broker,

Affiliate Dealer or Other Dealer reasonably requests in support of compliance with its respective Prospectus Delivery Decision.

5. Each ETF's preliminary prospectus, pro forma prospectus or any amendment will the next time it is filed, if it does not already do so,
 - (a) incorporate the relevant Summary Document by reference;
 - (b) contain the disclosure referred to in paragraph 20 above; and
 - (c) disclose both this decision and the Prospectus Delivery Decision under Item 34.1 of Form 41-101F2 *Exemptions and Approvals*.
6. The Filer obtains an executed acknowledgement from each Authorized Dealer, Designated Broker and Affiliate Dealer, and uses its best efforts to obtain an acknowledgment from each Other Dealer:
 - (a) indicating its election, in connection with the re-sale of Creation Units on the TSX or another marketplace in Canada, to send or deliver the Summary Document in accordance with a Prospectus Delivery Decision or, alternatively, to comply with the Prospectus Delivery Requirement; and
 - (b) if the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer agrees to deliver the Summary Document in accordance with a Prospectus Delivery Decision:
 - (i) an undertaking that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under the Prospectus Delivery Decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (ii) confirming that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer has in place written policies and procedures to ensure that it is in compliance with the conditions of the Prospectus Delivery Decision.
7. The Filer will keep records of which Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers, have provided it with an acknowledgement under a Prospectus Delivery Decision, and which intend to rely on and comply with the Prospectus Delivery Decision or intend to comply with the Prospectus Delivery Requirement.
8. The Filer files with its principal regulator, to the attention of the Director, Investment Funds Branch, on or before January 31st in each calendar year, a certificate signed by an ultimate designated person certifying that, to the best of the knowledge of such person, after making due inquiry, the Filer has complied with the terms and conditions of this decision, and the Original Decision, as applicable, during the previous calendar year.
9. If the Filer files an ETF Facts instead of a Summary Document with respect to a class or series of ETF Securities, the latest ETF Facts filed in respect of such class or series of ETF Securities must be substituted for the Summary Document in order to satisfy the foregoing conditions with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.
10. Conditions (1), (2), (3) and (5)(a) above do not apply to the Exemption Sought with respect to a class or series of an ETF Security of an ETF if the Filer files an ETF Facts for such class or series of the ETF Security.
11. Conditions (4), (5)(b), (5)(c), (6), (7) and (8) do not apply to an ETF with respect to the Exemption Sought after any new legislation or rule dealing with the Prospectus Delivery Decision takes effect and any applicable transition period has expired.

It is the further decision of the principal regulator under the Legislation that the Prior Underwriter's Certificate Relief and the Prospectus Delivery Representations are revoked.

The Exemption Sought from the Prospectus Form Requirement, as it relates to one or more of the Jurisdictions, will terminate on the latest of: (i) the coming into force of any legislation or rule dealing with the Exemption Sought from the Prospectus Form Requirement or (ii) the end date of any applicable transition period for any legislation or rule dealing with the Exemption Sought from the Prospectus Form Requirement.

As to the (i) revocation of the Original Decision, (ii) the Exemption Sought from the Underwriter's Certificate Requirement and (iii) the revocation of the Prior Underwriter's Certificate Relief and Prospectus Delivery Representations:

"Monica Kowal"
Vice-Chair
Ontario Securities Commission

"Mary Condon"
Commissioner
Ontario Securities Commission

As to the Exemption Sought from the Prospectus Form Requirement:

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

SCHEDULE A

Contents of Summary Document

General Instructions:

1. *Items 1 to 10 represent the minimum disclosure required in a Summary Document for a fund. The inclusion of additional information is not precluded so long as the Summary Document does not exceed a total of four pages in length (two pages double-sided).*
2. *Terms defined in National Instrument 81-102 Investment Funds, National Instrument 81-105 Mutual Fund Sales Practices or National Instrument 81-106 Investment Fund Continuous Disclosure and used in this Summary Document have the meanings that they have in those national instruments.*
3. *Information in the Summary Document must be clear and concise and presented in plain language.*
4. *The format and presentation of information in the Summary Document is not prescribed but the information must be presented in a manner that assists in readability and comprehension.*
5. *The order of the Items outlined below is not prescribed, except for Items 1 and 2, which must be presented as the first 2 items in the Summary Document.*
6. *Each reference to a fund in this Schedule A refers to an ETF as defined in the decision above.*

Item 1 – Introduction

Include at the top of the first page a heading consisting of:

- (a) the title “Summary Document”;
- (b) the name of the manager of the fund;
- (c) the name of the fund to which the Summary Document pertains; and
- (d) the date of the document.

Item 2 – Cautionary Language

Include a statement in italics in substantially the following form:

“The following is a summary of the principal features of this fund. You can find more detailed information about the fund in the prospectus. The prospectus is available on [insert name of the manager of the fund] website at [insert manager of the fund website], or by contacting [insert name of the manager of the fund] at [insert manager of the fund’s email address], or by calling [insert telephone number of the manager of the fund].”

Item 3 – Fund Details

Include the following disclosure:

- (a) ticker symbol;
- (b) fund identification code(s);
- (c) index ticker (as applicable);
- (d) exchange;
- (e) currency;
- (f) inception date;
- (g) RSP eligibility;

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- (h) DRIP eligibility;
- (i) expected frequency and timing of distributions, and if applicable, the targeted amount for distributions;
- (j) management expense ratio, if available; and
- (k) portfolio manager, when the fund is actively managed.

Item 4 – Investment Objectives

Include a description of the fundamental nature of the fund, or the fundamental features of the fund that distinguishes it from other funds.

INSTRUCTIONS:

Include a description of what the fund primarily invests in, or intends to primarily invest in, such as

- (a) *a description of the fund, including what the fund invests in, and if it is trying to replicate an index, the name of the index, and an overview of the nature of securities covered by the index or the purpose of the index; and*
- (b) *the key investment strategies of the fund.*

Item 5 – Investments of the Fund

1. Include a table disclosing:
 - (a) the top 10 positions held by the fund; and
 - (b) the percentage of net asset value of the fund represented by the top 10 positions.
2. Include at least one, and up to two, charts or tables that illustrate the investment mix of the fund's investment portfolio.

INSTRUCTIONS:

- (a) *The information required under this Item is intended to give a snapshot of the composition of the fund's investment portfolio. The information required to be disclosed under this Item must be as at a date within 60 days before the date of the Summary Document.*
- (b) *The information required under Item 5(2) must show a breakdown of the fund's investment portfolio into appropriate subgroups and the percentage of the aggregate net asset value of the fund constituted by each subgroup. The names of the subgroups are not prescribed and can include security type, industry segment or geographic location. The fund should use the most appropriate categories given the nature of the fund. The choices made must be consistent with disclosure provided under "Summary of Investment Portfolio" in the fund's MRFP.*
- (c) *For new funds where the information required to be disclosed under this Item is not available, provide a brief statement explaining why the required information is not available.*

Item 6 – Risk

1. Include a statement in italics in substantially the following form:

"All investments involve risk. When you invest in the fund the value of your investment can go down as well as up. For a description of the specific risks of this fund, see the fund's prospectus."
2. If the cover page of the fund's prospectus contains text box risk disclosure, also include a description of those risk factors in the Summary Document.

Item 7 – Fund Expenses

1. Include an introduction using wording similar to the following:

"You don't pay these expenses directly. They affect you because they reduce the fund's returns."

2. Provide information about the expenses of the fund in the form of the following table:

	Annual rate (as a % of the fund's value)
<p>Management expense ratio (MER)</p> <p>This is the total of the fund's management fee and operating expenses.</p>	
<p>Trading expense ratio (TER)</p> <p>These are the fund's trading costs.</p>	
<p>Fund expenses</p> <p>The amount included for fund expenses is the amount arrived at by adding the MER and the TER.</p>	

3. If the information in (2) is unavailable because the fund is new including wording similar to the following:

“The fund’s expenses are made up of the management fee, operating expenses and trading costs. The fund’s annual management fee is []% of the fund’s value. Because this fund is new, its operating expenses and trading costs are not yet available.”

INSTRUCTIONS:

Use a bold font or other formatting to indicate that fund expenses is the total of all ongoing expenses set out in the chart and is not a separate expense charged to the fund.

Item 8 – Trailing Commissions

1. If the manager of the fund or another member of the fund’s organization pays trailing commissions, include a brief description of these commissions.
2. The description of any trailing commission must include a statement in substantially the following words:

“The trailing commission is paid out of the management fee. The trailing commission is paid for as long as you own the fund.”

Item 9 – Other Fees

1. Provide information about the amount of fees payable by an investor, other than those already described or payable by designated brokers and underwriters.
2. Include a statement using wording similar to the following:

“You may pay brokerage fees to your dealer when you purchase and sell units of the fund.”

INSTRUCTIONS:

- (a) *Examples include any redemption charges, sales charges or other fees, if any, associated with buying and selling securities of the fund.*
- (b) *Provide a brief description of each fee disclosing the amount to be paid as a percentage (or, if applicable, a fixed dollar amount) and state who charges the fee.*

Item 10 – Statement of Rights

State in substantially the following words:

Under securities law in some provinces and territories, you have:

- *the right to cancel your purchase within 48 hours after you receive confirmation of the purchase, or*

- *other rights and remedies if this document or the fund's prospectus contains a misrepresentation. You must act within the time limit set by the securities law in your province or territory.*

For more information, see the securities law of your province or territory or ask a lawyer.

Item 11 – Past Performance

If the fund includes past performance:

1. Include an introduction using wording similar to the following:

This section tells you how the fund has performed over the past [insert the lesser of 10 years or the number of completed calendar years] years. Returns are after expenses have been deducted. These expenses reduce the fund's returns.

It's important to note that this doesn't tell you how the fund will perform in the future as past performance may not be repeated. Also, your actual after-tax return will depend on your personal tax situation.

2. Show the annual total return of the fund, in chronological order for the lesser of:
 - (a) each of the 10 most recently completed calendar years; and
 - (b) each of the completed calendar years in which the fund has been in existence and which the fund was a reporting issuer.
3. Show the
 - (a) final value, of a hypothetical \$1,000 investment in the fund as at the end of the period that ends within 60 days before the date of the Summary Document and consists of the lesser of:
 - (i) 10 years, or
 - (ii) the time since inception of the fund,and
 - (b) the annual compounded rate of return that would equate the initial \$1,000 investment to the final value.

INSTRUCTIONS:

In responding to the requirements of this Item, a fund must comply with the relevant sections of Part 15 of National Instrument 81-102 Investment Funds as if those sections applied to a Summary Document.

Item 12 – Benchmark Information

If the Summary Document includes benchmark information, ensure this information is consistent with the fund's MRFP and presented in the same format as Item 11.

2.1.13 BMO Nesbitt Burns Inc. and BMO Investorline Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Revocation of prior relief – relief granted primarily to extend sunset clause set out in the original decision – relief granted on terms that are substantially similar to prior relief – Exemptive relief granted to dealers from the prospectus delivery requirement – Relief granted from requirement to deliver prospectus subject to dealers sending or delivering a prescribed summary disclosure document to purchasers with trade confirmation when acting as agent of the purchaser – Relief conditional on implementing alternative prospectus delivery requirement – Relief consistent with the implementation of the Canadian Securities Administrators Point of Sale Disclosure Project, which contemplates rule-making to codify new alternative prospectus delivery requirement – Securities Act (Ontario).

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 71(1), 147.

August 24, 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
BMO NESBITT BURNS INC. AND BMO INVESTORLINE INC.
(each a Filer)

DECISION

Background

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

- granting exemptive relief from the Prospectus Delivery Requirement (as defined below) in connection with distributions of an ETF Security (as defined below) (the **Exemption Sought**); and
- revoking a decision the Filers obtained from the principal regulator dated July 19, 2013 granting the Exemption Sought until September 1, 2015 (the **Original Decision**).

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 Filers have provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System (MI 11-102)* is intended to be relied upon in 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 National Instrument 14-101 *Definitions*, and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

Affiliate Dealer means a registered dealer that is an affiliate of an Authorized Dealer or Designated Broker and that participates in the re-sale of Creation Units (as defined below) from time to time.

Authorized Dealer means a registered dealer that has entered, or intends to enter, into an agreement with the manager of an ETF (an **ETF Manager**) authorizing the dealer to subscribe for, purchase and redeem Creation Units from one or more ETFs on a continuous basis from time to time.

Designated Broker means a registered dealer that has entered, or intends to enter, into an agreement with an ETF Manager to perform certain duties in relation to the ETF, including posting a liquid two-way market for the trading of the ETF's listed securities on an exchange or another marketplace.

ETF means an open end mutual fund that has listed a class of securities on an exchange in Canada.

ETF Facts means a prescribed disclosure document in accordance with the regulations, in respect of one or more classes or series of ETF Securities being distributed under a prospectus.

ETF Security means a listed security of an ETF.

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

Prospectus Right of Rescission means the right of action, given to a purchaser under the Legislation, for rescission or damages against a dealer, for failure of the dealer to send or deliver a prospectus to a purchaser of a security or its agent to whom a prospectus and any amendment was required to be sent or delivered but was not sent or delivered in compliance with the Prospectus Delivery Requirement. In Québec, such a purchaser may apply to have the transaction rescinded or the price revised, at the purchaser's option, without prejudice to the purchaser's claim for damages. Collectively, these rights are referred to as the **Prospectus Rights of Rescission**.

Right of Withdrawal means the right, given to a purchaser under the Legislation, to withdraw from an agreement of purchase and sale for a security to which the Prospectus Delivery Requirement applies if the dealer from which the purchaser purchases the security receives written notice evidencing the intention of the purchaser not to be bound by the agreement within two business days of receipt of the latest prospectus and any amendment. In Québec, this right is called a right to rescind. Collectively, these rights are referred to as the **Rights of Withdrawal**.

Trade Confirmation Right of Rescission means the right, given to a purchaser of an ETF Security under the Legislation in certain circumstances, to rescind the purchase within 48 hours after receiving confirmation of the purchase.

Representations

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

1. The Filers are registered as investment dealers in one or more of the Jurisdictions.
2. The head offices of the Filers are located in Toronto, Ontario.
3. ETF Securities are, or will be, distributed on a continuous basis in one or more of the Jurisdictions pursuant to a prospectus. ETF Securities are generally only subscribed for or purchased directly from an ETF by Authorized Dealers or Designated Brokers. Investors are generally expected to purchase ETF Securities through dealers executing trades using the facilities of an exchange or another marketplace. ETF Securities may also be issued directly to ETF investors upon the reinvestment of distributions of income or capital gains.
4. Each of the Filers is either: (1) an Authorized Dealer and/or Designated Broker that from time to time subscribes for and purchases newly issued ETF Securities (Creation Units) directly from one or more ETFs; or (2) an Affiliate Dealer. The Filers are also generally engaged in purchasing and selling ETF Securities of the same class as the Creation Units in the secondary market. Creation Units are generally commingled with ETF Securities purchased in the secondary market. As such, it is not practicable for the Filers to determine whether a particular re-sale of ETF Securities involves Creation Units or ETF Securities purchased in the secondary market.
5. The Filers may also be engaged in purchasing and selling, in the secondary market, ETF Securities of ETFs for which they are not an Authorized Dealer or Designated Broker.

Prospectus Delivery Requirement

6. The principal regulator has advised the Filers that it takes the view that the first re-sale of a Creation Unit on an exchange or another marketplace in Canada will generally constitute a distribution of Creation Units under the Legislation and that the Filers are subject to the Prospectus Delivery Requirement in connection with such re-sales. Re-sales of ETF Securities purchased by the Filers in the secondary market, that are not Creation Units, would not ordinarily constitute a distribution of ETF Securities.
7. Compliance with the Prospectus Delivery Requirement is not practicable in the circumstances of re-sales of Creation Units on an exchange or another marketplace by a Filer as the Filer will often not know the identity of a purchaser and will generally not know whether a sale involves Creation Units.
8. The Prospectus Delivery Requirement affects investors in ETF Securities differently depending upon whether their purchase order is filled through the re-sale of Creation Units or through a secondary market trade. The Prospectus Delivery Requirement also affects investors in ETF Securities differently from investors in conventional mutual funds because, unlike sales of conventional mutual funds, only sales of ETF Securities that are Creation Units are distributions under the Legislation.
9. The Filers, when acting for a purchaser of an ETF Security, are required under the Legislation to deliver a trade confirmation to the purchaser in connection with each trade of an ETF Security, unless a Filer is exempt from the requirement in respect of a particular trade. Investors in ETF Securities will be better served if the Filers send or deliver a prescribed summary disclosure document to all purchasers of ETF Securities who are customers of a Filer at the same time as they deliver the trade confirmation, regardless of whether the purchaser's order is filled through the re-sale of a Creation Unit, or through the re-sale of an ETF Security purchased in the secondary market.
10. The principal regulator has granted relief to various ETF Managers from the requirements to include an underwriter's certificate and to include a statement respecting purchasers' statutory rights of withdrawal and rescission in an ETF's prospectus (the **ETF Relief**). Conditions of the ETF Relief include that an ETF must file a prescribed summary disclosure document with the applicable Jurisdictions on the System for Electronic Document Analysis and Retrieval (the **Summary Document**).

Civil Liability for Prospectus Misrepresentations

11. The liability under the prospectus civil liability provisions of the Legislation, of an ETF or its investment fund manager for a misrepresentation in a prospectus, will not be affected by the grant of an exemption from the Prospectus Delivery Requirement. Under such provisions, purchasers of Creation Units offered by a prospectus during the period of distribution have a right of action for damages against the ETF and its investment fund manager without regard to whether the purchaser relied on the misrepresentation and whether or not the purchaser in fact received a copy of the prospectus. Under the secondary market disclosure civil liability provisions of the Legislation, purchasers of ETF Securities that are not Creation Units and, therefore, are not offered by prospectus during the period of distribution, have a similar right of action for damages for misrepresentation in a prospectus against the ETF and its investment fund manager without regard to whether the purchaser relied on the misrepresentation and whether or not the purchaser in fact received a copy of the prospectus.
12. The Filers take the view, in the circumstances, that they are not underwriters within the meaning of the Legislation. The Filers do not provide the same services in connection with a distribution of Creation Units as would typically be provided by an underwriter in a conventional underwriting. They are not involved in the preparation of an ETF's prospectus, do not incur any marketing costs or receive any underwriting fees or commissions from the ETFs or the ETF Managers in connection with the distribution of Creation Units. ETF Managers generally conduct their own marketing, advertising and promotion of the ETFs. The Filers generally seek to profit from their ability to create and redeem ETF Securities by engaging in arbitrage trading to capture spreads between the trading prices of ETF Securities and their underlying securities and by making markets for their clients to facilitate client trading in ETF Securities. In the circumstances, the Filers take the view that a purchaser of an ETF Security will not be entitled to exercise a statutory right of action for rescission or damages against an Authorized Dealer or Designated Broker in the event that the prospectus contains a misrepresentation.

Right of Withdrawal

13. Under the Legislation, if the Prospectus Delivery Requirement applies in respect of a sale of Creation Units, the purchaser of the Creation Units has a Right of Withdrawal.

Decisions, Orders and Rulings

14. It is not practicable for the Filers to provide purchasers of Creation Units on an exchange or another marketplace with a prospectus in accordance with the Prospectus Delivery Requirement as a Filer will often not know the identity of a purchaser and will generally not know whether the sale involves Creation Units.
15. Where the Exemption Sought is being relied upon by a Filer in respect of a re-sale of Creation Units, the Right of Withdrawal will not be available to the purchaser of Creation Units if a prospectus is not required to be sent or delivered. Under the ETF Relief, an ETF will state in its prospectus or amendment to its prospectus that the Right of Withdrawal will not be available in such circumstances. Under the ETF Relief, an ETF will state in its Summary Document that under the securities legislation of some of the Jurisdictions an investor has the Trade Confirmation Right of Rescission and other rights and remedies if the Summary Document or prospectus contains a misrepresentation.

Prospectus Right of Rescission

16. Under the Legislation, if a dealer is subject to the Prospectus Delivery Requirement in respect of a sale of Creation Units, the purchaser of the Creation Units has the Prospectus Right of Rescission.
17. Where the Exemption Sought is being relied upon by a Filer in respect of a re-sale of Creation Units, the Prospectus Right of Rescission will not be available to the purchaser of Creation Units because the Prospectus Delivery Requirement will not apply. Under the ETF Relief, an ETF will state in its prospectus or amendment to its prospectus that the Prospectus Right of Rescission will not be available in such circumstances.

Trade Confirmation Right of Rescission

18. In applicable Jurisdictions, purchasers of ETF Securities will continue to have the Trade Confirmation Right of Rescission as it is not affected by the grant of an exemption from the Prospectus Delivery Requirement.

Original Decision; Proposed Rules

19. The Filers are seeking to revoke the Original Decision and replace it with this decision.
20. The securities regulatory authorities are developing proposed rule amendments that will require ETF Managers to file an ETF Facts in connection with the filing of a prospectus. If the amendments are adopted, the requirement for ETF Managers to file an ETF Facts will supersede the requirement for ETF Managers to file a Summary Document. Since the introduction of the ETF Facts will likely be subject to a transition period, there may be a period of time where some ETFs have an ETF Facts while other ETFs have a Summary Document. If an ETF Manager files an ETF Facts with respect to a class or series of ETF Securities, the Filers will use such ETF Facts instead of a Summary Document to satisfy their obligations under this decision with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.

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 (i) the Original Decision is revoked and replaced by this decision and (ii) the Exemption Sought is granted, provided that the Filer is in compliance with the following conditions:

1. Each Filer undertakes to the principal regulator that it will, unless the Filer has previously done so, send or deliver to each purchaser of an ETF Security who is a customer of the Filer, and to whom a trade confirmation is required under the Legislation to be sent or delivered by the Filer in connection with the purchase, the latest Summary Document filed in respect of the ETF Security not later than midnight on the second day, exclusive of Saturdays, Sundays and holidays, after the purchase of the ETF Security.
2. Each Filer provides to each ETF Manager of an ETF for which it is an Authorized Dealer or Designated Broker, or is an Affiliate Dealer, an executed acknowledgement:
 - (a) acknowledging receipt of a copy of this decision;
 - (b) agreeing to send or deliver the Summary Document in accordance with this decision;

- (c) undertaking that the Filer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under this decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (d) confirming that the Filer has in place written policies and procedures to ensure that there is compliance with the conditions of this decision.
3. Each Filer provides to each ETF Manager of an ETF in whose ETF Securities it is generally engaged in purchasing and selling in the secondary market on behalf of its customers, but for which it is not an Authorized Dealer or Designated Broker, or is not an Affiliate Dealer, an executed acknowledgement:
- (a) acknowledging receipt of a copy of this decision;
 - (b) agreeing to send or deliver the Summary Document in accordance with this decision;
 - (c) undertaking that the Filer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under this decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (d) confirming that the Filer has in place written policies and procedures to ensure that there is compliance with the conditions of this decision.
4. Each Filer files with the principal regulator, to the attention of the Director, Investment Funds Branch, on or before January 31st in each calendar year, a certificate signed by an ultimate designated person certifying that, to the best of the knowledge of such person after making due inquiry, the Filer has complied with the terms and conditions of this decision, and the Original Decision, as applicable, during the previous calendar year.
5. If an ETF Manager files an ETF Facts instead of a Summary Document with respect to a class or series of ETF Securities, the latest ETF Facts filed in respect of such class or series of ETF Securities must be substituted for a Summary Document in order to satisfy the foregoing conditions with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.

The decision, as it relates to one or more of the Jurisdictions, will terminate on the latest of: (i) the coming into force of any legislation or rule dealing with the Exemption Sought or (ii) the end date of any applicable transition period for any legislation or rule dealing with the Exemption Sought.

"Monica Kowal"
Vice-Chair
Ontario Securities Commission

"Mary Condon"
Commissioner
Ontario Securities Commission

2.1.14 CIBC World Markets Inc. and CIBC Investor Services Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Revocation of prior relief – relief granted primarily to extend sunset clause set out in the original decision – relief granted on terms that are substantially similar to prior relief – Exemptive relief granted to dealers from the prospectus delivery requirement – Relief granted from requirement to deliver prospectus subject to dealers sending or delivering a prescribed summary disclosure document to purchasers with trade confirmation when acting as agent of the purchaser – Relief conditional on implementing alternative prospectus delivery requirement – Relief consistent with the implementation of the Canadian Securities Administrators Point of Sale Disclosure Project, which contemplates rule-making to codify new alternative prospectus delivery requirement – Securities Act (Ontario).

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 71(1), 147.

August 24, 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
CIBC WORLD MARKETS INC. AND CIBC INVESTOR SERVICES INC.
(each a Filer)

DECISION

Background

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

- granting exemptive relief from the Prospectus Delivery Requirement (as defined below) in connection with distributions of an ETF Security (as defined below) (the **Exemption Sought**); and
- revoking a decision the Filers obtained from the principal regulator dated July 19, 2013 granting the Exemption Sought until September 1, 2015 (the **Original Decision**).

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 Filers have provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in 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 National Instrument 14-101 *Definitions*, and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

Affiliate Dealer means a registered dealer that is an affiliate of an Authorized Dealer or Designated Broker and that participates in the re-sale of Creation Units (as defined below) from time to time.

Authorized Dealer means a registered dealer that has entered, or intends to enter, into an agreement with the manager of an ETF (an **ETF Manager**) authorizing the dealer to subscribe for, purchase and redeem Creation Units from one or more ETFs on a continuous basis from time to time.

Designated Broker means a registered dealer that has entered, or intends to enter, into an agreement with an ETF Manager to perform certain duties in relation to the ETF, including posting a liquid two-way market for the trading of the ETF's listed securities on an exchange or another marketplace.

ETF means an open end mutual fund that has listed a class of securities on an exchange in Canada.

ETF Facts means a prescribed disclosure document in accordance with the regulations, in respect of one or more classes or series of ETF Securities being distributed under a prospectus.

ETF Security means a listed security of an ETF.

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

Prospectus Right of Rescission means the right of action, given to a purchaser under the Legislation, for rescission or damages against a dealer, for failure of the dealer to send or deliver a prospectus to a purchaser of a security or its agent to whom a prospectus and any amendment was required to be sent or delivered but was not sent or delivered in compliance with the Prospectus Delivery Requirement. In Québec, such a purchaser may apply to have the transaction rescinded or the price revised, at the purchaser's option, without prejudice to the purchaser's claim for damages. Collectively, these rights are referred to as the **Prospectus Rights of Rescission**.

Right of Withdrawal means the right, given to a purchaser under the Legislation, to withdraw from an agreement of purchase and sale for a security to which the Prospectus Delivery Requirement applies if the dealer from which the purchaser purchases the security receives written notice evidencing the intention of the purchaser not to be bound by the agreement within two business days of receipt of the latest prospectus and any amendment. In Québec, this right is called a right to rescind. Collectively, these rights are referred to as the **Rights of Withdrawal**.

Trade Confirmation Right of Rescission means the right, given to a purchaser of an ETF Security under the Legislation in certain circumstances, to rescind the purchase within 48 hours after receiving confirmation of the purchase.

Representations

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

1. The Filers are registered as investment dealers in one or more of the Jurisdictions.
2. The head offices of the Filers are located in Toronto, Ontario.
3. ETF Securities are, or will be, distributed on a continuous basis in one or more of the Jurisdictions pursuant to a prospectus. ETF Securities are generally only subscribed for or purchased directly from an ETF by Authorized Dealers or Designated Brokers. Investors are generally expected to purchase ETF Securities through dealers executing trades using the facilities of an exchange or another marketplace. ETF Securities may also be issued directly to ETF investors upon the reinvestment of distributions of income or capital gains.
4. Each of the Filers is either: (1) an Authorized Dealer and/or Designated Broker that from time to time subscribes for and purchases newly issued ETF Securities (**Creation Units**) directly from one or more ETFs; or (2) an Affiliate Dealer. The Filers are also generally engaged in purchasing and selling ETF Securities of the same class as the Creation Units in the secondary market. Creation Units are generally commingled with ETF Securities purchased in the secondary market. As such, it is not practicable for the Filers to determine whether a particular re-sale of ETF Securities involves Creation Units or ETF Securities purchased in the secondary market.
5. The Filers may also be engaged in purchasing and selling, in the secondary market, ETF Securities of ETFs for which they are not an Authorized Dealer or Designated Broker.

Prospectus Delivery Requirement

6. The principal regulator has advised the Filers that it takes the view that the first re-sale of a Creation Unit on an exchange or another marketplace in Canada will generally constitute a distribution of Creation Units under the Legislation and that the Filers are subject to the Prospectus Delivery Requirement in connection with such re-sales. Re-sales of ETF Securities purchased by the Filers in the secondary market, that are not Creation Units, would not ordinarily constitute a distribution of ETF Securities.
7. Compliance with the Prospectus Delivery Requirement is not practicable in the circumstances of re-sales of Creation Units on an exchange or another marketplace by a Filer as the Filer will often not know the identity of a purchaser and will generally not know whether a sale involves Creation Units.
8. The Prospectus Delivery Requirement affects investors in ETF Securities differently depending upon whether their purchase order is filled through the re-sale of Creation Units or through a secondary market trade. The Prospectus Delivery Requirement also affects investors in ETF Securities differently from investors in conventional mutual funds because, unlike sales of conventional mutual funds, only sales of ETF Securities that are Creation Units are distributions under the Legislation.
9. The Filers, when acting for a purchaser of an ETF Security, are required under the Legislation to deliver a trade confirmation to the purchaser in connection with each trade of an ETF Security, unless a Filer is exempt from the requirement in respect of a particular trade. Investors in ETF Securities will be better served if the Filers send or deliver a prescribed summary disclosure document to all purchasers of ETF Securities who are customers of a Filer at the same time as they deliver the trade confirmation, regardless of whether the purchaser's order is filled through the re-sale of a Creation Unit, or through the re-sale of an ETF Security purchased in the secondary market.
10. The principal regulator has granted relief to various ETF Managers from the requirements to include an underwriter's certificate and to include a statement respecting purchasers' statutory rights of withdrawal and rescission in an ETF's prospectus (the **ETF Relief**). Conditions of the ETF Relief include that an ETF must file a prescribed summary disclosure document with the applicable Jurisdictions on the System for Electronic Document Analysis and Retrieval (the **Summary Document**).

Civil Liability for Prospectus Misrepresentations

11. The liability under the prospectus civil liability provisions of the Legislation, of an ETF or its investment fund manager for a misrepresentation in a prospectus, will not be affected by the grant of an exemption from the Prospectus Delivery Requirement. Under such provisions, purchasers of Creation Units offered by a prospectus during the period of distribution have a right of action for damages against the ETF and its investment fund manager without regard to whether the purchaser relied on the misrepresentation and whether or not the purchaser in fact received a copy of the prospectus. Under the secondary market disclosure civil liability provisions of the Legislation, purchasers of ETF Securities that are not Creation Units and, therefore, are not offered by prospectus during the period of distribution, have a similar right of action for damages for misrepresentation in a prospectus against the ETF and its investment fund manager without regard to whether the purchaser relied on the misrepresentation and whether or not the purchaser in fact received a copy of the prospectus.
12. The Filers take the view, in the circumstances, that they are not underwriters within the meaning of the Legislation. The Filers do not provide the same services in connection with a distribution of Creation Units as would typically be provided by an underwriter in a conventional underwriting. They are not involved in the preparation of an ETF's prospectus, do not incur any marketing costs or receive any underwriting fees or commissions from the ETFs or the ETF Managers in connection with the distribution of Creation Units. ETF Managers generally conduct their own marketing, advertising and promotion of the ETFs. The Filers generally seek to profit from their ability to create and redeem ETF Securities by engaging in arbitrage trading to capture spreads between the trading prices of ETF Securities and their underlying securities and by making markets for their clients to facilitate client trading in ETF Securities. In the circumstances, the Filers take the view that a purchaser of an ETF Security will not be entitled to exercise a statutory right of action for rescission or damages against an Authorized Dealer or Designated Broker in the event that the prospectus contains a misrepresentation.

Right of Withdrawal

13. Under the Legislation, if the Prospectus Delivery Requirement applies in respect of a sale of Creation Units, the purchaser of the Creation Units has a Right of Withdrawal.

Decisions, Orders and Rulings

14. It is not practicable for the Filers to provide purchasers of Creation Units on an exchange or another marketplace with a prospectus in accordance with the Prospectus Delivery Requirement as a Filer will often not know the identity of a purchaser and will generally not know whether the sale involves Creation Units.
15. Where the Exemption Sought is being relied upon by a Filer in respect of a re-sale of Creation Units, the Right of Withdrawal will not be available to the purchaser of Creation Units if a prospectus is not required to be sent or delivered. Under the ETF Relief, an ETF will state in its prospectus or amendment to its prospectus that the Right of Withdrawal will not be available in such circumstances. Under the ETF Relief, an ETF will state in its Summary Document that under the securities legislation of some of the Jurisdictions an investor has the Trade Confirmation Right of Rescission and other rights and remedies if the Summary Document or prospectus contains a misrepresentation.

Prospectus Right of Rescission

16. Under the Legislation, if a dealer is subject to the Prospectus Delivery Requirement in respect of a sale of Creation Units, the purchaser of the Creation Units has the Prospectus Right of Rescission.
17. Where the Exemption Sought is being relied upon by a Filer in respect of a re-sale of Creation Units, the Prospectus Right of Rescission will not be available to the purchaser of Creation Units because the Prospectus Delivery Requirement will not apply. Under the ETF Relief, an ETF will state in its prospectus or amendment to its prospectus that the Prospectus Right of Rescission will not be available in such circumstances.

Trade Confirmation Right of Rescission

18. In applicable Jurisdictions, purchasers of ETF Securities will continue to have the Trade Confirmation Right of Rescission as it is not affected by the grant of an exemption from the Prospectus Delivery Requirement.

Original Decision; Proposed Rules

19. The Filers are seeking to revoke the Original Decision and replace it with this decision.
20. The securities regulatory authorities are developing proposed rule amendments that will require ETF Managers to file an ETF Facts in connection with the filing of a prospectus. If the amendments are adopted, the requirement for ETF Managers to file an ETF Facts will supersede the requirement for ETF Managers to file a Summary Document. Since the introduction of the ETF Facts will likely be subject to a transition period, there may be a period of time where some ETFs have an ETF Facts while other ETFs have a Summary Document. If an ETF Manager files an ETF Facts with respect to a class or series of ETF Securities, the Filers will use such ETF Facts instead of a Summary Document to satisfy their obligations under this decision with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.

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 (i) the Original Decision is revoked and replaced by this decision and (ii) the Exemption Sought is granted, provided that the Filer is in compliance with the following conditions:

1. Each Filer undertakes to the principal regulator that it will, unless the Filer has previously done so, send or deliver to each purchaser of an ETF Security who is a customer of the Filer, and to whom a trade confirmation is required under the Legislation to be sent or delivered by the Filer in connection with the purchase, the latest Summary Document filed in respect of the ETF Security not later than midnight on the second day, exclusive of Saturdays, Sundays and holidays, after the purchase of the ETF Security.
2. Each Filer provides to each ETF Manager of an ETF for which it is an Authorized Dealer or Designated Broker, or is an Affiliate Dealer, an executed acknowledgement:
 - (a) acknowledging receipt of a copy of this decision;
 - (b) agreeing to send or deliver the Summary Document in accordance with this decision;

- (c) undertaking that the Filer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under this decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (d) confirming that the Filer has in place written policies and procedures to ensure that there is compliance with the conditions of this decision.
- 3. Each Filer provides to each ETF Manager of an ETF in whose ETF Securities it is generally engaged in purchasing and selling in the secondary market on behalf of its customers, but for which it is not an Authorized Dealer or Designated Broker, or is not an Affiliate Dealer, an executed acknowledgement:
 - (a) acknowledging receipt of a copy of this decision;
 - (b) agreeing to send or deliver the Summary Document in accordance with this decision;
 - (c) undertaking that the Filer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under this decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (d) confirming that the Filer has in place written policies and procedures to ensure that there is compliance with the conditions of this decision.
- 4. Each Filer files with the principal regulator, to the attention of the Director, Investment Funds Branch, on or before January 31st in each calendar year, a certificate signed by an ultimate designated person certifying that, to the best of the knowledge of such person after making due inquiry, the Filer has complied with the terms and conditions of this decision, and the Original Decision, as applicable, during the previous calendar year.
- 5. If an ETF Manager files an ETF Facts instead of a Summary Document with respect to a class or series of ETF Securities, the latest ETF Facts filed in respect of such class or series of ETF Securities must be substituted for a Summary Document in order to satisfy the foregoing conditions with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.

The decision, as it relates to one or more of the Jurisdictions, will terminate on the latest of: (i) the coming into force of any legislation or rule dealing with the Exemption Sought or (ii) the end date of any applicable transition period for any legislation or rule dealing with the Exemption Sought.

"Monica Kowal"
Vice-Chair
Ontario Securities Commission

"Mary Condon"
Commissioner
Ontario Securities Commission

2.1.15 National Bank Financial Ltd. and NBCN Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Revocation of prior relief – relief granted primarily to extend sunset clause set out in the original decision – relief granted on terms that are substantially similar to prior relief – Exemptive relief granted to dealers from the prospectus delivery requirement – Relief granted from requirement to deliver prospectus subject to dealers sending or delivering a prescribed summary disclosure document to purchasers with trade confirmation when acting as agent of the purchaser – Relief conditional on implementing alternative prospectus delivery requirement – Relief consistent with the implementation of the Canadian Securities Administrators Point of Sale Disclosure Project, which contemplates rule-making to codify new alternative prospectus delivery requirement – Securities Act (Ontario).

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 71(1), 147.

August 24, 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
NATIONAL BANK FINANCIAL LTD. AND NBCN INC.
(each a Filer)**

DECISION

Background

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

- granting exemptive relief from the Prospectus Delivery Requirement (as defined below) in connection with distributions of an ETF Security (as defined below) (the **Exemption Sought**); and
- revoking a decision the Filers obtained from the principal regulator dated July 19, 2013 granting the Exemption Sought until September 1, 2015 (the **Original Decision**).

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 Filers have provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in 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 National Instrument 14-101 *Definitions*, and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

Affiliate Dealer means a registered dealer that is an affiliate of an Authorized Dealer or Designated Broker and that participates in the re-sale of Creation Units (as defined below) from time to time.

Authorized Dealer means a registered dealer that has entered, or intends to enter, into an agreement with the manager of an ETF (an **ETF Manager**) authorizing the dealer to subscribe for, purchase and redeem Creation Units from one or more ETFs on a continuous basis from time to time.

Designated Broker means a registered dealer that has entered, or intends to enter, into an agreement with an ETF Manager to perform certain duties in relation to the ETF, including posting a liquid two-way market for the trading of the ETF's listed securities on an exchange or another marketplace.

ETF means an open end mutual fund that has listed a class of securities on an exchange in Canada.

ETF Facts means a prescribed disclosure document in accordance with the regulations, in respect of one or more classes or series of ETF Securities being distributed under a prospectus.

ETF Security means a listed security of an ETF.

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

Prospectus Right of Rescission means the right of action, given to a purchaser under the Legislation, for rescission or damages against a dealer, for failure of the dealer to send or deliver a prospectus to a purchaser of a security or its agent to whom a prospectus and any amendment was required to be sent or delivered but was not sent or delivered in compliance with the Prospectus Delivery Requirement. In Québec, such a purchaser may apply to have the transaction rescinded or the price revised, at the purchaser's option, without prejudice to the purchaser's claim for damages. Collectively, these rights are referred to as the **Prospectus Rights of Rescission**.

Right of Withdrawal means the right, given to a purchaser under the Legislation, to withdraw from an agreement of purchase and sale for a security to which the Prospectus Delivery Requirement applies if the dealer from which the purchaser purchases the security receives written notice evidencing the intention of the purchaser not to be bound by the agreement within two business days of receipt of the latest prospectus and any amendment. In Québec, this right is called a right to rescind. Collectively, these rights are referred to as the **Rights of Withdrawal**.

Trade Confirmation Right of Rescission means the right, given to a purchaser of an ETF Security under the Legislation in certain circumstances, to rescind the purchase within 48 hours after receiving confirmation of the purchase.

Representations

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

1. The Filers are registered as investment dealers in one or more of the Jurisdictions.
2. The head offices of the Filers are located in Toronto, Ontario.
3. ETF Securities are, or will be, distributed on a continuous basis in one or more of the Jurisdictions pursuant to a prospectus. ETF Securities are generally only subscribed for or purchased directly from an ETF by Authorized Dealers or Designated Brokers. Investors are generally expected to purchase ETF Securities through dealers executing trades using the facilities of an exchange or another marketplace. ETF Securities may also be issued directly to ETF investors upon the reinvestment of distributions of income or capital gains.
4. Each of the Filers is either: (1) an Authorized Dealer and/or Designated Broker that from time to time subscribes for and purchases newly issued ETF Securities (**Creation Units**) directly from one or more ETFs; or (2) an Affiliate Dealer. The Filers are also generally engaged in purchasing and selling ETF Securities of the same class as the Creation Units in the secondary market. Creation Units are generally commingled with ETF Securities purchased in the secondary market. As such, it is not practicable for the Filers to determine whether a particular re-sale of ETF Securities involves Creation Units or ETF Securities purchased in the secondary market.
5. The Filers may also be engaged in purchasing and selling, in the secondary market, ETF Securities of ETFs for which they are not an Authorized Dealer or Designated Broker.

Prospectus Delivery Requirement

6. The principal regulator has advised the Filers that it takes the view that the first re-sale of a Creation Unit on an exchange or another marketplace in Canada will generally constitute a distribution of Creation Units under the Legislation and that the Filers are subject to the Prospectus Delivery Requirement in connection with such re-sales. Re-sales of ETF Securities purchased by the Filers in the secondary market, that are not Creation Units, would not ordinarily constitute a distribution of ETF Securities.
7. Compliance with the Prospectus Delivery Requirement is not practicable in the circumstances of re-sales of Creation Units on an exchange or another marketplace by a Filer as the Filer will often not know the identity of a purchaser and will generally not know whether a sale involves Creation Units.
8. The Prospectus Delivery Requirement affects investors in ETF Securities differently depending upon whether their purchase order is filled through the re-sale of Creation Units or through a secondary market trade. The Prospectus Delivery Requirement also affects investors in ETF Securities differently from investors in conventional mutual funds because, unlike sales of conventional mutual funds, only sales of ETF Securities that are Creation Units are distributions under the Legislation.
9. The Filers, when acting for a purchaser of an ETF Security, are required under the Legislation to deliver a trade confirmation to the purchaser in connection with each trade of an ETF Security, unless a Filer is exempt from the requirement in respect of a particular trade. Investors in ETF Securities will be better served if the Filers send or deliver a prescribed summary disclosure document to all purchasers of ETF Securities who are customers of a Filer at the same time as they deliver the trade confirmation, regardless of whether the purchaser's order is filled through the re-sale of a Creation Unit, or through the re-sale of an ETF Security purchased in the secondary market.
10. The principal regulator has granted relief to various ETF Managers from the requirements to include an underwriter's certificate and to include a statement respecting purchasers' statutory rights of withdrawal and rescission in an ETF's prospectus (the **ETF Relief**). Conditions of the ETF Relief include that an ETF must file a prescribed summary disclosure document with the applicable Jurisdictions on the System for Electronic Document Analysis and Retrieval (the **Summary Document**).

Civil Liability for Prospectus Misrepresentations

11. The liability under the prospectus civil liability provisions of the Legislation, of an ETF or its investment fund manager for a misrepresentation in a prospectus, will not be affected by the grant of an exemption from the Prospectus Delivery Requirement. Under such provisions, purchasers of Creation Units offered by a prospectus during the period of distribution have a right of action for damages against the ETF and its investment fund manager without regard to whether the purchaser relied on the misrepresentation and whether or not the purchaser in fact received a copy of the prospectus. Under the secondary market disclosure civil liability provisions of the Legislation, purchasers of ETF Securities that are not Creation Units and, therefore, are not offered by prospectus during the period of distribution, have a similar right of action for damages for misrepresentation in a prospectus against the ETF and its investment fund manager without regard to whether the purchaser relied on the misrepresentation and whether or not the purchaser in fact received a copy of the prospectus.
12. The Filers take the view, in the circumstances, that they are not underwriters within the meaning of the Legislation. The Filers do not provide the same services in connection with a distribution of Creation Units as would typically be provided by an underwriter in a conventional underwriting. They are not involved in the preparation of an ETF's prospectus, do not incur any marketing costs or receive any underwriting fees or commissions from the ETFs or the ETF Managers in connection with the distribution of Creation Units. ETF Managers generally conduct their own marketing, advertising and promotion of the ETFs. The Filers generally seek to profit from their ability to create and redeem ETF Securities by engaging in arbitrage trading to capture spreads between the trading prices of ETF Securities and their underlying securities and by making markets for their clients to facilitate client trading in ETF Securities. In the circumstances, the Filers take the view that a purchaser of an ETF Security will not be entitled to exercise a statutory right of action for rescission or damages against an Authorized Dealer or Designated Broker in the event that the prospectus contains a misrepresentation.

Right of Withdrawal

13. Under the Legislation, if the Prospectus Delivery Requirement applies in respect of a sale of Creation Units, the purchaser of the Creation Units has a Right of Withdrawal.

Decisions, Orders and Rulings

14. It is not practicable for the Filers to provide purchasers of Creation Units on an exchange or another marketplace with a prospectus in accordance with the Prospectus Delivery Requirement as a Filer will often not know the identity of a purchaser and will generally not know whether the sale involves Creation Units.
15. Where the Exemption Sought is being relied upon by a Filer in respect of a re-sale of Creation Units, the Right of Withdrawal will not be available to the purchaser of Creation Units if a prospectus is not required to be sent or delivered. Under the ETF Relief, an ETF will state in its prospectus or amendment to its prospectus that the Right of Withdrawal will not be available in such circumstances. Under the ETF Relief, an ETF will state in its Summary Document that under the securities legislation of some of the Jurisdictions an investor has the Trade Confirmation Right of Rescission and other rights and remedies if the Summary Document or prospectus contains a misrepresentation.

Prospectus Right of Rescission

16. Under the Legislation, if a dealer is subject to the Prospectus Delivery Requirement in respect of a sale of Creation Units, the purchaser of the Creation Units has the Prospectus Right of Rescission.
17. Where the Exemption Sought is being relied upon by a Filer in respect of a re-sale of Creation Units, the Prospectus Right of Rescission will not be available to the purchaser of Creation Units because the Prospectus Delivery Requirement will not apply. Under the ETF Relief, an ETF will state in its prospectus or amendment to its prospectus that the Prospectus Right of Rescission will not be available in such circumstances.

Trade Confirmation Right of Rescission

18. In applicable Jurisdictions, purchasers of ETF Securities will continue to have the Trade Confirmation Right of Rescission as it is not affected by the grant of an exemption from the Prospectus Delivery Requirement.

Original Decision; Proposed Rules

19. The Filers are seeking to revoke the Original Decision and replace it with this decision.
20. The securities regulatory authorities are developing proposed rule amendments that will require ETF Managers to file an ETF Facts in connection with the filing of a prospectus. If the amendments are adopted, the requirement for ETF Managers to file an ETF Facts will supersede the requirement for ETF Managers to file a Summary Document. Since the introduction of the ETF Facts will likely be subject to a transition period, there may be a period of time where some ETFs have an ETF Facts while other ETFs have a Summary Document. If an ETF Manager files an ETF Facts with respect to a class or series of ETF Securities, the Filers will use such ETF Facts instead of a Summary Document to satisfy their obligations under this decision with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.

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 (i) the Original Decision is revoked and replaced by this decision and (ii) the Exemption Sought is granted, provided that the Filer is in compliance with the following conditions:

1. Each Filer undertakes to the principal regulator that it will, unless the Filer has previously done so, send or deliver to each purchaser of an ETF Security who is a customer of the Filer, and to whom a trade confirmation is required under the Legislation to be sent or delivered by the Filer in connection with the purchase, the latest Summary Document filed in respect of the ETF Security not later than midnight on the second day, exclusive of Saturdays, Sundays and holidays, after the purchase of the ETF Security.
2. Each Filer provides to each ETF Manager of an ETF for which it is an Authorized Dealer or Designated Broker, or is an Affiliate Dealer, an executed acknowledgement:
 - (a) acknowledging receipt of a copy of this decision;
 - (b) agreeing to send or deliver the Summary Document in accordance with this decision;

- (c) undertaking that the Filer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under this decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (d) confirming that the Filer has in place written policies and procedures to ensure that there is compliance with the conditions of this decision.
- 3. Each Filer provides to each ETF Manager of an ETF in whose ETF Securities it is generally engaged in purchasing and selling in the secondary market on behalf of its customers, but for which it is not an Authorized Dealer or Designated Broker, or is not an Affiliate Dealer, an executed acknowledgement:
 - (a) acknowledging receipt of a copy of this decision;
 - (b) agreeing to send or deliver the Summary Document in accordance with this decision;
 - (c) undertaking that the Filer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under this decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (d) confirming that the Filer has in place written policies and procedures to ensure that there is compliance with the conditions of this decision.
- 4. Each Filer files with the principal regulator, to the attention of the Director, Investment Funds Branch, on or before January 31st in each calendar year, a certificate signed by an ultimate designated person certifying that, to the best of the knowledge of such person after making due inquiry, the Filer has complied with the terms and conditions of this decision, and the Original Decision, as applicable, during the previous calendar year.
- 5. If an ETF Manager files an ETF Facts instead of a Summary Document with respect to a class or series of ETF Securities, the latest ETF Facts filed in respect of such class or series of ETF Securities must be substituted for a Summary Document in order to satisfy the foregoing conditions with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.

The decision, as it relates to one or more of the Jurisdictions, will terminate on the latest of: (i) the coming into force of any legislation or rule dealing with the Exemption Sought or (ii) the end date of any applicable transition period for any legislation or rule dealing with the Exemption Sought.

"Monica Kowal"
Vice-Chair
Ontario Securities Commission

"Mary Condon"
Commissioner
Ontario Securities Commission

2.1.16 ITG Canada Corp.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Revocation of prior relief – relief granted primarily to extend sunset clause set out in the original decision – relief granted on terms that are substantially similar to prior relief – Exemptive relief granted to dealers from the prospectus delivery requirement – Relief granted from requirement to deliver prospectus subject to dealers sending or delivering a prescribed summary disclosure document to purchasers with trade confirmation when acting as agent of the purchaser – Relief conditional on implementing alternative prospectus delivery requirement – Relief consistent with the implementation of the Canadian Securities Administrators Point of Sale Disclosure Project, which contemplates rule-making to codify new alternative prospectus delivery requirement – Securities Act (Ontario).

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 71(1), 147.

August 24, 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
ITG CANADA CORP.
(the Filer)

DECISION

Background

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

- granting exemptive relief from the Prospectus Delivery Requirement (as defined below) in connection with distributions of an ETF Security (as defined below) (the **Exemption Sought**); and
- revoking a decision the Filer obtained from the principal regulator dated November 18, 2014 granting the Exemption Sought until September 1, 2015 (the **Original Decision**).

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

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) the Filer has provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in 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 National Instrument 14-101 *Definitions*, and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

Affiliate Dealer means a registered dealer that is an affiliate of an Authorized Dealer or Designated Broker and that participates in the re-sale of Creation Units (as defined below) from time to time.

Authorized Dealer means a registered dealer that has entered, or intends to enter, into an agreement with the manager of an ETF (an **ETF Manager**) authorizing the dealer to subscribe for, purchase and redeem Creation Units from one or more ETFs on a continuous basis from time to time.

Designated Broker means a registered dealer that has entered, or intends to enter, into an agreement with an ETF Manager to perform certain duties in relation to the ETF, including posting a liquid two-way market for the trading of the ETF's listed securities on an exchange or another marketplace.

ETF means an open end mutual fund that has listed a class of securities on an exchange in Canada.

ETF Facts means a prescribed disclosure document in accordance with the regulations, in respect of one or more classes or series of ETF Securities being distributed under a prospectus.

ETF Security means a listed security of an ETF.

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

Prospectus Right of Rescission means the right of action, given to a purchaser under the Legislation, for rescission or damages against a dealer, for failure of the dealer to send or deliver a prospectus to a purchaser of a security or its agent to whom a prospectus and any amendment was required to be sent or delivered but was not sent or delivered in compliance with the Prospectus Delivery Requirement. In Québec, such a purchaser may apply to have the transaction rescinded or the price revised, at the purchaser's option, without prejudice to the purchaser's claim for damages. Collectively, these rights are referred to as the **Prospectus Rights of Rescission**.

Right of Withdrawal means the right, given to a purchaser under the Legislation, to withdraw from an agreement of purchase and sale for a security to which the Prospectus Delivery Requirement applies if the dealer from which the purchaser purchases the security receives written notice evidencing the intention of the purchaser not to be bound by the agreement within two business days of receipt of the latest prospectus and any amendment. In Québec, this right is called a right to rescind. Collectively, these rights are referred to as the **Rights of Withdrawal**.

Trade Confirmation Right of Rescission means the right, given to a purchaser of an ETF Security under the Legislation in certain circumstances, to rescind the purchase within 48 hours after receiving confirmation of the purchase.

Representations

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

1. The Filer is registered as an investment dealer in one or more of the Jurisdictions.
2. The head office of the Filer is located in Toronto, Ontario.
3. ETF Securities are, or will be, distributed on a continuous basis in one or more of the Jurisdictions pursuant to a prospectus. ETF Securities are generally only subscribed for or purchased directly from an ETF by Authorized Dealers or Designated Brokers. Investors are generally expected to purchase ETF Securities through dealers executing trades using the facilities of an exchange or another marketplace. ETF Securities may also be issued directly to ETF investors upon the reinvestment of distributions of income or capital gains.
4. The Filer is either: (1) an Authorized Dealer and/or Designated Broker that from time to time subscribes for and purchases newly issued ETF Securities (**Creation Units**) directly from one or more ETFs; or (2) an Affiliate Dealer. The Filer is also generally engaged in purchasing and selling ETF Securities of the same class as the Creation Units in the secondary market. Creation Units are generally commingled with ETF Securities purchased in the secondary market. As such, it is not practicable for the Filer to determine whether a particular re-sale of ETF Securities involves Creation Units or ETF Securities purchased in the secondary market.
5. The Filer may also be engaged in purchasing and selling, in the secondary market, ETF Securities of ETFs for which it is not an Authorized Dealer or Designated Broker.

Prospectus Delivery Requirement

6. The principal regulator has advised the Filer that it takes the view that the first re-sale of a Creation Unit on an exchange or another marketplace in Canada will generally constitute a distribution of Creation Units under the Legislation and that the Filer is subject to the Prospectus Delivery Requirement in connection with such re-sales. Re-sales of ETF Securities purchased by the Filer in the secondary market, that are not Creation Units, would not ordinarily constitute a distribution of ETF Securities.
7. Compliance with the Prospectus Delivery Requirement is not practicable in the circumstances of re-sales of Creation Units on an exchange or another marketplace by a Filer as the Filer will often not know the identity of a purchaser and will generally not know whether a sale involves Creation Units.
8. The Prospectus Delivery Requirement affects investors in ETF Securities differently depending upon whether their purchase order is filled through the re-sale of Creation Units or through a secondary market trade. The Prospectus Delivery Requirement also affects investors in ETF Securities differently from investors in conventional mutual funds because, unlike sales of conventional mutual funds, only sales of ETF Securities that are Creation Units are distributions under the Legislation.
9. The Filer, when acting for a purchaser of an ETF Security, is required under the Legislation to deliver a trade confirmation to the purchaser in connection with each trade of an ETF Security, unless a Filer is exempt from the requirement in respect of a particular trade. Investors in ETF Securities will be better served if the Filer send or deliver a prescribed summary disclosure document to all purchasers of ETF Securities who are customers of a Filer at the same time as they deliver the trade confirmation, regardless of whether the purchaser's order is filled through the re-sale of a Creation Unit, or through the re-sale of an ETF Security purchased in the secondary market.
10. The principal regulator has granted relief to various ETF Managers from the requirements to include an underwriter's certificate and to include a statement respecting purchasers' statutory rights of withdrawal and rescission in an ETF's prospectus (the **ETF Relief**). Conditions of the ETF Relief include that an ETF must file a prescribed summary disclosure document with the applicable Jurisdictions on the System for Electronic Document Analysis and Retrieval (the **Summary Document**).

Civil Liability for Prospectus Misrepresentations

11. The liability under the prospectus civil liability provisions of the Legislation, of an ETF or its investment fund manager for a misrepresentation in a prospectus, will not be affected by the grant of an exemption from the Prospectus Delivery Requirement. Under such provisions, purchasers of Creation Units offered by a prospectus during the period of distribution have a right of action for damages against the ETF and its investment fund manager without regard to whether the purchaser relied on the misrepresentation and whether or not the purchaser in fact received a copy of the prospectus. Under the secondary market disclosure civil liability provisions of the Legislation, purchasers of ETF Securities that are not Creation Units and, therefore, are not offered by prospectus during the period of distribution, have a similar right of action for damages for misrepresentation in a prospectus against the ETF and its investment fund manager without regard to whether the purchaser relied on the misrepresentation and whether or not the purchaser in fact received a copy of the prospectus.
12. The Filer takes the view, in the circumstances, that it is not an underwriter within the meaning of the Legislation. The Filer does not provide the same services in connection with a distribution of Creation Units as would typically be provided by an underwriter in a conventional underwriting. It is not involved in the preparation of an ETF's prospectus, does not incur any marketing costs or receive any underwriting fees or commissions from the ETFs or the ETF Managers in connection with the distribution of Creation Units. ETF Managers generally conduct their own marketing, advertising and promotion of the ETFs. The Filer generally seeks to profit from its ability to create and redeem ETF Securities by engaging in arbitrage trading to capture spreads between the trading prices of ETF Securities and their underlying securities and by making markets for their clients to facilitate client trading in ETF Securities. In the circumstances, the Filer takes the view that a purchaser of an ETF Security will not be entitled to exercise a statutory right of action for rescission or damages against an Authorized Dealer or Designated Broker in the event that the prospectus contains a misrepresentation.

Right of Withdrawal

13. Under the Legislation, if the Prospectus Delivery Requirement applies in respect of a sale of Creation Units, the purchaser of the Creation Units has a Right of Withdrawal.

Decisions, Orders and Rulings

14. It is not practicable for the Filer to provide purchasers of Creation Units on an exchange or another marketplace with a prospectus in accordance with the Prospectus Delivery Requirement as a Filer will often not know the identity of a purchaser and will generally not know whether the sale involves Creation Units.
15. Where the Exemption Sought is being relied upon by a Filer in respect of a re-sale of Creation Units, the Right of Withdrawal will not be available to the purchaser of Creation Units if a prospectus is not required to be sent or delivered. Under the ETF Relief, an ETF will state in its prospectus or amendment to its prospectus that the Right of Withdrawal will not be available in such circumstances. Under the ETF Relief, an ETF will state in its Summary Document that under the securities legislation of some of the Jurisdictions an investor has the Trade Confirmation Right of Rescission and other rights and remedies if the Summary Document or prospectus contains a misrepresentation.

Prospectus Right of Rescission

16. Under the Legislation, if a dealer is subject to the Prospectus Delivery Requirement in respect of a sale of Creation Units, the purchaser of the Creation Units has the Prospectus Right of Rescission.
17. Where the Exemption Sought is being relied upon by a Filer in respect of a re-sale of Creation Units, the Prospectus Right of Rescission will not be available to the purchaser of Creation Units because the Prospectus Delivery Requirement will not apply. Under the ETF Relief, an ETF will state in its prospectus or amendment to its prospectus that the Prospectus Right of Rescission will not be available in such circumstances.

Trade Confirmation Right of Rescission

18. In applicable Jurisdictions, purchasers of ETF Securities will continue to have the Trade Confirmation Right of Rescission as it is not affected by the grant of an exemption from the Prospectus Delivery Requirement.

Original Decision; Proposed Rules

19. The Filer is seeking to revoke the Original Decision and replace it with this decision.
20. The securities regulatory authorities are developing proposed rule amendments that will require ETF Managers to file an ETF Facts in connection with the filing of a prospectus. If the amendments are adopted, the requirement for ETF Managers to file an ETF Facts will supersede the requirement for ETF Managers to file a Summary Document. Since the introduction of the ETF Facts will likely be subject to a transition period, there may be a period of time where some ETFs have an ETF Facts while other ETFs have a Summary Document. If an ETF Manager files an ETF Facts with respect to a class or series of ETF Securities, the Filer will use such ETF Facts instead of a Summary Document to satisfy their obligations under this decision with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.

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 (i) the Original Decision is revoked and replaced by this decision and (ii) the Exemption Sought is granted, provided that the Filer is in compliance with the following conditions:

1. The Filer undertakes to the principal regulator that it will, unless the Filer has previously done so, send or deliver to each purchaser of an ETF Security who is a customer of the Filer, and to whom a trade confirmation is required under the Legislation to be sent or delivered by the Filer in connection with the purchase, the latest Summary Document filed in respect of the ETF Security not later than midnight on the second day, exclusive of Saturdays, Sundays and holidays, after the purchase of the ETF Security.
2. The Filer provides to each ETF Manager of an ETF for which it is an Authorized Dealer or Designated Broker, or is an Affiliate Dealer, an executed acknowledgement:
 - (a) acknowledging receipt of a copy of this decision;
 - (b) agreeing to send or deliver the Summary Document in accordance with this decision;

- (c) undertaking that the Filer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under this decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (d) confirming that the Filer has in place written policies and procedures to ensure that there is compliance with the conditions of this decision.
3. The Filer provides to each ETF Manager of an ETF in whose ETF Securities it is generally engaged in purchasing and selling in the secondary market on behalf of its customers, but for which it is not an Authorized Dealer or Designated Broker, or is not an Affiliate Dealer, an executed acknowledgement:
- (a) acknowledging receipt of a copy of this decision;
 - (b) agreeing to send or deliver the Summary Document in accordance with this decision;
 - (c) undertaking that the Filer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under this decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (d) confirming that the Filer has in place written policies and procedures to ensure that there is compliance with the conditions of this decision.
4. The Filer files with the principal regulator, to the attention of the Director, Investment Funds Branch, on or before January 31st in each calendar year, a certificate signed by an ultimate designated person certifying that, to the best of the knowledge of such person after making due inquiry, the Filer has complied with the terms and conditions of this decision, and the Original Decision, as applicable, during the previous calendar year.
5. If an ETF Manager files an ETF Facts instead of a Summary Document with respect to a class or series of ETF Securities, the latest ETF Facts filed in respect of such class or series of ETF Securities must be substituted for a Summary Document in order to satisfy the foregoing conditions with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.

The decision, as it relates to one or more of the Jurisdictions, will terminate on the latest of: (i) the coming into force of any legislation or rule dealing with the Exemption Sought or (ii) the end date of any applicable transition period for any legislation or rule dealing with the Exemption Sought.

"Monica Kowal"
Vice-Chair
Ontario Securities Commission

"Mary Condon"
Commissioner
Ontario Securities Commission

2.1.17 RBC Dominion Securities Inc. and RBC Direct Investing Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Revocation of prior relief – relief granted primarily to extend sunset clause set out in the original decision – relief granted on terms that are substantially similar to prior relief – Exemptive relief granted to dealers from the prospectus delivery requirement – Relief granted from requirement to deliver prospectus subject to dealers sending or delivering a prescribed summary disclosure document to purchasers with trade confirmation when acting as agent of the purchaser – Relief conditional on implementing alternative prospectus delivery requirement – Relief consistent with the implementation of the Canadian Securities Administrators Point of Sale Disclosure Project, which contemplates rule-making to codify new alternative prospectus delivery requirement – Securities Act (Ontario).

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 71(1), 147.

August 24, 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
RBC DOMINION SECURITIES INC. AND RBC DIRECT INVESTING INC.
(each a Filer)

DECISION

Background

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

- granting exemptive relief from the Prospectus Delivery Requirement (as defined below) in connection with distributions of an ETF Security (as defined below) (the **Exemption Sought**); and
- revoking a decision the Filers obtained from the principal regulator dated July 19, 2013 granting the Exemption Sought until September 1, 2015 (the **Original Decision**).

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 Filers have provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in 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 National Instrument 14-101 *Definitions*, and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

Affiliate Dealer means a registered dealer that is an affiliate of an Authorized Dealer or Designated Broker and that participates in the re-sale of Creation Units (as defined below) from time to time.

Authorized Dealer means a registered dealer that has entered, or intends to enter, into an agreement with the manager of an ETF (an **ETF Manager**) authorizing the dealer to subscribe for, purchase and redeem Creation Units from one or more ETFs on a continuous basis from time to time.

Designated Broker means a registered dealer that has entered, or intends to enter, into an agreement with an ETF Manager to perform certain duties in relation to the ETF, including posting a liquid two-way market for the trading of the ETF's listed securities on an exchange or another marketplace.

ETF means an open end mutual fund that has listed a class of securities on an exchange in Canada.

ETF Facts means a prescribed disclosure document in accordance with the regulations, in respect of one or more classes or series of ETF Securities being distributed under a prospectus.

ETF Security means a listed security of an ETF.

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

Prospectus Right of Rescission means the right of action, given to a purchaser under the Legislation, for rescission or damages against a dealer, for failure of the dealer to send or deliver a prospectus to a purchaser of a security or its agent to whom a prospectus and any amendment was required to be sent or delivered but was not sent or delivered in compliance with the Prospectus Delivery Requirement. In Québec, such a purchaser may apply to have the transaction rescinded or the price revised, at the purchaser's option, without prejudice to the purchaser's claim for damages. Collectively, these rights are referred to as the **Prospectus Rights of Rescission**.

Right of Withdrawal means the right, given to a purchaser under the Legislation, to withdraw from an agreement of purchase and sale for a security to which the Prospectus Delivery Requirement applies if the dealer from which the purchaser purchases the security receives written notice evidencing the intention of the purchaser not to be bound by the agreement within two business days of receipt of the latest prospectus and any amendment. In Québec, this right is called a right to rescind. Collectively, these rights are referred to as the **Rights of Withdrawal**.

Trade Confirmation Right of Rescission means the right, given to a purchaser of an ETF Security under the Legislation in certain circumstances, to rescind the purchase within 48 hours after receiving confirmation of the purchase.

Representations

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

1. The Filers are registered as investment dealers in one or more of the Jurisdictions.
2. The head offices of the Filers are located in Toronto, Ontario.
3. ETF Securities are, or will be, distributed on a continuous basis in one or more of the Jurisdictions pursuant to a prospectus. ETF Securities are generally only subscribed for or purchased directly from an ETF by Authorized Dealers or Designated Brokers. Investors are generally expected to purchase ETF Securities through dealers executing trades using the facilities of an exchange or another marketplace. ETF Securities may also be issued directly to ETF investors upon the reinvestment of distributions of income or capital gains.
4. Each of the Filers is either: (1) an Authorized Dealer and/or Designated Broker that from time to time subscribes for and purchases newly issued ETF Securities (**Creation Units**) directly from one or more ETFs; or (2) an Affiliate Dealer. The Filers are also generally engaged in purchasing and selling ETF Securities of the same class as the Creation Units in the secondary market. Creation Units are generally commingled with ETF Securities purchased in the secondary market. As such, it is not practicable for the Filers to determine whether a particular re-sale of ETF Securities involves Creation Units or ETF Securities purchased in the secondary market.
5. The Filers may also be engaged in purchasing and selling, in the secondary market, ETF Securities of ETFs for which they are not an Authorized Dealer or Designated Broker.

Prospectus Delivery Requirement

6. The principal regulator has advised the Filers that it takes the view that the first re-sale of a Creation Unit on an exchange or another marketplace in Canada will generally constitute a distribution of Creation Units under the Legislation and that the Filers are subject to the Prospectus Delivery Requirement in connection with such re-sales. Re-sales of ETF Securities purchased by the Filers in the secondary market, that are not Creation Units, would not ordinarily constitute a distribution of ETF Securities.
7. Compliance with the Prospectus Delivery Requirement is not practicable in the circumstances of re-sales of Creation Units on an exchange or another marketplace by a Filer as the Filer will often not know the identity of a purchaser and will generally not know whether a sale involves Creation Units.
8. The Prospectus Delivery Requirement affects investors in ETF Securities differently depending upon whether their purchase order is filled through the re-sale of Creation Units or through a secondary market trade. The Prospectus Delivery Requirement also affects investors in ETF Securities differently from investors in conventional mutual funds because, unlike sales of conventional mutual funds, only sales of ETF Securities that are Creation Units are distributions under the Legislation.
9. The Filers, when acting for a purchaser of an ETF Security, are required under the Legislation to deliver a trade confirmation to the purchaser in connection with each trade of an ETF Security, unless a Filer is exempt from the requirement in respect of a particular trade. Investors in ETF Securities will be better served if the Filers send or deliver a prescribed summary disclosure document to all purchasers of ETF Securities who are customers of a Filer at the same time as they deliver the trade confirmation, regardless of whether the purchaser's order is filled through the re-sale of a Creation Unit, or through the re-sale of an ETF Security purchased in the secondary market.
10. The principal regulator has granted relief to various ETF Managers from the requirements to include an underwriter's certificate and to include a statement respecting purchasers' statutory rights of withdrawal and rescission in an ETF's prospectus (the **ETF Relief**). Conditions of the ETF Relief include that an ETF must file a prescribed summary disclosure document with the applicable Jurisdictions on the System for Electronic Document Analysis and Retrieval (the **Summary Document**).

Civil Liability for Prospectus Misrepresentations

11. The liability under the prospectus civil liability provisions of the Legislation, of an ETF or its investment fund manager for a misrepresentation in a prospectus, will not be affected by the grant of an exemption from the Prospectus Delivery Requirement. Under such provisions, purchasers of Creation Units offered by a prospectus during the period of distribution have a right of action for damages against the ETF and its investment fund manager without regard to whether the purchaser relied on the misrepresentation and whether or not the purchaser in fact received a copy of the prospectus. Under the secondary market disclosure civil liability provisions of the Legislation, purchasers of ETF Securities that are not Creation Units and, therefore, are not offered by prospectus during the period of distribution, have a similar right of action for damages for misrepresentation in a prospectus against the ETF and its investment fund manager without regard to whether the purchaser relied on the misrepresentation and whether or not the purchaser in fact received a copy of the prospectus.
12. The Filers take the view, in the circumstances, that they are not underwriters within the meaning of the Legislation. The Filers do not provide the same services in connection with a distribution of Creation Units as would typically be provided by an underwriter in a conventional underwriting. They are not involved in the preparation of an ETF's prospectus, do not incur any marketing costs or receive any underwriting fees or commissions from the ETFs or the ETF Managers in connection with the distribution of Creation Units. ETF Managers generally conduct their own marketing, advertising and promotion of the ETFs. The Filers generally seek to profit from their ability to create and redeem ETF Securities by engaging in arbitrage trading to capture spreads between the trading prices of ETF Securities and their underlying securities and by making markets for their clients to facilitate client trading in ETF Securities. In the circumstances, the Filers take the view that a purchaser of an ETF Security will not be entitled to exercise a statutory right of action for rescission or damages against an Authorized Dealer or Designated Broker in the event that the prospectus contains a misrepresentation.

Right of Withdrawal

13. Under the Legislation, if the Prospectus Delivery Requirement applies in respect of a sale of Creation Units, the purchaser of the Creation Units has a Right of Withdrawal.

Decisions, Orders and Rulings

14. It is not practicable for the Filers to provide purchasers of Creation Units on an exchange or another marketplace with a prospectus in accordance with the Prospectus Delivery Requirement as a Filer will often not know the identity of a purchaser and will generally not know whether the sale involves Creation Units.
15. Where the Exemption Sought is being relied upon by a Filer in respect of a re-sale of Creation Units, the Right of Withdrawal will not be available to the purchaser of Creation Units if a prospectus is not required to be sent or delivered. Under the ETF Relief, an ETF will state in its prospectus or amendment to its prospectus that the Right of Withdrawal will not be available in such circumstances. Under the ETF Relief, an ETF will state in its Summary Document that under the securities legislation of some of the Jurisdictions an investor has the Trade Confirmation Right of Rescission and other rights and remedies if the Summary Document or prospectus contains a misrepresentation.

Prospectus Right of Rescission

16. Under the Legislation, if a dealer is subject to the Prospectus Delivery Requirement in respect of a sale of Creation Units, the purchaser of the Creation Units has the Prospectus Right of Rescission.
17. Where the Exemption Sought is being relied upon by a Filer in respect of a re-sale of Creation Units, the Prospectus Right of Rescission will not be available to the purchaser of Creation Units because the Prospectus Delivery Requirement will not apply. Under the ETF Relief, an ETF will state in its prospectus or amendment to its prospectus that the Prospectus Right of Rescission will not be available in such circumstances.

Trade Confirmation Right of Rescission

18. In applicable Jurisdictions, purchasers of ETF Securities will continue to have the Trade Confirmation Right of Rescission as it is not affected by the grant of an exemption from the Prospectus Delivery Requirement.

Original Decision; Proposed Rules

19. The Filers are seeking to revoke the Original Decision and replace it with this decision.
20. The securities regulatory authorities are developing proposed rule amendments that will require ETF Managers to file an ETF Facts in connection with the filing of a prospectus. If the amendments are adopted, the requirement for ETF Managers to file an ETF Facts will supersede the requirement for ETF Managers to file a Summary Document. Since the introduction of the ETF Facts will likely be subject to a transition period, there may be a period of time where some ETFs have an ETF Facts while other ETFs have a Summary Document. If an ETF Manager files an ETF Facts with respect to a class or series of ETF Securities, the Filers will use such ETF Facts instead of a Summary Document to satisfy their obligations under this decision with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.

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 (i) the Original Decision is revoked and replaced by this decision and (ii) the Exemption Sought is granted, provided that the Filer is in compliance with the following conditions:

1. Each Filer undertakes to the principal regulator that it will, unless the Filer has previously done so, send or deliver to each purchaser of an ETF Security who is a customer of the Filer, and to whom a trade confirmation is required under the Legislation to be sent or delivered by the Filer in connection with the purchase, the latest Summary Document filed in respect of the ETF Security not later than midnight on the second day, exclusive of Saturdays, Sundays and holidays, after the purchase of the ETF Security.
2. Each Filer provides to each ETF Manager of an ETF for which it is an Authorized Dealer or Designated Broker, or is an Affiliate Dealer, an executed acknowledgement:
 - (a) acknowledging receipt of a copy of this decision;
 - (b) agreeing to send or deliver the Summary Document in accordance with this decision;

- (c) undertaking that the Filer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under this decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (d) confirming that the Filer has in place written policies and procedures to ensure that there is compliance with the conditions of this decision.
- 3. Each Filer provides to each ETF Manager of an ETF in whose ETF Securities it is generally engaged in purchasing and selling in the secondary market on behalf of its customers, but for which it is not an Authorized Dealer or Designated Broker, or is not an Affiliate Dealer, an executed acknowledgement:
 - (a) acknowledging receipt of a copy of this decision;
 - (b) agreeing to send or deliver the Summary Document in accordance with this decision;
 - (c) undertaking that the Filer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under this decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (d) confirming that the Filer has in place written policies and procedures to ensure that there is compliance with the conditions of this decision.
- 4. Each Filer files with the principal regulator, to the attention of the Director, Investment Funds Branch, on or before January 31st in each calendar year, a certificate signed by an ultimate designated person certifying that, to the best of the knowledge of such person after making due inquiry, the Filer has complied with the terms and conditions of this decision, and the Original Decision, as applicable, during the previous calendar year.
- 5. If an ETF Manager files an ETF Facts instead of a Summary Document with respect to a class or series of ETF Securities, the latest ETF Facts filed in respect of such class or series of ETF Securities must be substituted for a Summary Document in order to satisfy the foregoing conditions with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.

The decision, as it relates to one or more of the Jurisdictions, will terminate on the latest of: (i) the coming into force of any legislation or rule dealing with the Exemption Sought or (ii) the end date of any applicable transition period for any legislation or rule dealing with the Exemption Sought.

"Monica Kowal"
Vice-Chair
Ontario Securities Commission

"Mary Condon"
Commissioner
Ontario Securities Commission

2.1.18 Scotia Capital Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Revocation of prior relief – relief granted primarily to extend sunset clause set out in the original decision – relief granted on terms that are substantially similar to prior relief – Exemptive relief granted to dealers from the prospectus delivery requirement – Relief granted from requirement to deliver prospectus subject to dealers sending or delivering a prescribed summary disclosure document to purchasers with trade confirmation when acting as agent of the purchaser – Relief conditional on implementing alternative prospectus delivery requirement – Relief consistent with the implementation of the Canadian Securities Administrators Point of Sale Disclosure Project, which contemplates rule-making to codify new alternative prospectus delivery requirement – Securities Act (Ontario).

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 71(1), 147.

August 24, 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
SCOTIA CAPITAL INC.
(the Filer)

DECISION

Background

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

- granting exemptive relief from the Prospectus Delivery Requirement (as defined below) in connection with distributions of an ETF Security (as defined below) (the **Exemption Sought**); and
- revoking a decision the Filer obtained from the principal regulator dated July 19, 2013 granting the Exemption Sought until September 1, 2015 (the **Original Decision**).

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

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) the Filer has provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in 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 National Instrument 14-101 *Definitions*, and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

Affiliate Dealer means a registered dealer that is an affiliate of an Authorized Dealer or Designated Broker and that participates in the re-sale of Creation Units (as defined below) from time to time.

Authorized Dealer means a registered dealer that has entered, or intends to enter, into an agreement with the manager of an ETF (an **ETF Manager**) authorizing the dealer to subscribe for, purchase and redeem Creation Units from one or more ETFs on a continuous basis from time to time.

Designated Broker means a registered dealer that has entered, or intends to enter, into an agreement with an ETF Manager to perform certain duties in relation to the ETF, including posting a liquid two-way market for the trading of the ETF's listed securities on an exchange or another marketplace.

ETF means an open end mutual fund that has listed a class of securities on an exchange in Canada.

ETF Facts means a prescribed disclosure document in accordance with the regulations, in respect of one or more classes or series of ETF Securities being distributed under a prospectus.

ETF Security means a listed security of an ETF.

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

Prospectus Right of Rescission means the right of action, given to a purchaser under the Legislation, for rescission or damages against a dealer, for failure of the dealer to send or deliver a prospectus to a purchaser of a security or its agent to whom a prospectus and any amendment was required to be sent or delivered but was not sent or delivered in compliance with the Prospectus Delivery Requirement. In Québec, such a purchaser may apply to have the transaction rescinded or the price revised, at the purchaser's option, without prejudice to the purchaser's claim for damages. Collectively, these rights are referred to as the **Prospectus Rights of Rescission**.

Right of Withdrawal means the right, given to a purchaser under the Legislation, to withdraw from an agreement of purchase and sale for a security to which the Prospectus Delivery Requirement applies if the dealer from which the purchaser purchases the security receives written notice evidencing the intention of the purchaser not to be bound by the agreement within two business days of receipt of the latest prospectus and any amendment. In Québec, this right is called a right to rescind. Collectively, these rights are referred to as the **Rights of Withdrawal**.

Trade Confirmation Right of Rescission means the right, given to a purchaser of an ETF Security under the Legislation in certain circumstances, to rescind the purchase within 48 hours after receiving confirmation of the purchase.

Representations

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

1. The Filer is registered as an investment dealer in one or more of the Jurisdictions.
2. The head office of the Filer is located in Toronto, Ontario.
3. ETF Securities are, or will be, distributed on a continuous basis in one or more of the Jurisdictions pursuant to a prospectus. ETF Securities are generally only subscribed for or purchased directly from an ETF by Authorized Dealers or Designated Brokers. Investors are generally expected to purchase ETF Securities through dealers executing trades using the facilities of an exchange or another marketplace. ETF Securities may also be issued directly to ETF investors upon the reinvestment of distributions of income or capital gains.
4. The Filer is either: (1) an Authorized Dealer and/or Designated Broker that from time to time subscribes for and purchases newly issued ETF Securities (**Creation Units**) directly from one or more ETFs; or (2) an Affiliate Dealer. The Filer is also generally engaged in purchasing and selling ETF Securities of the same class as the Creation Units in the secondary market. Creation Units are generally commingled with ETF Securities purchased in the secondary market. As such, it is not practicable for the Filer to determine whether a particular re-sale of ETF Securities involves Creation Units or ETF Securities purchased in the secondary market.
5. The Filer may also be engaged in purchasing and selling, in the secondary market, ETF Securities of ETFs for which it is not an Authorized Dealer or Designated Broker.

Prospectus Delivery Requirement

6. The principal regulator has advised the Filer that it takes the view that the first re-sale of a Creation Unit on an exchange or another marketplace in Canada will generally constitute a distribution of Creation Units under the Legislation and that the Filer is subject to the Prospectus Delivery Requirement in connection with such re-sales. Re-sales of ETF Securities purchased by the Filer in the secondary market, that are not Creation Units, would not ordinarily constitute a distribution of ETF Securities.
7. Compliance with the Prospectus Delivery Requirement is not practicable in the circumstances of re-sales of Creation Units on an exchange or another marketplace by the Filer as the Filer will often not know the identity of a purchaser and will generally not know whether a sale involves Creation Units.
8. The Prospectus Delivery Requirement affects investors in ETF Securities differently depending upon whether their purchase order is filled through the re-sale of Creation Units or through a secondary market trade. The Prospectus Delivery Requirement also affects investors in ETF Securities differently from investors in conventional mutual funds because, unlike sales of conventional mutual funds, only sales of ETF Securities that are Creation Units are distributions under the Legislation.
9. The Filer, when acting for a purchaser of an ETF Security, is required under the Legislation to deliver a trade confirmation to the purchaser in connection with each trade of an ETF Security, unless the Filer is exempt from the requirement in respect of a particular trade. Investors in ETF Securities will be better served if the Filer sends or delivers a prescribed summary disclosure document to all purchasers of ETF Securities who are customers of the Filer at the same time as the Filer delivers the trade confirmation, regardless of whether the purchaser's order is filled through the re-sale of a Creation Unit, or through the re-sale of an ETF Security purchased in the secondary market.
10. The principal regulator has granted relief to various ETF Managers from the requirements to include an underwriter's certificate and to include a statement respecting purchasers' statutory rights of withdrawal and rescission in an ETF's prospectus (the **ETF Relief**). Conditions of the ETF Relief include that an ETF must file a prescribed summary disclosure document with the applicable Jurisdictions on the System for Electronic Document Analysis and Retrieval (the **Summary Document**).

Civil Liability for Prospectus Misrepresentations

11. The liability under the prospectus civil liability provisions of the Legislation, of an ETF or its investment fund manager for a misrepresentation in a prospectus, will not be affected by the grant of an exemption from the Prospectus Delivery Requirement. Under such provisions, purchasers of Creation Units offered by a prospectus during the period of distribution have a right of action for damages against the ETF and its investment fund manager without regard to whether the purchaser relied on the misrepresentation and whether or not the purchaser in fact received a copy of the prospectus. Under the secondary market disclosure civil liability provisions of the Legislation, purchasers of ETF Securities that are not Creation Units and, therefore, are not offered by prospectus during the period of distribution, have a similar right of action for damages for misrepresentation in a prospectus against the ETF and its investment fund manager without regard to whether the purchaser relied on the misrepresentation and whether or not the purchaser in fact received a copy of the prospectus.
12. The Filer takes the view, in the circumstances, that it is not an underwriter within the meaning of the Legislation. The Filer does not provide the same services in connection with a distribution of Creation Units as would typically be provided by an underwriter in a conventional underwriting. It is not involved in the preparation of an ETF's prospectus, does not incur any marketing costs or receive any underwriting fees or commissions from the ETFs or the ETF Managers in connection with the distribution of Creation Units. ETF Managers generally conduct their own marketing, advertising and promotion of the ETFs. The Filer generally seeks to profit from its ability to create and redeem ETF Securities by engaging in arbitrage trading to capture spreads between the trading prices of ETF Securities and their underlying securities and by making markets for its clients to facilitate client trading in ETF Securities. In the circumstances, the Filer takes the view that a purchaser of an ETF Security will not be entitled to exercise a statutory right of action for rescission or damages against an Authorized Dealer or Designated Broker in the event that the prospectus contains a misrepresentation.

Right of Withdrawal

13. Under the Legislation, if the Prospectus Delivery Requirement applies in respect of a sale of Creation Units, the purchaser of the Creation Units has a Right of Withdrawal.

Decisions, Orders and Rulings

14. It is not practicable for the Filer to provide purchasers of Creation Units on an exchange or another marketplace with a prospectus in accordance with the Prospectus Delivery Requirement as the Filer will often not know the identity of a purchaser and will generally not know whether the sale involves Creation Units.
15. Where the Exemption Sought is being relied upon by the Filer in respect of a re-sale of Creation Units, the Right of Withdrawal will not be available to the purchaser of Creation Units if a prospectus is not required to be sent or delivered. Under the ETF Relief, an ETF will state in its prospectus or amendment to its prospectus that the Right of Withdrawal will not be available in such circumstances. Under the ETF Relief, an ETF will state in its Summary Document that under the securities legislation of some of the Jurisdictions an investor has the Trade Confirmation Right of Rescission and other rights and remedies if the Summary Document or prospectus contains a misrepresentation.

Prospectus Right of Rescission

16. Under the Legislation, if a dealer is subject to the Prospectus Delivery Requirement in respect of a sale of Creation Units, the purchaser of the Creation Units has the Prospectus Right of Rescission.
17. Where the Exemption Sought is being relied upon by the Filer in respect of a re-sale of Creation Units, the Prospectus Right of Rescission will not be available to the purchaser of Creation Units because the Prospectus Delivery Requirement will not apply. Under the ETF Relief, an ETF will state in its prospectus or amendment to its prospectus that the Prospectus Right of Rescission will not be available in such circumstances.

Trade Confirmation Right of Rescission

18. In applicable Jurisdictions, purchasers of ETF Securities will continue to have the Trade Confirmation Right of Rescission as it is not affected by the grant of an exemption from the Prospectus Delivery Requirement.

Original Decision; Proposed Rules

19. The Filer is seeking to revoke the Original Decision and replace it with this decision.
20. The securities regulatory authorities are developing proposed rule amendments that will require ETF Managers to file an ETF Facts in connection with the filing of a prospectus. If the amendments are adopted, the requirement for ETF Managers to file an ETF Facts will supersede the requirement for ETF Managers to file a Summary Document. Since the introduction of the ETF Facts will likely be subject to a transition period, there may be a period of time where some ETFs have an ETF Facts while other ETFs have a Summary Document. If an ETF Manager files an ETF Facts with respect to a class or series of ETF Securities, the Filer will use such ETF Facts instead of a Summary Document to satisfy its obligations under this decision with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.

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 (i) the Original Decision is revoked and replaced by this decision and (ii) the Exemption Sought is granted, provided that the Filer is in compliance with the following conditions:

1. The Filer undertakes to the principal regulator that it will, unless the Filer has previously done so, send or deliver to each purchaser of an ETF Security who is a customer of the Filer, and to whom a trade confirmation is required under the Legislation to be sent or delivered by the Filer in connection with the purchase, the latest Summary Document filed in respect of the ETF Security not later than midnight on the second day, exclusive of Saturdays, Sundays and holidays, after the purchase of the ETF Security.
2. The Filer provides to each ETF Manager of an ETF for which it is an Authorized Dealer or Designated Broker, or is an Affiliate Dealer, an executed acknowledgement:
 - (a) acknowledging receipt of a copy of this decision;
 - (b) agreeing to send or deliver the Summary Document in accordance with this decision;

Decisions, Orders and Rulings

- (c) undertaking that the Filer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under this decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (d) confirming that the Filer has in place written policies and procedures to ensure that there is compliance with the conditions of this decision.
3. The Filer provides to each ETF Manager of an ETF in whose ETF Securities it is generally engaged in purchasing and selling in the secondary market on behalf of its customers, but for which it is not an Authorized Dealer or Designated Broker, or is not an Affiliate Dealer, an executed acknowledgement:
- (a) acknowledging receipt of a copy of this decision;
 - (b) agreeing to send or deliver the Summary Document in accordance with this decision;
 - (c) undertaking that the Filer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under this decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (d) confirming that the Filer has in place written policies and procedures to ensure that there is compliance with the conditions of this decision.
4. The Filer files with the principal regulator, to the attention of the Director, Investment Funds Branch, on or before January 31st in each calendar year, a certificate signed by an ultimate designated person certifying that, to the best of the knowledge of such person after making due inquiry, the Filer has complied with the terms and conditions of this decision, and the Original Decision, as applicable, during the previous calendar year.
5. If an ETF Manager files an ETF Facts instead of a Summary Document with respect to a class or series of ETF Securities, the latest ETF Facts filed in respect of such class or series of ETF Securities must be substituted for a Summary Document in order to satisfy the foregoing conditions with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.

The decision, as it relates to one or more of the Jurisdictions, will terminate on the latest of: (i) the coming into force of any legislation or rule dealing with the Exemption Sought or (ii) the end date of any applicable transition period for any legislation or rule dealing with the Exemption Sought.

"Monica Kowal"
Vice-Chair
Ontario Securities Commission

"Mary Condon"
Commissioner
Ontario Securities Commission

2.1.19 TD Securities Inc. and TD Waterhouse Canada Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Revocation of prior relief – relief granted primarily to extend sunset clause set out in the original decision – relief granted on terms that are substantially similar to prior relief – Exemptive relief granted to dealers from the prospectus delivery requirement – Relief granted from requirement to deliver prospectus subject to dealers sending or delivering a prescribed summary disclosure document to purchasers with trade confirmation when acting as agent of the purchaser – Relief conditional on implementing alternative prospectus delivery requirement – Relief consistent with the implementation of the Canadian Securities Administrators Point of Sale Disclosure Project, which contemplates rule-making to codify new alternative prospectus delivery requirement – Securities Act (Ontario).

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 71(1), 147.

August 24, 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
TD SECURITIES INC. AND TD WATERHOUSE CANADA INC.
(each a Filer)

DECISION

Background

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

- granting exemptive relief from the Prospectus Delivery Requirement (as defined below) in connection with distributions of an ETF Security (as defined below) (the **Exemption Sought**); and
- revoking a decision the Filers obtained from the principal regulator dated July 19, 2013 granting the Exemption Sought until September 1, 2015 (the **Original Decision**).

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 Filers have provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in 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 National Instrument 14-101 *Definitions*, and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

Affiliate Dealer means a registered dealer that is an affiliate of an Authorized Dealer or Designated Broker and that participates in the re-sale of Creation Units (as defined below) from time to time.

Authorized Dealer means a registered dealer that has entered, or intends to enter, into an agreement with the manager of an ETF (an **ETF Manager**) authorizing the dealer to subscribe for, purchase and redeem Creation Units from one or more ETFs on a continuous basis from time to time.

Designated Broker means a registered dealer that has entered, or intends to enter, into an agreement with an ETF Manager to perform certain duties in relation to the ETF, including posting a liquid two-way market for the trading of the ETF's listed securities on an exchange or another marketplace.

ETF means an open end mutual fund that has listed a class of securities on an exchange in Canada.

ETF Facts means a prescribed disclosure document in accordance with the regulations, in respect of one or more classes or series of ETF Securities being distributed under a prospectus.

ETF Security means a listed security of an ETF.

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

Prospectus Right of Rescission means the right of action, given to a purchaser under the Legislation, for rescission or damages against a dealer, for failure of the dealer to send or deliver a prospectus to a purchaser of a security or its agent to whom a prospectus and any amendment was required to be sent or delivered but was not sent or delivered in compliance with the Prospectus Delivery Requirement. In Québec, such a purchaser may apply to have the transaction rescinded or the price revised, at the purchaser's option, without prejudice to the purchaser's claim for damages. Collectively, these rights are referred to as the **Prospectus Rights of Rescission**.

Right of Withdrawal means the right, given to a purchaser under the Legislation, to withdraw from an agreement of purchase and sale for a security to which the Prospectus Delivery Requirement applies if the dealer from which the purchaser purchases the security receives written notice evidencing the intention of the purchaser not to be bound by the agreement within two business days of receipt of the latest prospectus and any amendment. In Québec, this right is called a right to rescind. Collectively, these rights are referred to as the **Rights of Withdrawal**.

Trade Confirmation Right of Rescission means the right, given to a purchaser of an ETF Security under the Legislation in certain circumstances, to rescind the purchase within 48 hours after receiving confirmation of the purchase.

Representations

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

1. The Filers are registered as investment dealers in one or more of the Jurisdictions.
2. The head offices of the Filers are located in Toronto, Ontario.
3. ETF Securities are, or will be, distributed on a continuous basis in one or more of the Jurisdictions pursuant to a prospectus. ETF Securities are generally only subscribed for or purchased directly from an ETF by Authorized Dealers or Designated Brokers. Investors are generally expected to purchase ETF Securities through dealers executing trades using the facilities of an exchange or another marketplace. ETF Securities may also be issued directly to ETF investors upon the reinvestment of distributions of income or capital gains.
4. Each of the Filers is either: (1) an Authorized Dealer and/or Designated Broker that from time to time subscribes for and purchases newly issued ETF Securities (**Creation Units**) directly from one or more ETFs; or (2) an Affiliate Dealer. The Filers are also generally engaged in purchasing and selling ETF Securities of the same class as the Creation Units in the secondary market. Creation Units are generally commingled with ETF Securities purchased in the secondary market. As such, it is not practicable for the Filers to determine whether a particular re-sale of ETF Securities involves Creation Units or ETF Securities purchased in the secondary market.
5. The Filers may also be engaged in purchasing and selling, in the secondary market, ETF Securities of ETFs for which they are not an Authorized Dealer or Designated Broker.

Prospectus Delivery Requirement

6. The principal regulator has advised the Filers that it takes the view that the first re-sale of a Creation Unit on an exchange or another marketplace in Canada will generally constitute a distribution of Creation Units under the Legislation and that the Filers are subject to the Prospectus Delivery Requirement in connection with such re-sales. Re-sales of ETF Securities purchased by the Filers in the secondary market, that are not Creation Units, would not ordinarily constitute a distribution of ETF Securities.
7. Compliance with the Prospectus Delivery Requirement is not practicable in the circumstances of re-sales of Creation Units on an exchange or another marketplace by a Filer as the Filer will often not know the identity of a purchaser and will generally not know whether a sale involves Creation Units.
8. The Prospectus Delivery Requirement affects investors in ETF Securities differently depending upon whether their purchase order is filled through the re-sale of Creation Units or through a secondary market trade. The Prospectus Delivery Requirement also affects investors in ETF Securities differently from investors in conventional mutual funds because, unlike sales of conventional mutual funds, only sales of ETF Securities that are Creation Units are distributions under the Legislation.
9. The Filers, when acting for a purchaser of an ETF Security, are required under the Legislation to deliver a trade confirmation to the purchaser in connection with each trade of an ETF Security, unless a Filer is exempt from the requirement in respect of a particular trade. Investors in ETF Securities will be better served if the Filers send or deliver a prescribed summary disclosure document to all purchasers of ETF Securities who are customers of a Filer at the same time as they deliver the trade confirmation, regardless of whether the purchaser's order is filled through the re-sale of a Creation Unit, or through the re-sale of an ETF Security purchased in the secondary market.
10. The principal regulator has granted relief to various ETF Managers from the requirements to include an underwriter's certificate and to include a statement respecting purchasers' statutory rights of withdrawal and rescission in an ETF's prospectus (the **ETF Relief**). Conditions of the ETF Relief include that an ETF must file a prescribed summary disclosure document with the applicable Jurisdictions on the System for Electronic Document Analysis and Retrieval (the **Summary Document**).

Civil Liability for Prospectus Misrepresentations

11. The liability under the prospectus civil liability provisions of the Legislation, of an ETF or its investment fund manager for a misrepresentation in a prospectus, will not be affected by the grant of an exemption from the Prospectus Delivery Requirement. Under such provisions, purchasers of Creation Units offered by a prospectus during the period of distribution have a right of action for damages against the ETF and its investment fund manager without regard to whether the purchaser relied on the misrepresentation and whether or not the purchaser in fact received a copy of the prospectus. Under the secondary market disclosure civil liability provisions of the Legislation, purchasers of ETF Securities that are not Creation Units and, therefore, are not offered by prospectus during the period of distribution, have a similar right of action for damages for misrepresentation in a prospectus against the ETF and its investment fund manager without regard to whether the purchaser relied on the misrepresentation and whether or not the purchaser in fact received a copy of the prospectus.
12. The Filers take the view, in the circumstances, that they are not underwriters within the meaning of the Legislation. The Filers do not provide the same services in connection with a distribution of Creation Units as would typically be provided by an underwriter in a conventional underwriting. They are not involved in the preparation of an ETF's prospectus, do not incur any marketing costs or receive any underwriting fees or commissions from the ETFs or the ETF Managers in connection with the distribution of Creation Units. ETF Managers generally conduct their own marketing, advertising and promotion of the ETFs. The Filers generally seek to profit from their ability to create and redeem ETF Securities by engaging in arbitrage trading to capture spreads between the trading prices of ETF Securities and their underlying securities and by making markets for their clients to facilitate client trading in ETF Securities. In the circumstances, the Filers take the view that a purchaser of an ETF Security will not be entitled to exercise a statutory right of action for rescission or damages against an Authorized Dealer or Designated Broker in the event that the prospectus contains a misrepresentation.

Right of Withdrawal

13. Under the Legislation, if the Prospectus Delivery Requirement applies in respect of a sale of Creation Units, the purchaser of the Creation Units has a Right of Withdrawal.

Decisions, Orders and Rulings

14. It is not practicable for the Filers to provide purchasers of Creation Units on an exchange or another marketplace with a prospectus in accordance with the Prospectus Delivery Requirement as a Filer will often not know the identity of a purchaser and will generally not know whether the sale involves Creation Units.
15. Where the Exemption Sought is being relied upon by a Filer in respect of a re-sale of Creation Units, the Right of Withdrawal will not be available to the purchaser of Creation Units if a prospectus is not required to be sent or delivered. Under the ETF Relief, an ETF will state in its prospectus or amendment to its prospectus that the Right of Withdrawal will not be available in such circumstances. Under the ETF Relief, an ETF will state in its Summary Document that under the securities legislation of some of the Jurisdictions an investor has the Trade Confirmation Right of Rescission and other rights and remedies if the Summary Document or prospectus contains a misrepresentation.

Prospectus Right of Rescission

16. Under the Legislation, if a dealer is subject to the Prospectus Delivery Requirement in respect of a sale of Creation Units, the purchaser of the Creation Units has the Prospectus Right of Rescission.
17. Where the Exemption Sought is being relied upon by a Filer in respect of a re-sale of Creation Units, the Prospectus Right of Rescission will not be available to the purchaser of Creation Units because the Prospectus Delivery Requirement will not apply. Under the ETF Relief, an ETF will state in its prospectus or amendment to its prospectus that the Prospectus Right of Rescission will not be available in such circumstances.

Trade Confirmation Right of Rescission

18. In applicable Jurisdictions, purchasers of ETF Securities will continue to have the Trade Confirmation Right of Rescission as it is not affected by the grant of an exemption from the Prospectus Delivery Requirement.

Original Decision; Proposed Rules

19. The Filers are seeking to revoke the Original Decision and replace it with this decision.
20. The securities regulatory authorities are developing proposed rule amendments that will require ETF Managers to file an ETF Facts in connection with the filing of a prospectus. If the amendments are adopted, the requirement for ETF Managers to file an ETF Facts will supersede the requirement for ETF Managers to file a Summary Document. Since the introduction of the ETF Facts will likely be subject to a transition period, there may be a period of time where some ETFs have an ETF Facts while other ETFs have a Summary Document. If an ETF Manager files an ETF Facts with respect to a class or series of ETF Securities, the Filers will use such ETF Facts instead of a Summary Document to satisfy their obligations under this decision with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.

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 (i) the Original Decision is revoked and replaced by this decision and (ii) the Exemption Sought is granted, provided that the Filer is in compliance with the following conditions:

1. Each Filer undertakes to the principal regulator that it will, unless the Filer has previously done so, send or deliver to each purchaser of an ETF Security who is a customer of the Filer, and to whom a trade confirmation is required under the Legislation to be sent or delivered by the Filer in connection with the purchase, the latest Summary Document filed in respect of the ETF Security not later than midnight on the second day, exclusive of Saturdays, Sundays and holidays, after the purchase of the ETF Security.
2. Each Filer provides to each ETF Manager of an ETF for which it is an Authorized Dealer or Designated Broker, or is an Affiliate Dealer, an executed acknowledgement:
 - (a) acknowledging receipt of a copy of this decision;
 - (b) agreeing to send or deliver the Summary Document in accordance with this decision;

- (c) undertaking that the Filer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under this decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (d) confirming that the Filer has in place written policies and procedures to ensure that there is compliance with the conditions of this decision.
- 3. Each Filer provides to each ETF Manager of an ETF in whose ETF Securities it is generally engaged in purchasing and selling in the secondary market on behalf of its customers, but for which it is not an Authorized Dealer or Designated Broker, or is not an Affiliate Dealer, an executed acknowledgement:
 - (a) acknowledging receipt of a copy of this decision;
 - (b) agreeing to send or deliver the Summary Document in accordance with this decision;
 - (c) undertaking that the Filer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under this decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (d) confirming that the Filer has in place written policies and procedures to ensure that there is compliance with the conditions of this decision.
- 4. Each Filer files with the principal regulator, to the attention of the Director, Investment Funds Branch, on or before January 31st in each calendar year, a certificate signed by an ultimate designated person certifying that, to the best of the knowledge of such person after making due inquiry, the Filer has complied with the terms and conditions of this decision, and the Original Decision, as applicable, during the previous calendar year.
- 5. If an ETF Manager files an ETF Facts instead of a Summary Document with respect to a class or series of ETF Securities, the latest ETF Facts filed in respect of such class or series of ETF Securities must be substituted for a Summary Document in order to satisfy the foregoing conditions with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.

The decision, as it relates to one or more of the Jurisdictions, will terminate on the latest of: (i) the coming into force of any legislation or rule dealing with the Exemption Sought or (ii) the end date of any applicable transition period for any legislation or rule dealing with the Exemption Sought.

"Monica Kowal"
Vice-Chair
Ontario Securities Commission

"Mary Condon"
Commissioner
Ontario Securities Commission

2.1.20 National Bank Financial Inc. and National Bank Direct Brokerage Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Revocation of prior relief – relief granted primarily to extend sunset clause set out in the original decision – relief granted on terms that are substantially similar to prior relief – Exemptive relief granted to dealers from the prospectus delivery requirement – Relief granted from requirement to deliver prospectus subject to dealers sending or delivering a prescribed summary disclosure document to purchasers with trade confirmation when acting as agent of the purchaser – Relief conditional on implementing alternative prospectus delivery requirement – Relief consistent with the implementation of the Canadian Securities Administrators Point of Sale Disclosure Project, which contemplates rule-making to codify new alternative prospectus delivery requirement – Securities Act (Ontario).

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 71(1), 147.

August 24, 2015

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

AND

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

AND

IN THE MATTER OF
NATIONAL BANK FINANCIAL INC. AND NATIONAL BANK DIRECT BROKERAGE INC.
(individually, a Filer and collectively, the Filers)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (**Decision Maker**) has received an application from the Filers for a decision under the securities legislation of the Jurisdictions (the **Legislation**):

- for exemptive relief from the Prospectus Delivery Requirement (as defined below) in connection with distributions of an ETF Security (as defined below) (the **Exemption Sought**); and
- revoking a decision the Filers obtained from the Decision Makers dated July 19, 2013 granting the Exemption Sought until September 1, 2015 (the **Original Decision**).

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

- (a) the Autorité des marchés financiers is the principal regulator for this application;
- (b) the Filers have provided notice that subsection 4.7(1) of *Regulation 11-102 respecting Passport System* (c. V-1.1, r. 1) (**Regulation 11-102**) is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Northwest Territories, Yukon Territory and Nunavut; and
- (c) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

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

Affiliate Dealer means a registered dealer that is an affiliate of an Authorized Dealer or Designated Broker and that participates in the re-sale of Creation Units (as defined below) from time to time.

Authorized Dealer means a registered dealer that has entered, or intends to enter, into an agreement with an ETF Manager (as defined below) authorizing the dealer to subscribe for, purchase and redeem Creation Units from one or more ETFs on a continuous basis from time to time.

Creation Units means newly issued ETF Securities.

Designated Broker means a registered dealer that has entered, or intends to enter, into an agreement with an ETF Manager to perform certain duties in relation to the ETF, including posting a liquid two-way market for the trading of the ETF's listed securities on an exchange or another marketplace.

ETF means an open end mutual fund of which a class of securities is listed on an exchange in a jurisdiction of Canada.

ETF Facts means a prescribed document in accordance with the regulations, in respect of one or more classes or series of ETF Securities being distributed under a prospectus.

ETF Manager means the duly registered investment fund manager of an ETF.

ETF Security or ETF Securities means a listed security or listed securities of an ETF in a jurisdiction of Canada.

Prospectus Delivery Requirement means the requirement under the Legislation that obligates a dealer to send or deliver to the subscriber or the purchaser or their representative, within a specified time period and in a specified manner, the prospectus, and any amendment to the prospectus, in respect of an application to subscribe for or purchase securities offered in a distribution. In Québec, this requirement is set forth in section 29 of the *Securities Act*, R.S.Q. c. V-1.1. Collectively, these requirements are referred to as the **Prospectus Delivery Requirements**.

Prospectus Right of Rescission means the right of action, given to a person under the Legislation, for rescission of, or the revision of the price of, the subscription or purchase of an ETF Security or for damages against a dealer for the failure of the dealer to send or deliver a prospectus to the subscriber or the purchaser or its agent to whom a prospectus, and any amendment, was required to be sent or delivered pursuant to the Prospectus Delivery Requirement. In Québec, as set forth in section 214 of the *Securities Act*, R.S.Q. c. V-1.1, such a subscriber or a purchaser may apply to have the transaction rescinded or the price revised, at the subscriber's or the purchaser's option, without prejudice to the subscriber's or the purchaser's claim for damages. Collectively, these rights are referred to as the **Prospectus Rights of Rescission**.

Right of Withdrawal means the right, given to a subscriber or a purchaser under the Legislation, to withdraw from a subscription for or a purchase of securities offered in a distribution if the dealer from which the subscriber or the purchaser subscribed or purchased the securities receives written notice evidencing the intention of the subscriber or the purchaser not to be bound by the subscription or the purchase within two business days of receipt of the latest prospectus or any amendment to the prospectus. In Québec, this right is set forth in section 30 of the *Securities Act*, R.S.Q. c. V-1.1. Collectively, these rights are referred to as the **Rights of Withdrawal**.

Trade Confirmation Right of Rescission means the right, given to a subscriber or purchaser of an ETF Security under the securities legislation of some Canadian jurisdictions in certain circumstances, to rescind the subscription or the purchase within 48 hours after receiving confirmation of the subscription or the purchase.

Representations

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

1. The Filers are duly registered as investment dealers in one or more Canadian jurisdictions.
2. The head office of National Bank Financial Inc. is located at 1115, Metcalfe Street, 5th floor, Sun Life Building, Montreal, Quebec H3B 4S9, and the head office of National Bank Direct Brokerage Inc. is located at 1100, University Street, 7th floor, Montreal, Quebec H3B 2G7.
3. ETF Securities are, or will be, distributed on a continuous basis in one or more Canadian jurisdictions pursuant to a prospectus. ETF Securities are generally only subscribed for or purchased directly from an ETF by Authorized Dealers or Designated Brokers. Investors are generally expected to purchase ETF Securities through dealers executing trades using the facilities of an exchange or another marketplace. ETF Securities may also be issued directly to ETF investors upon the reinvestment of distributions of income or capital gains.

4. Each of the Filers is either: (1) an Authorized Dealer and/or Designated Broker that from time to time subscribes for and purchases Creation Units directly from one or more ETFs; or (2) an Affiliate Dealer. The Filers are also generally engaged in purchasing and selling ETF Securities of the same class as the Creation Units in the secondary market. Creation Units are generally commingled with ETF Securities purchased in the secondary market. As such, it is not practicable for the Filers to determine whether a particular re-sale of ETF Securities involves Creation Units or ETF Securities purchased in the secondary market.
5. The Filers may also be engaged in purchasing and selling, in the secondary market, ETF Securities of ETFs for which they are not an Authorized Dealer or Designated Broker.

Prospectus Delivery Requirement

6. Each Decision Maker has advised the Filers that it takes the view that the first re-sale of a Creation Unit on an exchange or another marketplace in Canada will generally constitute a distribution of Creation Units under the Legislation and that the Filers are subject to the Prospectus Delivery Requirement in connection with such re-sales. Re-sales of ETF Securities purchased by the Filers in the secondary market, that are not Creation Units, would not ordinarily constitute a distribution of ETF Securities.
7. Compliance with the Prospectus Delivery Requirement is not practicable in the circumstances of re-sales of Creation Units on an exchange or another marketplace by a Filer as the Filer will often not know the identity of a subscriber or a purchaser and will generally not know whether a sale involves Creation Units.
8. The Prospectus Delivery Requirement affects purchasers of ETF Securities differently depending upon whether their purchase order is filled through the re-sale of Creation Units or through a secondary market trade. The Prospectus Delivery Requirement also affects purchasers of ETF Securities differently from subscribers of conventional mutual funds securities because only sales of ETF Securities that are Creation Units are distributions under the Legislation.
9. The Filers, when acting for a purchaser of an ETF Security, are required under the Legislation to deliver a trade confirmation to the purchaser in connection with each trade of an ETF Security, unless a Filer is exempt from the requirement in respect of a particular trade. Purchasers of ETF Securities will be better served if the Filers send or deliver a prescribed summary disclosure document to all purchasers of ETF Securities who are customers of a Filer at the same time as they deliver the trade confirmation, regardless of whether the purchaser's order is filled through the re-sale of a Creation Unit, or through the re-sale of an ETF Security purchased in the secondary market.
10. Various ETF Managers have obtained relief from the requirements to include an underwriter's certificate in Canadian jurisdictions where the applicable securities legislation contains such an obligation and to include a statement respecting subscribers' or purchasers' statutory rights of withdrawal and rescission in an ETF's prospectus (the **ETF Relief**). Conditions of the ETF Relief include that an ETF must file a prescribed summary disclosure document with the applicable Canadian jurisdictions on SEDAR (the **Summary Document**).

Civil Liability for Prospectus Misrepresentations

11. The liability under the prospectus civil liability provisions of the Legislation, of an ETF or its investment fund manager for a misrepresentation in a prospectus, will not be affected by the grant of an exemption from the Prospectus Delivery Requirement. Under such provisions, purchasers of Creation Units offered by a prospectus during the period of distribution have a right of action for damages against the ETF and its investment fund manager without regard to whether the purchaser relied on the misrepresentation and whether or not the purchaser in fact received a copy of the prospectus. Under the secondary market disclosure civil liability provisions of the Legislation, purchasers of ETF Securities that are not Creation Units and, therefore, are not offered by prospectus during the period of distribution, have a similar right of action for damages for misrepresentation in a prospectus against the ETF and its investment fund manager without regard to whether the purchaser relied on the misrepresentation and whether or not the purchaser in fact received a copy of the prospectus.
12. The Filers take the view, in the circumstances, that they are not underwriters within the meaning of the Legislation. The Filers do not provide the same services in connection with a distribution of Creation Units as would typically be provided by an underwriter in a conventional underwriting. They are not involved in the preparation of an ETF's prospectus, do not incur any marketing costs or receive any underwriting fees or commissions from the ETFs or the ETF Managers in connection with the distribution of Creation Units. ETF Managers generally conduct their own marketing, advertising and promotion of the ETFs. The Filers generally seek to profit from their ability to subscribe for and redeem ETF Securities by engaging in arbitrage trading to capture spreads between the trading prices of ETF Securities and their underlying securities and by making markets for their clients to facilitate client trading in ETF Securities. In the circumstances, the Filers take the view that a purchaser of ETF Securities will not be entitled to

exercise a statutory right of action for rescission or damages against an Authorized Dealer or Designated Broker in the event that the prospectus contains a misrepresentation.

Right of Withdrawal

13. Under the Legislation, if the Prospectus Delivery Requirement applies in respect of a sale of Creation Units, the purchaser of the Creation Units has a Right of Withdrawal.
14. It is not practicable for the Filers to provide purchasers of Creation Units on an exchange or another marketplace with a prospectus in accordance with the Prospectus Delivery Requirement as the Filers will often not know the identity of a purchaser and will generally not know whether the sale involves Creation Units.
15. Where the Exemption Sought is being relied upon by a Filer in respect of a re-sale of Creation Units, the Right of Withdrawal will not be available to the purchaser of Creation Units since the Filer will be exempt from the Prospectus Delivery Requirement. Under the ETF Relief, an ETF will state in its prospectus or amendment to its prospectus that the Right of Withdrawal will not be available in such circumstances. Under the ETF Relief, an ETF will state in its Summary Document that under the securities legislation of some Canadian jurisdictions an investor has the Trade Confirmation Right of Rescission and other rights and remedies if the Summary Document or prospectus contains a misrepresentation.

Prospectus Right of Rescission

16. Under the Legislation, if a dealer is subject to the Prospectus Delivery Requirement in respect of a sale of Creation Units, the purchaser of the Creation Units has the Prospectus Right of Rescission.
17. Where the Exemption Sought is being relied upon by a Filer in respect of a re-sale of Creation Units, the Prospectus Right of Rescission will not be available to the purchaser of Creation Units because the Prospectus Delivery Requirement will not apply. Under the ETF Relief, an ETF will state in its prospectus or amendment to its prospectus that the Prospectus Right of Rescission will not be available in such circumstances.

Trade Confirmation Right of Rescission

18. In applicable Canadian jurisdictions, purchasers of ETF Securities will continue to have the Trade Confirmation Right of Rescission as it is not affected by the grant of an exemption from the Prospectus Delivery Requirement.

Original Decision; Proposed Rules

19. The Filers are seeking to revoke the Original Decision and replace it with this decision.
20. The securities regulatory authorities are developing proposed rule amendments that will require ETF Managers to file an ETF Facts in connection with the filing of a prospectus. If the amendments are adopted, the requirement for ETF Managers to file an ETF Facts will supersede the requirement for ETF Managers to file a Summary Document. Since the introduction of the ETF Facts will likely be subject to a transition period, there may be a period of time where some ETFs have an ETF Facts while other ETFs have a Summary Document. If an ETF Manager files an ETF Facts with respect to a class or series of ETF Securities, the Filers will use such ETF Facts instead of a Summary Document to satisfy their obligations under this decision with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.

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 (i) the Original Decision is revoked and replaced by this decision and (ii) the Exemption Sought is granted, provided that the Filer is in compliance with the following conditions:

1. Each Filer undertakes to its principal regulator that it will, unless the Filer has previously done so, send or deliver to each purchaser of an ETF Security who is a customer of the Filer, and to whom a trade confirmation is required under the Legislation to be sent or delivered by the Filer in connection with the purchase, the latest Summary Document filed in respect of the ETF Security not later than midnight on the second day, exclusive of Saturdays, Sundays and holidays, after the purchase of the ETF Security.

2. Each Filer provides to each ETF Manager of an ETF for which it is an Authorized Dealer or Designated Broker, or is an Affiliate Dealer, an executed acknowledgement:
 - (a) acknowledging receipt of a copy of this decision;
 - (b) agreeing to send or deliver the Summary Document in accordance with this decision;
 - (c) undertaking that the Filer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under this decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (d) confirming that the Filer has in place written policies and procedures to ensure that there is compliance with the conditions of this decision.

3. Each Filer provides to each ETF Manager of each ETF in whose ETF Securities it is generally engaged in purchasing and selling in the secondary market on behalf of its customers, but for which it is not an Authorized Dealer or Designated Broker, or is not an Affiliate Dealer, an executed acknowledgement:
 - (a) acknowledging receipt of a copy of this decision;
 - (b) agreeing to send or deliver the Summary Document in accordance with this decision;
 - (c) undertaking that the Filer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under this decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (d) confirming that the Filer has in place written policies and procedures to ensure that there is compliance with the conditions of this decision.

4. Each Filer files with the principal regulator, to the attention of the Director, Investment Funds Branch, on or before January 31st in each calendar year, a certificate signed by an ultimate designated person certifying that, to the best of the knowledge of such person after making due inquiry, the Filer has complied with the terms and conditions of this decision, and the Original Decision, as applicable, during the previous calendar year.

5. If an ETF Manager files an ETF Facts instead of a Summary Document with respect to a class or series of ETF Securities, the latest ETF Facts filed in respect of such class or series of ETF Securities must be substituted for a Summary Document in order to satisfy the foregoing conditions with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.

The decision, as it relates to one or more Canadian jurisdictions, will terminate on the latest of: (i) the coming into force of any legislation or rule dealing with the Exemption Sought or (ii) the end date of any applicable transition period for any legislation or rule dealing with the Exemption Sought.

"Gilles Leclerc"
Superintendent, Securities Markets
Autorité des marchés financiers

2.1.21 Timber Hill Canada Co.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Revocation of prior relief – relief granted primarily to extend sunset clause set out in the original decision – relief granted on terms that are substantially similar to prior relief – Exemptive relief granted to dealers from the prospectus delivery requirement – Relief granted from requirement to deliver prospectus subject to dealers sending or delivering a prescribed summary disclosure document to purchasers with trade confirmation when acting as agent of the purchaser – Relief conditional on implementing alternative prospectus delivery requirement – Relief consistent with the implementation of the Canadian Securities Administrators Point of Sale Disclosure Project, which contemplates rule-making to codify new alternative prospectus delivery requirement – Securities Act (Ontario).

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 71(1), 147.

August 24, 2015

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

AND

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

AND

IN THE MATTER OF
TIMBER HILL CANADA CO.
(the Filer)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (**Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**):

- for exemptive relief from the Prospectus Delivery Requirement (as defined below) in connection with distributions of an ETF Security (as defined below) (the **Exemption Sought**); and
- revoking a decision the Filer obtained from the Decision Makers dated November 5, 2014 granting the Exemption Sought until September 1, 2015 (the **Original Decision**).

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

- (a) the Autorité des marchés financiers is the principal regulator for this application; and
- (b) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

Terms defined in *Regulation 14-101 respecting Definitions* (c. V-1.1, r.3), and *Regulation 11-102 respecting Passport System* (c. V-1.1, r.1) have the same meaning if used in this decision, unless otherwise defined.

Authorized Dealer means a registered dealer that has entered, or intends to enter, into an agreement with an ETF Manager (as defined below) authorizing the dealer to subscribe for, purchase and redeem Creation Units (as defined below) from one or more ETFs on a continuous basis from time to time.

Creation Units means newly issued ETF Securities.

Designated Broker means a registered dealer that has entered, or intends to enter, into an agreement with an ETF Manager to perform certain duties in relation to the ETF, including posting a liquid two-way market for the trading of the ETF's listed securities on an exchange or another marketplace.

ETF means an open end mutual fund of which a class of securities is listed on an exchange in a jurisdiction of Canada.

ETF Facts means a prescribed document in accordance with the regulations, in respect of one or more classes or series of ETF Securities being distributed under a prospectus.

ETF Manager means the duly registered investment fund manager of an ETF.

ETF Security or ETF Securities means a listed security or listed securities of an ETF in a jurisdiction of Canada.

Prospectus Delivery Requirement means the requirement under the Legislation that obligates a dealer to send or deliver to the subscriber or the purchaser or their representative, within a specified time period and in a specified manner, the prospectus, and any amendment to the prospectus, in respect of an application to subscribe for or purchase securities offered in a distribution. In Québec, this requirement is set forth in section 29 of the *Securities Act*, R.S.Q. c. V-1.1. Collectively, these requirements are referred to as the **Prospectus Delivery Requirements**.

Prospectus Right of Rescission means the right of action, given to a person under the Legislation, for rescission of, or the revision of the price of, the subscription or purchase of an ETF Security or for damages against a dealer for the failure of the dealer to send or deliver a prospectus to the subscriber or the purchaser or its agent to whom a prospectus, and any amendment, was required to be sent or delivered pursuant to the Prospectus Delivery Requirement. In Québec, as set forth in section 214 of the *Securities Act*, R.S.Q. c. V-1.1, such a subscriber or a purchaser may apply to have the transaction rescinded or the price revised, at the subscriber's or the purchaser's option, without prejudice to the subscriber's or the purchaser's claim for damages. Collectively, these rights are referred to as the **Prospectus Rights of Rescission**.

Right of Withdrawal means the right, given to a subscriber or a purchaser under the Legislation, to withdraw from a subscription for or a purchase of securities offered in a distribution if the dealer from which the subscriber or the purchaser subscribed or purchased the securities receives written notice evidencing the intention of the subscriber or the purchaser not to be bound by the subscription or the purchase within two business days of receipt of the latest prospectus or any amendment to the prospectus. In Québec, this right is set forth in section 30 of the *Securities Act*, R.S.Q. c. V-1.1. Collectively, these rights are referred to as the **Rights of Withdrawal**.

Trade Confirmation Right of Rescission means the right, given to a subscriber or purchaser of an ETF Security under the securities legislation of some Canadian jurisdictions in certain circumstances, to rescind the subscription or the purchase within 48 hours after receiving confirmation of the subscription or the purchase.

Representations

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

1. The Filer is registered in the category of investment dealer in both Ontario and Québec. The Filer is registered as derivatives dealer in Québec.
2. The Filer is a member of the Investment Industry Regulatory Organization of Canada.
3. The Filer is an approved participant on the Montréal Exchange. The Filer is also a participating organization of the Toronto Stock Exchange.
4. The head office of the Filer is located at 1800, McGill College Avenue, Suite 2106, Montreal, Québec H3A 3J6.
5. The Filer's business strictly involves proprietary trading, primarily as a market maker in equity options listed for trading on the Montréal Exchange, including options on ETF Securities. The Filer also accepts orders from its affiliates for execution on the Montréal Exchange.
6. As a result of the Filer's market making activity on options on ETF Securities, the Filer may find it more efficient to periodically reduce or increase its market exposures by creating and redeeming ETF Securities. This activity and the agreement to be entered into with relevant ETF Managers cause the Filer to qualify as an Authorized Dealer, as such term is defined herein.

7. It is possible that the Filer, in the future, enter into agreements with relevant ETF Managers to perform certain duties in relation to the ETF, causing the Filer to qualify as a Designated Broker, as such term is defined herein.
8. ETF Securities are, or will be, distributed on a continuous basis in one or more Canadian jurisdictions pursuant to a prospectus. ETF Securities are generally only subscribed for or purchased directly from an ETF by Authorized Dealers or Designated Brokers. Investors are generally expected to purchase ETF Securities through dealers executing trades using the facilities of an exchange or another marketplace. ETF Securities may also be issued directly to ETF investors upon the reinvestment of distributions of income or capital gains.
9. The Filer is, or may in the future be, an Authorized Dealer and/or Designated Broker that from time to time subscribes for and purchases Creation Units directly from one or more ETFs. The Filer is also generally engaged in purchasing and selling ETF Securities of the same class as the Creation Units in the secondary market. Creation Units are generally commingled with ETF Securities purchased in the secondary market. As such, it is not practicable for the Filer to determine whether a particular re-sale of ETF Securities involves Creation Units or ETF Securities purchased in the secondary market.
10. The Filer may also be engaged in purchasing and selling, in the secondary market, ETF Securities of ETFs for which it is not an Authorized Dealer or Designated Broker.

Prospectus Delivery Requirement

11. Each Decision Maker has advised the Filer that it takes the view that the first re-sale of a Creation Unit on an exchange or another marketplace in Canada will generally constitute a distribution of Creation Units under the Legislation and that the Filer is subject to the Prospectus Delivery Requirement in connection with such re-sales. Re-sales of ETF Securities purchased by the Filer in the secondary market that are not Creation Units would not ordinarily constitute a distribution of ETF Securities.
12. Compliance with the Prospectus Delivery Requirement is not practicable in the circumstances of re-sales of Creation Units on an exchange or another marketplace by the Filer as the Filer will often not know the identity of a subscriber or a purchaser and will generally not know whether a sale involves Creation Units.
13. The Prospectus Delivery Requirement affects purchasers of ETF Securities differently depending upon whether their purchase order is filled through the re-sale of Creation Units or through a secondary market trade. The Prospectus Delivery Requirement also affects purchasers of ETF Securities differently from subscribers of conventional mutual funds securities because only re-sales of ETF Securities that are Creation Units generally constitute distributions under the Legislation.
14. The Filer, if acting for a purchaser of an ETF Security, would be required under the Legislation to deliver a trade confirmation to the purchaser in connection with each trade of an ETF Security, unless the Filer is exempt from the requirement in respect of a particular trade. Purchasers of ETF Securities will be better served if the Filer sends or delivers a prescribed summary disclosure document to all purchasers of ETF Securities who are customers of the Filer at the same time as they deliver the trade confirmation, regardless of whether the purchaser's order is filled through the re-sale of a Creation Unit, or through the re-sale of an ETF Security purchased in the secondary market.
15. Various ETF Managers have obtained relief from the requirements to include an underwriter's certificate in Canadian jurisdictions where the applicable securities legislation contains such an obligation and to include a statement respecting subscribers' or purchasers' statutory rights of withdrawal and rescission in an ETF's prospectus (the **ETF Relief**). Conditions of the ETF Relief include that an ETF must file a prescribed summary disclosure document with the applicable Canadian jurisdictions on SEDAR (the **Summary Document**).

Civil Liability for Prospectus Misrepresentations

16. The liability, under the prospectus civil liability provisions of the Legislation, of an ETF or its investment fund manager for a misrepresentation in a prospectus, will not be affected by the grant of an exemption from the Prospectus Delivery Requirement. Under such provisions, purchasers of Creation Units offered by a prospectus during the period of distribution have a right of action for damages against the ETF and its investment fund manager without regard to whether the purchaser relied on the misrepresentation and whether or not the purchaser in fact received a copy of the prospectus. Under the secondary market disclosure civil liability provisions of the Legislation, purchasers of ETF Securities that are not Creation Units and, therefore, are not offered by prospectus during the period of distribution, have a similar right of action for damages for misrepresentation in a prospectus against the ETF and its investment fund manager without regard to whether the purchaser relied on the misrepresentation and whether or not the purchaser in fact received a copy of the prospectus.

17. The Filer takes the view, in the circumstances, that it is not an underwriter within the meaning of the Legislation. The Filer does not provide the same services in connection with a distribution of Creation Units as would typically be provided by an underwriter in a conventional underwriting. It is not involved in the preparation of an ETF's prospectus, does not incur any marketing costs or receive any underwriting fees or commissions from the ETFs or the ETF Managers in connection with the distribution of Creation Units. ETF Managers generally conduct their own marketing, advertising and promotion of the ETFs. The Filer generally seeks to profit from its ability to subscribe for and redeem ETF Securities by engaging in arbitrage trading to capture spreads between the trading prices of ETF Securities and their underlying securities.
18. In the circumstances, the Filer takes the view that a purchaser of ETF Securities will not be entitled to exercise a statutory right of action for rescission or damages against an Authorized Dealer or a Designated Broker in the event that the prospectus contains a misrepresentation.

Right of Withdrawal

19. Under the Legislation, if the Prospectus Delivery Requirement applies in respect of a sale of Creation Units, the purchaser of the Creation Units has a Right of Withdrawal.
20. It is not practicable for the Filer to provide purchasers of Creation Units on an exchange or another marketplace with a prospectus in accordance with the Prospectus Delivery Requirement as the Filer will often not know the identity of the purchaser and will generally not know whether the sale involves Creation Units.
21. The Right of Withdrawal will not be available to the purchaser of Creation Units in respect of a re-sale of Creation Units since the Filer will be exempt from the Prospectus Delivery Requirement. Under the ETF Relief, an ETF will state in its prospectus or amendment to its prospectus that the Right of Withdrawal will not be available in such circumstances. Under the ETF Relief, an ETF will state in its Summary Document that under the securities legislation of some Canadian jurisdictions an investor has the Trade Confirmation Right of Rescission and other rights and remedies if the Summary Document or prospectus contains a misrepresentation.

Prospectus Right of Rescission

22. Under the Legislation, if a dealer is subject to the Prospectus Delivery Requirement in respect of a sale of Creation Units, the purchaser of the Creation Units has the Prospectus Right of Rescission.
23. The Prospectus Right of Rescission will not be available to the purchaser of Creation Units in respect of a re-sale of Creation Units because the Prospectus Delivery Requirement will not apply. Under the ETF Relief, an ETF will state in its prospectus or amendment to its prospectus that the Prospectus Right of Rescission will not be available in such circumstances.

Trade Confirmation Right of Rescission

24. In applicable Canadian jurisdictions, purchasers of ETF Securities will continue to have the Trade Confirmation Right of Rescission as it is not affected by the grant of an exemption from the Prospectus Delivery Requirement.

Original Decision; Proposed Rules

25. The Filer is seeking to revoke the Original Decision and replace it with this decision.
26. The securities regulatory authorities are developing proposed rule amendments that will require ETF Managers to file an ETF Facts in connection with the filing of a prospectus. If the amendments are adopted, the requirement for ETF Managers to file an ETF Facts will supersede the requirement for ETF Managers to file a Summary Document. Since the introduction of the ETF Facts will likely be subject to a transition period, there may be a period of time where some ETFs have an ETF Facts while other ETFs have a Summary Document. If an ETF Manager files an ETF Facts with respect to a class or series of ETF Securities, the Filer will use such ETF Facts instead of a Summary Document to satisfy its obligations under this decision with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.

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.

Decisions, Orders and Rulings

The decision of the Decision Makers under the Legislation is that (i) the Original Decision is revoked and replaced by this decision and (ii) the Exemption Sought is granted, provided that the Filer is in compliance with the following conditions:

1. Subject to the approval of the Ontario Securities Commission that would allow the Filer to conduct customer business, the Filer undertakes to its principal regulator that it will, unless the Filer has previously done so, send or deliver to each purchaser of an ETF Security who is a customer of the Filer, and to whom a trade confirmation is required under the Legislation to be sent or delivered by the Filer in connection with the purchase, the latest Summary Document filed in respect of the ETF Security not later than midnight on the second day, exclusive of Saturdays, Sundays and holidays, after the purchase of the ETF Security.
2. The Filer provides to each ETF Manager of an ETF for which it is an Authorized Dealer or Designated Broker, an executed acknowledgement to the effect that the Filer:
 - (a) acknowledges receipt of a copy of this decision;
 - (b) agrees to send or deliver the Summary Document in accordance with this decision;
 - (c) undertakes that the Filer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under this decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (d) confirms that the Filer has in place written policies and procedures to ensure that there is compliance with the conditions of this decision.
3. The Filer provides to each ETF Manager of each ETF in whose ETF Securities it is generally engaged in purchasing and selling in the secondary market on behalf of its customers, but for which it is not an Authorized Dealer or Designated Broker an executed acknowledgement to the effect that the Filer:
 - (a) acknowledges receipt of a copy of this decision;
 - (b) agrees to send or deliver the Summary Document in accordance with this decision;
 - (c) undertakes that the Filer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under this decision at the same time to an investor purchasing ETF Securities of each such ETF; and
 - (d) confirms that the Filer has in place written policies and procedures to ensure that there is compliance with the conditions of this decision.
4. The Filer files with the principal regulator, to the attention of the Director, Investment Funds, on or before January 31st in each calendar year, a certificate signed by an ultimate designated person certifying that, to the best of the knowledge of such person after making due inquiry, the Filer has complied with the terms and conditions of this decision, and the Original Decision, as applicable, during the previous calendar year.
5. If an ETF Manager files an ETF Facts instead of a Summary Document with respect to a class or series of ETF Securities, the latest ETF Facts filed in respect of such class or series of ETF Securities must be substituted for a Summary Document in order to satisfy the foregoing conditions with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts.

The decision, as it relates to one or more Canadian jurisdictions, will terminate on the latest of: (i) the coming into force of any legislation or rule dealing with the Exemption Sought or (ii) the end date of any applicable transition period for any legislation or rule dealing with the Exemption Sought.

"Gilles Leclerc"
Superintendent, Securities Markets
Autorité des marchés financiers

2.2 Orders

2.2.1 Lawrence Zeiben et al. – ss. 127(1), 127(10)

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

AND

**IN THE MATTER OF
LAWRENCE ZEIBEN, GRIT INTERNATIONAL INC.
and TEXAS PETROLEUM INC.**

ORDER

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

WHEREAS:

1. on August 4, 2015, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to sections 127(1) and 127(10) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") in respect of Lawrence Zeiben ("Zeiben"), Grit International Inc. ("Grit") and Texas Petroleum Inc. ("Texas Petroleum") (collectively, the "Respondents");
2. on August 4, 2015, Staff of the Commission ("Staff") filed a Statement of Allegations in respect of this proceeding;
3. on August 28, 2015, Staff appeared before the Commission and made submissions, and filed an affidavit of service sworn by Lee Crann on August 24, 2015, indicating steps taken by Staff to serve the Respondents with the Notice of Hearing, Statement of Allegations and Staff's disclosure materials;
4. on August 28, 2015, the Respondents did not appear or make submissions, although properly served;
5. on August 28, 2015, the Commission considered an application brought by Staff to continue the proceeding by way of a written hearing, in accordance with Rule 11.5 of the Commission's *Rules of Procedure* (2014), 37 OSCB 4168, and subsection 5.1(1) of the *Statutory Power Procedures Act*, R.S.O. 1990, c. S.22, as amended;
6. the Commission is of the opinion that it is in the public interest to make this order;

IT IS HEREBY ORDERED THAT:

- (a) Staff's application to proceed by way of written hearing is granted;
- (b) Staff's materials shall be served and filed no later than September 8, 2015;

(c) the Respondents' responding materials shall be served and filed no later than October 6, 2015; and

(d) if applicable, Staff's reply materials shall be served and filed no later than October 20, 2015.

DATED at Toronto this 28th day of August, 2015.

"Timothy Moseley"

2.2.2 Sintana Holdings Corp. – s. 1(6) of the OBCA

Headnote

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

Statutes Cited

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

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

AND

IN THE MATTER OF SINTANA HOLDINGS CORP. (the
“Applicant”)

ORDER (Subsection 1(6) of the OBCA)

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

AND UPON the Applicant representing to the Commission that:

1. The Applicant is an “offering corporation” as defined in the OBCA, and has an authorized capital consisting of an unlimited number of common shares.
2. The head office of the Applicant is located at 36 Toronto Street, Suite 1000, Toronto, ON M5C 2C5.
3. On August 6, 2015, the Applicant and Mobius Resources Inc. (the “Company”) completed a business combination in which the Company acquired all of the issued and outstanding common shares of the Applicant from the existing holders thereof in consideration of the issuance of 0.26316 of one common share of the Company for each common share of the Applicant so held, pursuant to a three-cornered amalgamation effected by way of a plan of arrangement in which the Applicant amalgamated with a wholly-owned subsidiary of the Company (the “Arrangement”). In connection with the Arrangement, the Company filed articles of amendment to change its name from “Mobius Resources Inc.” to “Sintana Energy Inc.”
4. As a result of the Arrangement, the Applicant is now a wholly-owned subsidiary of Sintana Energy Inc. with the name Sintana Holdings Corp. and all outstanding common shares of the Applicant are

held by Sintana Energy Inc. As of the date of this decision, the Applicant has no other securities outstanding, including debt securities.

5. The common shares of the Applicant were delisted from the TSX Venture Exchange, effective as of the close of trading on August 10, 2015.
6. 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.
7. Pursuant to BC Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status*, the British Columbia Securities Commission confirmed the Applicant’s non-reporting issuer status in British Columbia effective August 31, 2015.
8. The Applicant is a reporting issuer, or the equivalent, in the provinces of Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador (the “Jurisdictions”).
9. The Applicant is not in default of securities legislation in any jurisdiction.
10. The Applicant has no intention to seek public financing by way of an offering of securities.
11. The Applicant has applied for relief to cease to be a reporting issuer in the Jurisdictions (the “Reporting Issuer Relief Requested”).
12. The Reporting Issuer Relief Requested was granted on August 31, 2015. As a result, the Applicant is not a reporting issuer in any jurisdiction of Canada.

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

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

DATED at Toronto this 1st day of September, 2015

“T. Moseley”
Ontario Securities Commission

“C. Portner”
Ontario Securities Commission

2.2.3 2241153 Ontario Inc. et al. – s. 127

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

AND

**IN THE MATTER OF
2241153 ONTARIO INC., SETENTERPRICE,
SARBJEET SINGH, DIPAK BANIK,
STOYANKA GUERENSKA, SOPHIA NIKOLOV
and EVGUENI TODOROV**

**ORDER
(Section 127)**

WHEREAS

1. On February 10, 2015, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to section 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act"), in relation to a Statement of Allegations filed by Staff of the Commission ("Staff") on February 9, 2015, to consider whether it is in the public interest to make certain orders against 2241153 Ontario Inc. ("2241153"), Setenterprice, Sarbjeet Singh ("Singh"), Dipak Banik ("Banik"), Stoyanka Guerenska ("Guerenska"), Sophia Nikolov ("Nikolov") and Evgueni Todorov ("Todorov") (together, the "Respondents");
2. The Notice of Hearing set a hearing in this matter for February 23, 2015 at 11:00 a.m.;
3. On February 11, 2015 a settlement agreement entered into by Staff of the Commission ("Staff") and Singh and 2241153 was approved by the Commission;
4. On February 23, 2015 Staff attended a hearing in this matter and no one appeared on behalf of the Respondents;
5. On February 23, 2015, the Commission ordered that:
 - (a) the matter was adjourned to a hearing scheduled for March 24, 2015 at 9:00 a.m.;
 - (b) on or before March 24, 2015, Staff shall disclose to the Respondents all documents and things in its possession or control that are relevant to the allegations in this matter; and
 - (c) upon failure of any party to attend at the hearing scheduled for March 24, 2015 at 9:00 a.m., the hearing will proceed in the absence of that party and such party will

not be entitled to any further notice of the proceedings;

6. On March 24, 2015, Staff and Todorov and Nikolov attended at a hearing in this matter and Banik and Guerenska did not appear, although properly served;
7. On March 24, 2015, the Commission ordered that:
 - (a) this matter is adjourned to a hearing scheduled for June 24, 2015 at 9:30 a.m. or to such other date as may be agreed to by the parties and fixed by the Office of the Secretary; and
 - (b) that at least five (5) days before the next hearing date Staff will provide the Respondents with their witness lists and summaries and indicate any intent to call an expert witness, including the name of the expert witness and the issue on which the expert will be giving evidence;
8. On June 24, 2015, Staff and Todorov attended at a hearing in the matter and none of the other Respondents appeared, although properly served;
9. On June 24, 2015, the Commission ordered that:
 - (a) this matter is adjourned to a hearing scheduled for September 1, 2015 at 9:30 a.m. or to such other date as may be agreed to by the parties and fixed by the Office of the Secretary;
 - (b) that by the close of business on August 21, 2015, the Respondents will provide Staff with their witness lists and summaries and indicate any intent to call an expert witness, including the name of the expert witness and the issue on which the expert will be giving evidence; and
 - (c) upon failure of any Respondent to provide Staff with the above-noted documents or failure to attend at the hearing scheduled for September 1, 2015 at 9:30 a.m., the hearing will proceed in the absence of that party and such party will not be entitled to any further notice of the proceedings;
10. On September 1, 2015, Staff and Todorov attended a hearing in this matter and none of the other Respondents appeared, although properly served; and
11. The Commission considered the submissions of Staff and Todorov and the Commission is of the opinion that it is in the public interest to make this order;

IT IS ORDERED that:

1. This matter is adjourned to a pre-hearing conference scheduled for December 9, 2015 at 10:00 a.m. or to such other date as may be agreed to by the parties and fixed by the Office of the Secretary; and
2. The hearing on the merits in this matter will commence on January 11, 2016 at 10:00 a.m. and will continue to and including January 22, 2016, with the exception of January 12, 2016, or on such other dates as are agreed to by the parties and fixed by the Office of the Secretary.

DATED at Toronto this 3rd day of September, 2015.

“Christopher Portner”

2.2.4 Sun Life Global Investments (Canada) Inc. and MFS Institutional Advisors, Inc. – s. 80 of the CFA

Headnote

Section 80 of the Commodity Futures Act (Ontario) – Relief from the adviser registration requirement of subsection 22(1)(b) of the CFA granted to a sub-adviser headquartered in a foreign jurisdiction in respect of advice regarding trades in commodity futures contracts and commodity futures options, subject to certain terms and conditions – Relief mirrors exemption available in section 8.26.1 of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations made under the Securities Act (Ontario).

Applicable Legislative Provisions

Commodity Futures Act, R.S.O. 1990, c. C.20, as am., ss. 1(1), 22(1)(b) and 80.

Securities Act, R.S.O. 1990, c.S.5, as am., s. 25(3).

National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, s. 8.26.1.

Ontario Securities Commission Rule 35-502 Non-Resident Advisers, s. 7.11.

September 1, 2015

**IN THE MATTER OF
THE COMMODITY FUTURES ACT,
R.S.O. 1990, CHAPTER C.20, AS AMENDED
(the CFA)**

AND

**IN THE MATTER OF
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.
AND MFS INSTITUTIONAL ADVISORS, INC.**

**ORDER
(Section 80 of the CFA)**

UPON the application (the **Application**) of MFS Institutional Advisors, Inc. (the **Sub-Adviser**) and Sun Life Global Investments (Canada) Inc. (the **Principal Adviser**) to the Ontario Securities Commission (the **Commission**) for an order, pursuant to section 80 of the CFA, that the Sub-Adviser (and individuals engaging in, or holding themselves out as engaging in, the business of advising others when acting on behalf of the Sub-Adviser in respect of the Sub-Advisory Services (as defined below) (the **Representatives**)) be exempt, for a specified period of time, from the adviser registration requirement in paragraph 22(1)(b) of the CFA when acting as a sub-adviser to the Principal Adviser for the benefit of the Clients (as defined below) regarding commodity futures contracts and commodity futures options traded on commodity futures exchanges (collectively, the **Contracts**) and cleared through clearing corporations;

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

AND WHEREAS the Sub-Adviser and the Principal Adviser having represented to the Commission that:

1. The Principal Adviser is a corporation established under the federal laws of Canada and its head office is in Toronto, Ontario.
2. The Principal Adviser is registered under the relevant securities legislation of the jurisdictions as (a) an investment fund manager in Ontario, Quebec and Newfoundland and Labrador, (b) a mutual fund dealer in Ontario, Alberta, British Columbia, Saskatchewan, Manitoba, Quebec, New Brunswick, Newfoundland and Labrador, Nova Scotia, Prince Edward Island, Northwest Territories, Yukon and Nunavut, and (c) a portfolio manager in Ontario. The Principal Adviser is also registered in Ontario under the CFA as an adviser in the category of commodity trading manager.
3. The Sub-Adviser, an affiliate of the Principal Adviser, is a limited liability company formed under the laws of the State of Delaware, United States, with its principal office and place of business in Boston, Massachusetts.
4. The Sub-Adviser is currently registered as an investment adviser with the United States Securities and Exchange Commission. The Sub-Adviser is exempt from registration as a commodity trading adviser with the U.S. Commodity Futures Trading Commission.

5. The Sub-Adviser is registered in a category of registration, or operates under an exemption from registration, under the commodities futures or other applicable legislation of the United States, that permits it to carry on the activities in that jurisdiction that registration as an adviser under the CFA would permit it to carry on in Ontario. As such, it is authorized and permitted to carry on the Sub-Advisory Services (defined below).
6. The Sub-Adviser engages in the business of an adviser in respect of Contracts in the United States.
7. The Sub-Adviser is not registered in any capacity under the CFA or the *Securities Act (Ontario) (OSA)*. The Sub-Adviser acts in reliance on the exemptions from the requirement to register as an adviser under the OSA pursuant to sections 8.26 and 8.26.1 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations (NI 31-103)*.
8. The Principal Adviser and the Sub-Adviser are not in default of securities legislation, commodity futures legislation or derivatives legislation in any jurisdiction of Canada.
9. The Principal Adviser provides discretionary portfolio management services in Ontario to (i) investment funds, the securities of which are qualified by prospectus for distribution to the public in Ontario and the other provinces of Canada (the **Investment Funds**); (ii) investment funds, the securities of which are sold on a private placement basis in Ontario and the other provinces and territories of Canada pursuant to prospectus exemptions available in the circumstances including those contained in National Instrument 45-106 *Prospectus Exemptions* (the **Pooled Funds**); (iii) clients who have entered into investment management agreements with the Principal Adviser to establish managed accounts (the **Managed Account Clients**); and (iv) other Investment Funds, Pooled Funds and Managed Account Clients that may be established or retained in the future and in respect of which the Principal Adviser engages the Sub-Adviser to provide portfolio advisory services (the **Future Clients**) (each of the Investment Funds, Pooled Funds, Managed Account Clients and Future Clients being referred to individually as a **Client** and collectively as the **Clients**).
10. The Clients may, as part of their investment program, invest in securities and Contracts. The Principal Adviser acts as a portfolio manager and commodity trading manager in respect of such Clients.
11. In connection with the Principal Adviser acting as an adviser to Clients in respect of the purchase or sale of securities and Contracts, the Principal Adviser, pursuant to a written agreement made between the Principal Adviser and the Sub-Adviser, has retained the Sub-Adviser to act as a sub-adviser to the Principal Adviser in respect of securities and Contracts in which the Sub-Adviser has experience and expertise by exercising discretionary authority on behalf of the Principal Adviser, in respect of all or a portion of the assets of the investment portfolio of the respective Client, including discretionary authority to buy or sell Contracts for the Client (the **Sub-Advisory Services**), provided that:
 - (a) in each case, the Contracts must be cleared through an “acceptable clearing corporation” (as defined in National Instrument 81-102 *Investment Funds*, or any successor thereto (**NI 81-102**)) or a clearing corporation that clears and settles transactions made on a futures exchange listed in Appendix A of NI 81-102, or any successor thereto; and
 - (b) such investments are consistent with the investment objectives and strategies of the applicable Client.
12. Paragraph 22(1)(b) of the CFA prohibits a person or company from acting as an adviser unless the person or company is registered as an adviser under the CFA, or is registered as a representative or as partner or an officer of a registered adviser and is acting on behalf of a registered adviser.
13. By providing the Sub-Advisory Services, the Sub-Adviser, and any Representative acting on behalf of the Sub-Adviser in respect of the Sub-Advisory Services, will be engaging in, or holding himself, herself or itself out as engaging in, the business of advising others in respect of Contracts and, in the absence of being granted the requested relief, would be required to register as an adviser under the CFA.
14. There is presently no rule or regulation under the CFA that provides an exemption from the adviser registration requirement in paragraph 22(1)(b) of the CFA that is similar to the exemption from the adviser registration requirement in subsection 25(3) of the OSA that is provided under section 8.26.1 of NI 31-103.
15. The relationship among the Principal Adviser, the Sub-Adviser and any Client is consistent with the requirements of section 8.26.1 of NI 31-103.
16. The Sub-Adviser will only provide the Sub-Advisory Services as long as the Principal Adviser is, and remains, registered under the CFA as an adviser in the category of commodity trading manager.

17. As would be required under section 8.26.1 of NI 31-103:
 - (a) the obligations and duties of the Sub-Adviser are set out in a written agreement with the Principal Adviser; and
 - (b) the Principal Adviser has entered into a written contract with each Client, agreeing to be responsible for any loss that arises out of the failure of the Sub-Adviser:
 - (i) to exercise the powers and discharge the duties of its office honestly, in good faith and in the best interests of the Principal Adviser and each Client; or
 - (ii) to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances (together with (i), the **Assumed Obligations**).
18. The written agreement between the Principal Adviser and the Sub-Adviser sets out the obligations and duties of each party in connection with the Sub-Advisory Services and permits the Principal Adviser to exercise the degree of supervision and control it is required to exercise over the Sub-Adviser in respect of the Sub-Advisory Services.
19. The Principal Adviser will deliver to the Clients all required reports and statements under applicable securities, commodity futures and derivatives legislation.
20. The prospectus or other offering document, if any, (in either case, the **Offering Document**) for each Client that is an Investment Fund or a Pooled Fund and for which the Principal Adviser engages the Sub-Adviser to provide the Sub-Advisory Services will include the following disclosure (the **Required Disclosure**):
 - (a) a statement that the Principal Adviser is responsible for any loss that arises out of the failure of the Sub-Adviser to meet the Assumed Obligations; and
 - (b) a statement that there may be difficulty in enforcing any legal rights against the Sub-Adviser (or any of its Representatives) because the Sub-Adviser is resident outside of Canada and all or substantially all of its assets are situated outside of Canada.
21. Prior to purchasing any securities of one or more of the Clients that are Investment Funds or Pooled Funds directly from the Principal Adviser, all investors in the Investment Funds or Pooled Funds who are Ontario residents will receive, or have received, the Required Disclosure in writing (which may be in the form of an Offering Document).
22. Each Client that is a Managed Account Client for which the Principal Adviser engages the Sub-Adviser to provide the Sub-Advisory Services will receive, or has received, the Required Disclosure in writing prior to the purchasing of any Contracts for such Client.
23. The Principal Adviser and the Sub-Adviser obtained substantially similar relief in *Re: Sun Life Global Investments (Canada) Inc., Sun Capital Advisers LLC and MFS Institutional Advisors, Inc.* dated September 3, 2010 (the **Previous Order**), pursuant to which the Sub-Adviser provided Sub-Advisory Services to the Principal Adviser in respect of the Clients.
24. The Previous Order will expire on September 2, 2015.

AND UPON being satisfied that it would not be prejudicial to the public interest for the Commission to grant the exemption requested;

IT IS ORDERED, pursuant to section 80 of the CFA, that the Sub-Adviser and its Representatives are exempt from the adviser registration requirement in paragraph 22(1)(b) of the CFA when acting as sub-adviser to the Principal Adviser in respect of the Sub-Advisory Services provided that at the relevant time that such activities are engaged in:

- (a) the Principal Adviser is registered under the CFA as an adviser in the category of commodity trading manager;
- (b) the Sub-Adviser's head office or principal place of business is in a foreign jurisdiction;
- (c) the Sub-Adviser is registered in a category of registration, or operates under an exemption from registration, under the commodities futures or other applicable legislation of the foreign jurisdiction in which its head office or principal place of business is located, that permits it to carry on the activities in that jurisdiction that registration as an adviser under the CFA would permit it to carry on in Ontario;

- (d) the Sub-Adviser engages in the business of an adviser in respect of Contracts in the foreign jurisdiction in which its head office or principal place of business is located;
- (e) the obligations and duties of the Sub-Adviser are set out in a written agreement with the Principal Adviser;
- (f) the Principal Adviser has entered into a written agreement with the Clients, agreeing to be responsible for any loss that arises out of any failure of the Sub-Adviser to meet the Assumed Obligations;
- (g) the Offering Document of each Client that is an Investment Fund or Pooled Fund and for which the Principal Adviser engages the Sub-Adviser to provide the Sub-Advisory Services will include the Required Disclosure;
- (h) prior to purchasing any securities of one or more of the Clients that are Investment Funds or Pooled Funds directly from the Principal Adviser, all investors in the Investment Funds or Pooled Funds who are Ontario residents will receive, or have received, the Required Disclosure in writing; and
- (i) each Client that is a Managed Account Client for which the Principal Adviser engages the Sub-Adviser to provide the Sub-Advisory Services will receive, or has received, the Required Disclosure in writing prior to the purchasing of any Contracts for such Client;

IT IS FURTHER ORDERED that this Order will terminate on the earliest of

- (a) six months, or such other transition period as provided by operation of law, after the effective date of the repeal of the CFA;
- (b) six months, or such other transition period as provided by operation of law, after the coming into force of any amendment to Ontario commodity futures law (as defined in the CFA) or Ontario securities law (as defined in the OSA) that affects the ability of the Sub-Adviser to act as a sub-adviser to the Principal Adviser in respect of the Sub-Advisory Services; and
- (c) five years after the date of this Order.

DATED at Toronto, Ontario, this 1st day of September, 2015.

“Tim Moseley”
Commissioner
Ontario Securities Commission

“Christopher Portner”
Commissioner
Ontario Securities Commission

2.2.5 Terrence Bedford – Rule 9 of the OSC Rules of Procedure

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

AND

**IN THE MATTER OF
TERRENCE BEDFORD**

**ORDER
(Rule 9 of the Commission's Rules of Procedure
(2014), 37 O.S.C.B. 4168)**

WHEREAS:

1. on March 8, 2013, Terrence Bedford ("Bedford" or the "Respondent") pleaded guilty in the Ontario Court of Justice to one count of engaging or participating in an act, practice or course of conduct relating to securities that he knew or reasonably ought to have known perpetrated a fraud on persons or companies to whom he traded securities, contrary to subsection 126.1(1)(b) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act"), and he thereby did commit an offence contrary to subsection 122(1)(c) of the Act;
2. Bedford's guilty plea was accepted by the Ontario Court of Justice, and he was convicted and sentenced to two years' imprisonment;
3. on June 30, 2015, Staff of the Commission ("Staff") filed a Statement of Allegations in this matter, seeking an inter-jurisdictional enforcement order pursuant to subsection 127(1) of the Act, in reliance upon paragraph 1 of subsection 127(10) of the Act;
4. on July 2, 2015, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to subsections 127(1) and 127(10) of the Act in respect of Bedford;
5. on July 22, 2015, Staff appeared before the Commission and brought an application to continue this proceeding by way of a written hearing, and made submissions;
6. on July 22, 2015, Staff filed an affidavit of service sworn on July 16, 2015 by Lee Crann, a Law Clerk with the Commission, which documented service on Bedford of the Notice of Hearing, Statement of Allegations, Staff's disclosure materials, and information concerning the Litigation Assistance Program;
7. on July 22, 2015, Bedford appeared before the Commission and advised that he had not yet retained counsel, and that he wished to seek legal

advice regarding Staff's request to continue the proceeding by way of a written hearing;

8. on July 22, 2015, the Commission ordered that:
 - (a) Staff's application to proceed by way of written hearing is denied, without prejudice to Staff's right to reapply to continue this proceeding by way of a written hearing;
 - (b) this proceeding is adjourned to an oral hearing to be held on September 9, 2015 at 2:00 p.m. or as soon thereafter as the hearing can be held;
 - (c) any requests by the Respondent for disclosure of additional documents shall be set out in a Notice of Motion to be served and filed no later than August 27, 2015; and
 - (d) Staff shall make disclosure of their witness list and summaries and indicate any intent to call an expert witness, and provide the Respondent the name of the expert and state the issue on which the expert will be giving evidence, by September 2, 2015; and
9. on September 1, 2015, newly retained counsel for Bedford advised the Commission that he would not be able to attend the hearing scheduled for September 9, 2015, and requested an adjournment, to which Staff consented;

IT IS ORDERED THAT:

- (a) the hearing date of September 9, 2015 be vacated;
- (b) this proceeding is adjourned to an oral hearing to be held on October 1, 2015 at 2:00 p.m. or as soon thereafter as the hearing can be held;

DATED at Toronto this 4th day of September, 2015.

"Timothy Moseley"

2.2.6 Poseidon Concepts Corp. – s. 144(1)

Headnote

Section 144(1) – Application to vary a cease trade order – cease trade order varied to permit beneficial shareholders, who are not insiders or control persons, to sell securities outside of Canada, subject to conditions.

Applicable Legislative Provisions

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

**IN THE MATTER OF
THE SECURITIES ACT,
R.S.O. 1990, c. S.5, AS AMENDED
(THE “ACT”)**

AND

**IN THE MATTER OF
POSEIDON CONCEPTS CORP.**

**ORDER
(Section 144(1) of the Act)**

WHEREAS the securities of Poseidon Concepts Corp. (the “**Issuer**”) are subject to a temporary cease trade order issued by the Director on February 26, 2013 pursuant to paragraph 2 of subsection 127(1) and subsection 127(5) of the Act, as extended by a further cease trade order issued by the Director on March 11, 2013 pursuant to paragraph 2 of subsection 127(1) of the Act (the “**Cease Trade Order**”), directing that all trading in securities of the Issuer, whether direct or indirect, cease until further order by the Director;

AND WHEREAS the Commission varied the Cease Trade Order on March 19, 2013, January 21, 2014 and July 22, 2014;

AND WHEREAS a cease trade order with respect to the Issuer’s securities was also issued by the Alberta Securities Commission on February 14, 2013, the British Columbia Securities Commission on February 18, 2013 and L’Autorité des marchés financiers on March 6, 2013;

AND WHEREAS the Issuer’s securities are not listed on and do not trade on any exchange in Canada;

AND WHEREAS the Issuer’s securities trade on the OTC Pink Marketplace;

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

AND UPON the Director being satisfied that:

- a) the terms and conditions to the Cease Trade Order put Ontario resident shareholders of the Issuer at a disadvantage to certain shareholders who are free to trade their shares on the OTC Pink Marketplace; and
- b) 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:

Despite this order, a beneficial shareholder of Poseidon Concepts Corp., who is not, and was not from 2011 onward, an insider or control person of Poseidon Concepts Corp., may sell securities of Poseidon Concepts Corp. acquired before February 26, 2013, if:

- 1. the sale is made through a market outside of Canada; and
- 2. the sale is made through an investment dealer registered in Ontario.

DATED this 2nd day of September, 2015.

“Shannon O’Hearn”
Manager, Corporate Finance Branch
Ontario Securities Commission

2.2.7 Mobi724 Global Solutions Inc. – s. 144

Headnote

Section 144 – full revocation of cease trade order upon remedying of defaults.

Statutes Cited

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

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

AND

**IN THE MATTER OF
MOBI724 GLOBAL SOLUTIONS INC.**

**ORDER
(Section 144)**

WHEREAS the securities of Mobi724 Global Solutions Inc. (the Applicant) are subject to a temporary cease trade order made by the Director dated May 11, 2015 under paragraph 2 of subsection 127(1) and subsection 127(5) of the Ontario *Securities Act* (the Act) and a further cease trade order made by the Director on May 22, 2015 under paragraph 2 of subsection 127(1) of the Act (collectively, the Ontario Cease Trade Order), ordering that all trading in the securities of the Applicant cease until the Ontario Cease Trade Order is revoked by the Director;

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

AND WHEREAS the Applicant has applied to the Ontario Securities Commission (the Commission) under section 144 of the Act for a revocation of the Cease Trade Order.

Representations

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

1. The Applicant is a reporting issuer in the provinces of British Columbia, Alberta, Quebec and Ontario.
2. The Applicant is not in default of any requirements under Ontario securities law.
3. The Applicant has filed all outstanding continuous disclosure documents that are required to be filed under Ontario securities law.
4. The Applicant has paid all outstanding activity, participation and late filing fees that are required to be paid.
5. The Applicant's SEDAR profile and SEDI issuer profile supplement are current and accurate.
6. The Applicant is also subject to a similar cease trade order issued by the Autorité de marchés financiers on May 19, 2015 as a result of the failure to make the filings described in the cease trade order which order was revoked on September 4, 2015.
7. The British Columbia Securities Commission also issued a cease trade order in respect of the securities of the Applicant on May 8, 2015, which order was revoked on August 6, 2015.
8. Upon the issuance of this revocation order, the Applicant will issue a news release announcing the revocation of the Cease Trade Order. The Applicant will concurrently file the news release regarding the revocation of the Cease Trade Order on SEDAR.

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

AND UPON the Director being satisfied that it would not be prejudicial to the public interest to revoke the Ontario Cease Trade Order.

IT IS ORDERED pursuant to section 144 of the Act that the Ontario Cease Trade Order is hereby revoked.

DATED at Toronto this 4th day of September, 2015

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

2.4 Rulings

2.4.1 BNP Paribas Prime Brokerage, Inc. – s. 38 of the CFA and s. 6.1 of OSC Rule 91-502 Trades in Recognized Options

Headnote

Application to the Commission pursuant to section 38 of the Commodity Futures Act (Ontario) (CFA) for a ruling that the Applicant be exempted from the dealer registration requirement in paragraph 22(1)(a) and the prohibition against trading on non-recognized exchanges in section 33 of the CFA. Applicant will offer the ability to trade in commodity futures contracts and commodity futures options that trade on exchanges located outside Canada and cleared through clearing corporations located outside of Canada to certain of its clients in Ontario who meet the definition of “permitted client” in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations.

Application to the Director for an exemption, pursuant to section 6.1 of OSC Rule 91-502 Trades in Recognized Options (Rule 91-502), exempting the Applicant and its Representatives from the proficiency requirements in section 3.1 of Rule 91-502 for trades in commodity futures options on exchanges located outside Canada.

Statutes Cited

Commodity Futures Act, R.S.O. 1990, c. C.20, as am., ss. 22, 33, 38.
Securities Act, R.S.O. 1990, c. S.5, as am.

Rule Cited

Ontario Securities Commission Rule 91-502 Trades in Recognized Options, ss. 3.1, 6.1.

Instrument Cited

National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, s. 8.18.

**IN THE MATTER OF
THE COMMODITY FUTURES ACT,
R.S.O. 1990, c. C.20, AS AMENDED
(the CFA)**

AND

**IN THE MATTER OF
THE SECURITIES ACT, R.S.O. 1990, c. S.5, AS AMENDED (the OSA)**

AND

**IN THE MATTER OF
ONTARIO SECURITIES COMMISSION RULE 91-502 TRADES IN RECOGNIZED OPTIONS
(Rule 91-502)**

AND

**IN THE MATTER OF
BNP PARIBAS PRIME BROKERAGE, INC.**

**RULING & EXEMPTION
(Section 38 of the CFA and Section 6.1 of Rule 91-502)**

UPON the application (the **Application**) of BNP Paribas Prime Brokerage, Inc. (the **Applicant**) to the Ontario Securities Commission (the **Commission**) for:

- (a) a ruling of the Commission, pursuant to section 38 of the CFA, that the Applicant is not subject to the dealer registration requirements in the CFA (as defined below) or the trading restrictions in the CFA (as defined below) in connection with trades (**Futures Trades**) in Exchange-Traded Futures (as defined below) on exchanges located outside Canada (**Non-Canadian Exchanges**) where the Applicant is acting as principal or agent in such trades to, from or on behalf of Permitted Clients (as defined below);

- (b) a ruling of the Commission, pursuant to section 38 of the CFA, that a Permitted Client is not subject to the dealer registration requirements in the CFA or the trading restrictions in the CFA in connection with Futures Trades on Non-Canadian Exchanges, where the Applicant acts in respect of the Futures Trades on behalf of the Permitted Client pursuant to the above ruling; and
- (c) a decision of the Director, pursuant to section 6.1 of Rule 91-502, exempting the Applicant and its salespersons, directors, officers and employees (the **Representatives**) from section 3.1 of Rule 91-502 in connection with Futures Trades;

AND WHEREAS for the purposes of this ruling and exemption (collectively, the **Decision**):

- (i) **“CEA”** means the United States Commodity Exchange Act;
“CFTC” means the United States Commodity Futures Trading Commission;
“dealer registration requirements in the CFA” means the provisions of section 22 of the CFA that prohibit a person or company from trading in Exchange-Traded Futures unless the person or company satisfies the applicable provisions of section 22 of the CFA;
“Exchange Act” means the United States Securities Exchange Act of 1934;
“Exchange-Traded Futures” means a commodity futures contract or a commodity futures option that trades on one or more organized exchanges located outside of Canada and cleared through one or more clearing corporations located outside of Canada;
“FINRA” means the Financial Industry Regulatory Authority in the United States;
“NI 31-103” means National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*;
“NFA” means the National Futures Association in the United States;
“Permitted Client” means a client in Ontario that is a “permitted client” as that term is defined in section 1.1 of NI 31-103;
“SEC” means the United States Securities and Exchange Commission;
“specified affiliate” has the meaning ascribed to that term in Form 33-109F6 to National Instrument 33-109 *Registration Information*;
“trading restrictions in the CFA” means the provisions of section 33 of the CFA that prohibit a person or company from trading in Exchange-Traded Futures unless the person or company satisfies the applicable provisions of section 33 of the CFA; and
“BNPCSI” means BNP Paribas (Canada) Securities Inc.; and
- (ii) terms used in this Decision that are defined in the OSA, and not otherwise defined in this Decision or in the CFA, shall have the same meaning as in the OSA, unless the context otherwise requires;

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

AND UPON the Applicant having represented to the Commission and the Director as follows:

1. The Applicant is a corporation incorporated under the laws of the state of Delaware. Its main office is located at 787 Seventh Avenue, New York, New York, 10019, United States of America.
2. The Applicant provides futures commission merchant (**FCM**) services. FCM services include commodity clearing and execution services to various institutional customers, including affiliates of the Applicant.
3. The Applicant is a wholly-owned subsidiary of BNP Paribas North America, Inc., the ultimate parent of which is BNP Paribas (**BNPP**).

4. BNPCSI is an affiliate of the Applicant and is an indirect wholly-owned subsidiary of BNPP. BNPCSI is registered as an investment dealer in each of the provinces of Canada and is a dealer member of the Investment Industry Regulatory Organization of Canada. BNPCSI is not registered as a dealer under the CFA and does not act as a broker for Futures Trades.
5. The Applicant relies on the international dealer exemption in section 8.18 of NI 31-103 in Ontario and therefore is not registered under the OSA.
6. The Applicant is a broker-dealer registered with the SEC, a member of FINRA, a registered FCM with the CFTC and a member of the NFA.
7. The Applicant is a clearing member of the New York Mercantile Exchange, Commodity Exchange, Inc., the Dubai Mercantile Exchange, ICE Futures US, ICE Clear US, ICE Futures Europe, ICE Clear Europe, the Nodal Exchange, LCH.Clearnet Limited, BATS Y-Exchange, Inc., BATS Z-Exchange, Inc., the Chicago Board Options Exchange, the Chicago Stock Exchange, the National Stock Exchange, the International Securities Exchange, NASDAQ OMX BX, Inc., the NASDAQ OMX PHLX, Inc., NASDAQ Stock Market, NYSE Arca, Inc., NYSE MKT, LLC and the New York Stock Exchange.
8. Pursuant to its registrations and memberships, the Applicant is authorized to handle customer orders and receive and hold customer margin deposits, and otherwise act as a futures broker, in the United States. Rules of the CFTC and NFA require the Applicant to maintain adequate capital levels, make and keep specified types of records relating to customer accounts and transactions, and comply with other forms of customer protection rules, including rules respecting: know-your-customer obligations, account-opening requirements, anti-money laundering checks, credit checks, delivery of confirmation statements, clearing deposits and initial and maintenance margins. These rules do not permit the Applicant to treat Permitted Clients materially differently from the Applicant's U.S. customers with respect to transactions made on U.S. exchanges. With respect to transactions made on U.S. exchanges, in order to protect customers in the event of the insolvency or financial instability of the Applicant, the Applicant is required to ensure that customer securities and monies be separately accounted for, segregated at all times from the securities and monies of the Applicant and custodied exclusively with such banks, trust companies, clearing organizations or other licensed futures brokers and intermediaries as may be approved for such purposes under the CEA and the rules promulgated by the CFTC thereunder (collectively, the **BNP Approved Depositories**). The Applicant is further required to obtain acknowledgements from any BNP Approved Depository holding customer funds or securities related to U.S.-based transactions or accounts that such funds and securities are to be separately held on behalf of such customers, with no right of set-off against the Applicant's obligations or debts.
9. The Applicant proposes to offer certain of its Permitted Clients in Ontario the ability to trade in Exchange-Traded Futures through the Applicant.
10. The Applicant will execute and clear Futures Trades on behalf of Permitted Clients in Ontario in the same manner that it executes and clears trades on behalf of its U.S. clients, all of which are "Eligible Contract Participants" as defined in the CEA. The Applicant will follow the same know-your-customer and segregation of assets procedures that it follows in respect of its U.S. clients. Permitted Clients will be afforded the benefits of compliance by the Applicant with the requirements of the CEA and the regulations thereunder, and the Exchange Act and the regulations thereunder. Permitted Clients in Ontario will have the same contractual rights against the Applicant as U.S. clients of the Applicant.
11. The Applicant will not maintain an office, sales force or physical place of business in Ontario.
12. The Applicant will solicit Futures Trades in Ontario only from persons who qualify as Permitted Clients.
13. Permitted Clients of the Applicant will only be offered the ability to effect Futures Trades on Non-Canadian Exchanges.
14. The Exchange-Traded Futures to be traded by Permitted Clients will include, but will not be limited to, Exchange-Traded Futures for equity index, interest rate, energy, agricultural and other commodity products.
15. Permitted Clients of the Applicant will be able to execute Exchange-Traded Futures orders through the Applicant by contacting the Applicant's global execution desk. Permitted Clients may also be able to self execute Exchange-Traded Futures orders electronically via an independent service vendor and/or other electronic trading routing. Permitted Clients may also be able to execute Exchange-Traded Futures orders through third party brokers and then "give up" the transaction for clearance through the Applicant.
16. The Applicant may execute a Permitted Client's order on the relevant Non-Canadian Exchange in accordance with the rules and customary practices of the exchange, or engage another broker to assist in the execution of orders. The

Applicant will remain responsible for all executions when the Applicant is listed as the executing broker of record on the relevant Non-Canadian Exchange.

17. The Applicant may perform both execution and clearing functions for Futures Trades or may direct that a trade executed by it be cleared through a carrying broker if the Applicant is not a member of the Non-Canadian Exchange on which the trade is executed. Alternatively, the Permitted Client of the Applicant will be able to direct that trades executed by the Applicant be cleared through clearing brokers not affiliated with the Applicant in any way (each a **Non-BNP Clearing Broker**).
18. If the Applicant performs only the execution of a Permitted Client's Exchange-Traded Futures order and "gives-up" the transaction for clearance to a Non-BNP Clearing Broker, such clearing broker will also be required to comply with the rules of the exchanges of which it is a member and any relevant regulatory requirements, including requirements under the CFA as applicable. Each such Non-BNP Clearing Broker will represent to the Applicant, in an industry-standard give-up agreement, that it will perform its obligations in accordance with applicable laws, governmental, regulatory, self-regulatory, exchange and clearing house rules and the customs and usages of the exchange or clearing house on which the relevant Permitted Client's Exchange-Traded Futures order will be executed and cleared. The Applicant will not enter into a give-up agreement with any Non-BNP Clearing Broker located in the United States unless such clearing broker is registered with the CFTC and/or the SEC, as applicable.
19. As is customary for all Futures Trades, a clearing corporation appointed by the exchange or clearing division of the exchange is substituted as a universal counterparty on all trades in Exchange-Traded Futures and Permitted Client orders that are submitted to the exchange in the name of the Non-BNP Clearing Broker or the Applicant or, on exchanges where the Applicant is not a member, in the name of another carrying broker. The Permitted Client of the Applicant is responsible to the Applicant for payment of daily mark-to-market variation margin and/or proper margin to carry open positions and the Applicant, the carrying broker or the Non-BNP Clearing Broker is in turn responsible to the clearing corporation/division for payment.
20. Permitted Clients that direct the Applicant to give up transactions in Exchange-Traded Futures for clearance and settlement by Non-BNP Clearing Brokers will execute the give-up agreements described above.
21. Permitted Clients will pay commissions for trades to the Applicant. In the event that the Applicant needs to utilize a Non-BNP Clearing Broker for clearing or execution services in relation to such trades, the Applicant will pay commissions to the Non-BNP Clearing Broker.
22. The trading restrictions in the CFA apply unless, among other things, an Exchange-Traded Future is traded on a recognized or registered commodity futures exchange and the form of the contract is approved by the Director. To date, no Non-Canadian Exchanges have been recognized or registered under the CFA.
23. If the Applicant were registered under the CFA as a "futures commission merchant", it could rely upon certain exemptions from the trading restrictions in the CFA to effect Futures Trades to be entered into on certain Non-Canadian Exchanges.
24. Section 3.1 of Rule 91-502 provides that no person shall trade as agent in, or give advice in respect of, a recognized option, as defined in section 1.1 of Rule 91-502, unless he or she has successfully completed the Canadian Options Course (which has been replaced by the Derivatives Fundamentals Course and the Options Licensing Course).
25. All Representatives of the Applicant who trade options in the United States have passed the National Commodity Futures Examination (Series 3), being the relevant futures and options proficiency examination administered by FINRA.

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

IT IS RULED, pursuant to section 38 of the CFA, that the Applicant is not subject to the dealer registration requirement set out in the CFA or the trading restrictions in the CFA in connection with Futures Trades where the Applicant is acting as principal or agent in such trades to, from or on behalf of Permitted Clients provided that:

- (a) each client effecting Futures Trades is a Permitted Client and, if using a Non-BNP Clearing Broker, has represented and covenanted that the broker is or will be appropriately registered or exempt from registration under the CFA;
- (b) the Applicant only executes and clears Futures Trades for Permitted Clients on Non-Canadian Exchanges;

- (c) at the time trading activity is engaged in, the Applicant:
 - (i) has its head office or principal place of business in the United States;
 - (ii) is registered as a FCM with the CFTC in good standing;
 - (iii) is a member in good standing with the NFA;
 - (iv) engages in the business of a FCM in Exchange-Traded Futures in the United States;
- (d) the Applicant has provided to the Permitted Client the following disclosure in writing:
 - (i) a statement that the Applicant is not registered in Ontario to trade in Exchange-Traded Futures as principal or agent;
 - (ii) a statement that the Applicant's head office or principal place of business is located in New York, New York, United States of America;
 - (iii) a statement that all or substantially all of the Applicant's assets may be situated outside of Canada;
 - (iv) a statement that there may be difficulty enforcing legal rights against the Applicant because of the above; and
 - (v) the name and address of the Applicant's agent for service of process in Ontario;
- (e) the Applicant has submitted to the Commission a completed *Submission to Jurisdiction and Appointment of Agent for Service* in the form attached as Appendix "A" hereto;
- (f) the Applicant notifies the Commission of any regulatory action initiated after the date of this ruling in respect of the Applicant, or any predecessors or specified affiliates of the Applicant, by completing and filing with the Commission Appendix "B" hereto within ten days of the commencement of such action; provided that this condition shall not be required to be satisfied for so long as BNPCSI remains an investment dealer in good standing under Ontario securities laws;
- (g) the Applicant complies with the filing and fee payment requirements applicable to an unregistered exempt international firm under OSC Rule 13-502 Fees; and
- (h) this Decision shall expire on the earliest of:
 - (i) such transition period as provided by operation of law, after the effective date of the repeal of the CFA;
 - (ii) such transition period as provided by operation of law, after the coming into force of any amendment to Ontario commodity futures law or Ontario securities law (as defined in the OSA) that affects the dealer registration requirements in the CFA or the trading restrictions in the CFA; and
 - (iii) five years after the date hereof.

AND IT IS FURTHER RULED, pursuant to section 38 of the CFA, that a Permitted Client is not subject to the dealer registration requirement in the CFA or the trading restrictions in the CFA in connection with Futures Trades on Non-Canadian Exchanges where the Applicant acts in connection with Futures Trades on behalf of the Permitted Clients pursuant to the above ruling.

September 1, 2015

"Timothy Moseley"
Commissioner
Ontario Securities Commission

"Christopher Portner"
Commissioner
Ontario Securities Commission

IT IS THE DECISION of the Director, pursuant to section 6.1 of Rule 91-502, that section 3.1 of Rule 91-502 does not apply to the Applicant or its Representatives in respect of Futures Trades, provided that:

- (a) the Applicant and its Representatives maintain their respective registrations with the CFTC and NFA which permit them to trade commodity futures options in the United States; and
- (b) this Decision shall expire on the earliest of:
 - (i) such transition period as provided by operation of law, after the effective date of the repeal of the CFA;
 - (ii) such transition period as provided by operation of law, after the coming into force of any amendment to Ontario commodity futures law or Ontario securities law (as defined in the OSA) that affects the dealer registration requirements in the CFA or the trading restrictions in the CFA; and
 - (iii) five years after the date hereof.

September 1, 2015

"Marriane Bridge"

Marriane Bridge
Deputy Director
Ontario Securities Commission

APPENDIX "A"

SUBMISSION TO JURISDICTION AND APPOINTMENT OF AGENT FOR SERVICE

**INTERNATIONAL DEALER OR INTERNATIONAL ADVISER EXEMPTED FROM REGISTRATION
UNDER THE COMMODITY FUTURES ACT, ONTARIO**

1. Name of person or company ("International Firm"):
2. If the International Firm was previously assigned an NRD number as a registered firm or an unregistered exempt international firm, provide the NRD number of the firm:
3. Jurisdiction of incorporation of the International Firm:
4. Head office address of the International Firm:
5. The name, e-mail address, phone number and fax number of the International Firm's individual(s) responsible for the supervisory procedure of the International Firm, its chief compliance officer, or equivalent.

Name:

E-mail address:

Phone:

Fax:
6. The International Firm is relying on an exemption order under section 38 or section 80 of the *Commodity Futures Act* (Ontario) that is similar to the following exemption in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (the "Relief Order"):

 Section 8.18 [international dealer]

 Section 8.26 [international adviser]

 Other [specify]:
7. Name of agent for service of process (the "Agent for Service"):
8. Address for service of process on the Agent for Service:
9. The International Firm designates and appoints the Agent for Service at the address stated above as its agent upon whom may be served a notice, pleading, subpoena, summons or other process in any action, investigation or administrative, criminal, quasi-criminal or other proceeding (a "Proceeding") arising out of or relating to or concerning the International Firm's activities in the local jurisdiction and irrevocably waives any right to raise as a defence in any such proceeding any alleged lack of jurisdiction to bring such Proceeding.
10. The International Firm irrevocably and unconditionally submits to the non-exclusive jurisdiction of the judicial, quasi-judicial and administrative tribunals of the local jurisdiction in any Proceeding arising out of or related to or concerning the International Firm's activities in the local jurisdiction.
11. Until 6 years after the International Firm ceases to rely on the Relief Order, the International Firm must submit to the regulator
 - a. a new Submission to Jurisdiction and Appointment of Agent for Service in this form no later than the 30th day before the date this Submission to Jurisdiction and Appointment of Agent for Service is terminated; and
 - b. an amended Submission to Jurisdiction and Appointment of Agent for Service no later than the 30th day before any change in the name or above address of the Agent for Service.
12. This Submission to Jurisdiction and Appointment of Agent for Service is governed by and construed in accordance with the laws of the local jurisdiction.

Decisions, Orders and Rulings

Dated: _____

(Signature of the International Firm or authorized signatory)

(Name of signatory)

(Title of signatory)

Acceptance

The undersigned accepts the appointment as Agent for Service of _____

[Insert name of International Firm] under the terms and conditions of the foregoing Submission to Jurisdiction and Appointment of Agent for Service.

Dated: _____

(Signature of the Agent for Service or authorized signatory)

(Name of signatory)

(Title of signatory)

This form is to be submitted to the following address:

Ontario Securities Commission
22nd Floor, Box 55
20 Queen Street West
Toronto, ON M5H 3S8
email: registration@osc.gov.on.ca

APPENDIX "B"

NOTICE OF REGULATORY ACTION

1. Has the firm, or any predecessors or specified affiliates¹ of the firm entered into a settlement agreement with any financial services regulator, securities or derivatives exchange, SRO or similar agreement with any financial services regulator, securities or derivatives exchange, SRO or similar organization?

Yes _____ No _____

If yes, provide the following information for each settlement agreement:

Name of entity
Regulator/organization
Date of settlement (yyyy/mm/dd)
Details of settlement
Jurisdiction

2. Has any financial services regulator, securities or derivatives exchange, SRO or similar organization:

	Yes	No
(a) Determined that the firm, or any predecessors or specified affiliates of the firm violated any securities regulations or any rules of a securities or derivatives exchange, SRO or similar organization?		
(b) Determined that the firm, or any predecessors or specified affiliates of the firm made a false statement or omission?		
(c) Issued a warning or requested an undertaking by the firm, or any predecessors or specified affiliates of the firm?		
(d) Suspended or terminated any registration, licensing or membership of the firm, or any predecessors or specified affiliates of the firm?		
(e) Imposed terms or conditions on any registration or membership of the firm, or predecessors or specified affiliates of the firm?		
(f) Conducted a proceeding or investigation involving the firm, or any predecessors or specified affiliates of the firm?		
(g) Issued an order (other than an exemption order) or a sanction to the firm, or any predecessors or specified affiliates of the firm for securities or derivatives-related activity (e.g. cease trade order)?		

3. Is the firm aware of any ongoing investigation of which the firm or any of its specified affiliate is the subject?

Yes _____ No _____

¹ In this Appendix, the term "specified affiliate" has the meaning ascribed to that term in Form 33-109F6 to National Instrument 33-109 *Registration Information*.

Decisions, Orders and Rulings

If yes, provide the following information for each investigation:

Name of Entity	
Type of Action	
Regulator/organization	
Date of action (yyyy/mm/dd)	Reason for action
Jurisdiction	

Name of firm
Name of firm's authorized signing officer or partner
Title of firm's authorized signing officer or partner
Signature
Date (yyyy/mm/dd)

Witness

The witness must be a lawyer, notary public or commissioner of oaths.

Name of witness
Title of witness
Signature
Date (yyyy/mm/dd)

This form is to be submitted to the following address:

Ontario Securities Commission
22nd Floor, Box 55
20 Queen Street West
Toronto, ON M5H 3S8
Email: registration@osc.gov.on.ca

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
2242749 Ontario Limited	8-September-15	21-September-15		
Mobi724 Global Solutions Inc.	11-May-15	22-May-15	22-May-15	4-September-15
Salix Pharmaceuticals, Ltd.	26-August-15	4-September-15	4-September-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
Razore Rock Resources Inc.	4-September-15	16-September-15			

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
AndeanGold Ltd.	27-August-15	9-September-15			

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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:

Avingstone Acquisition Corporation
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated September 4, 2015

NP 11-202 Receipt dated September 4, 2015

Offering Price and Description:

\$110,000,000.00 - 11,000,000 Class A Restricted Voting Units

Price: \$10.00 per Class A Restricted Voting Unit

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.
TD Securities Inc.
CIBC World Markets Inc.

Promoter(s):

Avingstone Investments Limited

Project #2396277

Issuer Name:

Commerce Resources Corp.
Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated August 31, 2015

NP 11-202 Receipt dated September 1, 2015

Offering Price and Description:

Minimum Offering: \$1,000,000.00 - 10,000,000 Units

Maximum Offering: \$3,000,000.00 - 30,000,000 Units

Price: \$0.10 per Unit

Underwriter(s) or Distributor(s):

Secutor Capital Management Corporation

Promoter(s):

-

Project #2394910

Issuer Name:

CPI Card Group Inc.
Principal Regulator - British Columbia

Type and Date:

Amended and Restated Preliminary Long Form PREP Prospectus dated September 1, 2015

NP 11-202 Receipt dated September 1, 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.
Raymond James Ltd.

Scotia Capital Inc.

GMP Securities L.P.

Promoter(s):

-

Project #2382367

Issuer Name:

CUP Capital Corp.
Principal Regulator - Ontario

Type and Date:

Preliminary CPC Prospectus dated September 2, 2015

NP 11-202 Receipt dated September 2, 2015

Offering Price and Description:

MINIMUM OFFERING: \$300,000.00 - 750,000 Common Shares

MAXIMUM OFFERING: \$1,000,000.00 - 2,500,000

Common Shares

PRICE: \$0.40 per Common Share

Underwriter(s) or Distributor(s):

Mackie Research Capital Corporation

Promoter(s):

-

Project #2395811

Issuer Name:

Cyber Security Income & Growth Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated September 2, 2015

NP 11-202 Receipt dated September 3, 2015

Offering Price and Description:

Maximum offering: \$ * - * Class A Units and/or Class F Units

Minimum offering: 20,000,000.00

Minimum Purchase: 100 Class A Units or Class F Units

Price: \$10.00 per Class A Units or Class F Units

Underwriter(s) or Distributor(s):

BMO NESBITT BURNS INC.

CIBC WORLD MARKETS INC.

SCOTIA CAPITAL INC.

NATIONAL BANK FINANCIAL INC.

CANACCORD GENUITY CORP.

GMP SECURITIES L.P.

RAYMOND JAMES LTD.

DESJARDINS SECURITIES INC.

DUNDEE SECURITIES LTD.

GLOBAL SECURITIES CORPORATION

INDUSTRIAL ALLIANCE SECURITIES INC.

LAURENTIAN BANK SECURITIES INC.

MACKIE RESEARCH CAPITAL CORPORATION

MANULIFE SECURITIES INC.

PI FINANCIAL CORP.

Promoter(s):

BMO NESBITT BURNS INC.

Project #2395914

Issuer Name:

Excel Billionaires Fund

Excel Blue Chip Balanced Fund

Excel Blue Chip Equity Fund

Excel BRIC Fund

Excel China Fund

Excel Chindia Fund

Excel Emerging Markets Fund

Excel High Income Fund

Excel India Fund

Excel Latin America Fund

Excel Money Market Fund

Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectuses dated August 28, 2015

NP 11-202 Receipt dated September 1, 2015

Offering Price and Description:

Series A, Series F and PM Series Units

Underwriter(s) or Distributor(s):

Excel Funds Management Inc.

Promoter(s):

Excel Funds Management Inc.

Project #2392599

Issuer Name:

Exchange Income Corporation
Principal Regulator - Manitoba

Type and Date:

Preliminary Short Form Prospectus dated September 2, 2015

NP 11-202 Receipt dated September 2, 2015

Offering Price and Description:

\$75,022,150.00 - 3,019,000 Common Shares

Price: \$24.85 per Common Share

Underwriter(s) or Distributor(s):

National Bank Financial Inc.

Laurentian Bank Securities Inc.

CIBC World Markets Inc.

Raymond James Ltd.

RBC Dominion Securities Inc.

Scotia Capital Inc.

TD Securities Inc.

Altacorp Capital Inc.

Promoter(s):

-

Project #2390600

Issuer Name:

Federated Strategic Value U.S. Equity Dividend Fund

Principal Regulator - British Columbia

Type and Date:

Preliminary Simplified Prospectus dated August 31, 2015

NP 11-202 Receipt dated September 2, 2015

Offering Price and Description:

Series A and Series F Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2395572

Issuer Name:

Intact Financial Corporation

Principal Regulator - Ontario

Type and Date:

Preliminary Base Shelf Prospectus dated August 31, 2015

NP 11-202 Receipt dated September 2, 2015

Offering Price and Description:

\$5,000,000,000.00

Debt Securities

Class A Shares

Common Shares

Subscription Receipts

Warrants

Share Purchase Contracts

Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2395697

Issuer Name:

PointClickCare Corp.
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form PREP Prospectus dated September 3, 2015

NP 11-202 Receipt dated September 3, 2015

Offering Price and Description:

US\$* - * Common Shares
Price: US\$* per common share

Underwriter(s) or Distributor(s):

JP Morgan Securities Canada Inc.
Goldman Sachs Canada Inc.
RBC Dominion Securities Inc.
Canaccord Genuity Corp.

Promoter(s):

-

Project #2396095

Issuer Name:

Resverlogix Corp.
Principal Regulator - Alberta

Type and Date:

Preliminary Base Shelf Prospectus dated September 4, 2015

NP 11-202 Receipt dated September 4, 2015

Offering Price and Description:

\$125,000,000
Common Shares
Preferred Shares
Debt Securities
Warrants
Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2396370

Issuer Name:

Temple Hotels Inc.
Principal Regulator - Manitoba

Type and Date:

Preliminary Short Form Prospectus dated September 2, 2015

NP 11-202 Receipt dated September 2, 2015

Offering Price and Description:

\$40,000,000.00 - * Rights to Subscribe for up to * Common Shares at a Subscription
Price of \$ * per Common Share

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2395824

Issuer Name:

AGF Canadian Asset Allocation Fund
(Mutual Fund Series, Series D, Series F, Series O, Series T and Series V Securities)

AGF U.S. Sector Class (formerly, AGF U.S. AlphaSector Class)*

(Mutual Fund Series, Series F, Series O, Series Q and Series W Securities)

* a class of AGF All World Tax Advantage Group Limited
Principal Regulator - Ontario

Type and Date:

Amendment #4 dated August 31, 2015 to the Simplified Prospectuses and Annual Information Form dated April 17, 2015

NP 11-202 Receipt dated September 2, 2015

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

AGF Investments Inc.
Project #2319602

Issuer Name:

Agnico Eagle Mines Limited
Principal Regulator - Ontario

Type and Date:

Final Base Shelf Prospectus dated September 4, 2015
NP 11-202 Receipt dated September 4, 2015

Offering Price and Description:

US\$500,000,000.00
Debt Securities
Common Shares
Warrants

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2385314

Issuer Name:

Aston Hill North American Dividend Fund
(Series A, F and I units)
Aston Hill North American Dividend Class (A class of
shares of Aston Hill Corporate Funds
Inc.)
(Series A, TA6, F, TF6 and I shares)
Aston Hill Global Resource Fund (formerly Aston Hill Oil &
Gas Income Fund)
(Series A, F, I, X and Y units)
Aston Hill Millennium Fund
(Series A, F and I units)
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectuses dated August 28, 2015
NP 11-202 Receipt dated September 2, 2015

Offering Price and Description:

Series A, F, I, X and Y units
Series A, TA6, F, TF6 and I shares

Underwriter(s) or Distributor(s):

Aston Hill Asset Management Inc.

Promoter(s):

Aston Hill Asset Management Inc.

Project #2374551

Issuer Name:

Davis-Rea Balanced
Fund Davis-Rea Equity
Fund Davis-Rea Fixed Income Fund
(Class A, Class B, Class F and Class O Units)

Type and Date:

Final Simplified Prospectus dated August 28, 2015
Received on September 3, 2015

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2376710

Issuer Name:

Dynamic Global All-Terrain Fund
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus dated September 3, 2015
NP 11-202 Receipt dated September 3, 2015

Offering Price and Description:

Series A, F, I and O Units

Underwriter(s) or Distributor(s):

1832 ASSET MANAGEMENT L.P.

1832 Asset Management L.P.

Promoter(s):

1832 ASSET MANAGEMENT L.P.

Project #2373933

Issuer Name:

Dynamic Global Infrastructure Class
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus dated September 1, 2015
NP 11-202 Receipt dated September 2, 2015

Offering Price and Description:

Series A, F, FT and T Shares

Underwriter(s) or Distributor(s):

1832 Asset Management L.P.

Promoter(s):

1832 Asset Management L.P.

Project #2374127

Issuer Name:

RBC U.S. Small-Cap Value Equity Fund
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus dated September 3, 2015
NP 11-202 Receipt dated September 4, 2015

Offering Price and Description:

Series A, Advisor Series, Series D, Series F and Series O
units

Underwriter(s) or Distributor(s):

RBC Global Asset Management Inc.

Royal Mutual Funds Inc.

Promoter(s):

RBC Global Asset Management Inc.

Project #2375527

Issuer Name:

Scotia U.S. \$ Balanced Fund
Principal Regulator - Ontario

Type and Date:

Amendment #3 dated September 2, 2015 to the Annual
Information Form dated November 12, 2014
NP 11-202 Receipt dated September 4, 2015

Offering Price and Description:

Series A and Series F units @ Net Asset Value

Underwriter(s) or Distributor(s):

Scotia Securities Inc.

Promoter(s):

1832 Asset Management L.P.

Project #2263083;2263109;2263127

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Voluntary Surrender	Wealth Stewards Portfolio Management Inc.	Portfolio Manager	September 2, 2015
Change in Registration Category	MM Asset Management Inc.	From: Exempt Market Dealer and Portfolio Manager To: Exempt Market Dealer, Portfolio Manager and Investment Fund Manager	September 2, 2015
New Registration	Modern Advisor Canada Inc.	Restricted Portfolio Manager	September 4, 2015
Name Change	From: Lawrence Park Capital Partners Ltd. To: Lawrence Park Asset Management Ltd.	Exempt Market Dealer, Portfolio Manager and Investment Fund Manager	September 1, 2015

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Chapter 13

SROs, Marketplaces, Clearing Agencies and Trade Repositories

13.2 Marketplaces

13.2.1 TSX – Amendments to Parts I, III, IV and VI of the TSX Company Manual (September 10, 2015) – Notice of Approval

TORONTO STOCK EXCHANGE

NOTICE OF APPROVAL

AMENDMENTS TO PARTS I, III, IV AND VI OF THE TORONTO STOCK EXCHANGE COMPANY MANUAL (SEPTEMBER 10, 2015)

Introduction

In accordance with the Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 for recognized exchanges, Toronto Stock Exchange (“TSX”) has adopted, and the Ontario Securities Commission (“OSC”) has approved, amendments (the “Amendments”) to Parts I, III, IV and VI of the TSX Company Manual (the “Manual”). The Amendments modify, expand and formalize certain exemptions available to interlisted issuers in the Manual. The Amendments are public interest rule amendments to the Manual. The Amendments were published for public comment in a request for comments on January 22, 2015 (“Request for Comments”).

Reasons for the Amendments

Background

Certain issuers choose to list on two or more exchanges or marketplaces. We commonly refer to these issuers as interlisted issuers. Typically, these issuers first list on the market of their home jurisdiction (the home market) and, as they grow, seek a listing in another jurisdiction (an interlisted market) to increase their access to capital, enhance the liquidity of their securities, broaden their investor base, join their peers, increase analyst coverage or build brand recognition. A significant number of issuers, whether incorporated in Canada or in a foreign jurisdiction, are interlisted on TSX and another market and TSX expects this trend to continue.

Exemptions Currently Available to TSX Interlisted Issuers

TSX has granted exemptions from its rules for a limited number of transactions, such as private placements and acquisitions, to certain interlisted issuers pursuant to Subsection 602(g) of the Manual, which was adopted in 2005. This Subsection was adopted to reduce the regulatory burden on interlisted issuers without impacting the quality of the market. Subsection 602(g) limits the availability of the exemptions to interlisted issuers where: (i) at least 75% of the issuer’s trading volume and value over the six months preceding notification of the transaction occurs on another exchange (the “Trading Threshold”); and (ii) the other exchange is reviewing the transaction.

Certain interlisted issuers can also apply to TSX for relief on a discretionary basis from elements of TSX’s corporate governance requirements. In July 2013, TSX issued Staff Notice 2013-0002 providing guidance to international interlisted issuers seeking to obtain relief from elements of the director election requirements in Sections 461.1 – 461.4 of the Manual. TSX has used the Trading Threshold as a factor in assessing whether to grant waivers to international interlisted issuers from the director election requirements.

Rationale for the Amendments

The Amendments will allow TSX to defer to other exchanges or jurisdictions for an expanded number of transactions as well as on certain corporate governance matters as they apply to certain interlisted issuers (the “Deference Model”). The Amendments are an incremental change to the exemptions that have been available to interlisted issuers pursuant to Subsection 602(g) of the Manual and provide for greater transparency regarding the transactions for which TSX will defer to other exchanges or jurisdictions.

Over the last ten years, TSX has gained significant experience in administering the provisions of Subsection 602(g). TSX recognizes that corporate statutes and market requirements in other jurisdictions may differ from those in Canada while still addressing similar policy objectives, including protecting security holders and maintaining the quality of the market. In our view, the Deference Model is appropriate where the other exchange and corporate laws have appropriate requirements and TSX has a clear minority of trading, although such requirements may not be exactly the same as the requirements in Canada.

In summary, under the Amendments, Eligible Interlisted Issuers¹ will be able to apply to be exempted from the following requirements relating to transactions:

The exemptions that have been available in Subsection 602(g):

- Security holder approval (Section 604)
- Private placements (Section 607)
- Unlisted warrants (Section 608)
- Acquisitions (Section 611)
- Security based compensation arrangements (Section 613)

and the following new exemptions:

- Special requirements for non-exempt issuers (Section 501²)
- Prospectus offerings (Section 606)
- Convertible securities (Section 610)
- Securities issued to registered charities (Section 612)
- Rights offerings (Section 614)

Eligible International Interlisted Issuers³ can apply to be exempted from the following corporate governance requirements:

- Director Election Requirements (Sections 461.1 – 461.4)
- Annual Meeting (Sections 464) (a new exemption)

More specifically, the Amendments provide:

- For transactions, a new Section 602.1 – Exemptions for Eligible Interlisted Issuers replaces Subsection 602(g). Section 602.1 sets out the sections of the Manual from which exemptions are available to Eligible Interlisted Issuers, together with the application process for such exemptions. This application process includes: (i) notification to TSX; (ii) evidence that the Recognized Exchange or relevant regulator has accepted the transaction, or confirmation from qualified legal counsel in the local jurisdiction that the proposed transaction is in compliance with applicable rules of the other exchange or marketplace, as well as applicable laws; and (iii) disclosure in news releases issued in connection with the transaction that the issuer intends to or has relied on the exemption from TSX rules. Please refer to Appendix C for the full text of Section 602.1.

Instead of relying on the concept of deference to “another exchange”, Section 602.1 requires the issuer to be interlisted on a “Recognized Exchange”.

We will continue with the current practice of making an exemption available for transactions based on the Trading Threshold but have recast the test based on: (i) less than 25% of trading occurring in Canada, rather

¹ Issuers listed on a recognized exchange (e.g. NYSE, ASX) and that had less than 25% of the overall trading volume of their listed securities occurring on all Canadian marketplaces in the 12 months preceding the date of the application.

² Section 501 provides the requirements for transactions undertaken by “junior” issuers in regards to: i) notification to TSX of material changes; and ii) transactions involving insiders and no potential issuance of securities.

³ Issuers incorporated or organized in a recognized jurisdiction of incorporation (e.g. Australia, Delaware or England) listed on a recognized exchange (e.g. NYSE, ASX) and that had less than 25% of the overall trading volume of their listed securities occurring on all Canadian marketplaces in the 12 months preceding the date of the application.

than more than 75% of trading occurring outside Canada; (ii) the trading over a period of 12 months preceding the application, rather than 6 months; and (iii) trading volume only, rather than value and volume.

- For corporate governance matters, a Section 401.1 – Exemptions for Eligible International Interlisted Issuers and Other International Interlisted Issuers has been introduced. This Section sets out the requirements from which Eligible International Interlisted Issuers may apply for an annual exemption, together with the application process for such exemptions. The process will be based on whether the issuer is an Eligible International Interlisted Issuer or other International Interlisted Issuer.⁴ Please refer to Appendix C for the full text of Section 401.1.

The exemptions in Section 401.1 will not be available to Canadian-based interlisted issuers unless TSX grants a discretionary waiver from its requirements. When TSX adopted its director election requirements in 2012 (including the annual and the individual election of directors and the majority voting requirement), the stated purpose was to bolster the reputation of Canadian companies internationally by better aligning Canadian corporate governance practices with those of its international peers. Accordingly, TSX does not generally believe that it is appropriate to grant such waivers to Canadian-based interlisted issuers.

- Ancillary amendments have been made to the Manual to introduce certain related definitions in Part I.
- Ancillary amendments have been made to Section 324 – Minimum Listing Requirements for International Interlisted Issuers to reference the introduction of Sections 401.1 and 602.1.
- TSX Staff Notice 2013-0002 has been updated to reflect the revised definitions being added to Part I of the Manual, as well as to refer to the volume of the issuer's trading for the 12 months immediately preceding the date of the application for the exemption, instead of the value and volume of trading for the 6 months preceding the date of the application for the exemption. Please see TSX Staff Notice 2015-0002 for the revised guidance.

Summary of the Final Amendments

TSX received five (5) comment letters in response to the Request for Comments. A summary of the comments submitted, together with TSX's response, is attached as **Appendix A**. Overall, the commenters support the Amendments.

TSX respects the public comment process and appreciates the value such public input provides. TSX thanks all commenters for their submissions. TSX has revised Section 401.1 of the Amendments to require Eligible International Interlisted Issuers to apply to TSX for an exemption from corporate governance matters the first year it wishes to use such exemption, but in subsequent consecutive years it may provide prior notice to TSX that it will continue to rely on such exemption. TSX has added Hong Kong to definition of Recognized Jurisdiction. TSX has also revised Section 602.1 to clarify that it will accept evidence that the Recognized Exchange or relevant regulator has accepted a transaction.

Since the publication of the Request for Comments, TSX has also made certain other non-material revisions to the drafting of the Amendments.

A blackline of the Amendments showing changes made since they were published in the Request for Comments is attached as **Appendix B**.

Text of the Amendments

The final Amendments are attached as **Appendix C**.

Effective Date

The Amendments will become effective for listed issuers on September 10, 2015.

⁴ An issuer incorporated or organized outside of Canada and listed on another exchange.

APPENDIX A

SUMMARY OF COMMENTS AND RESPONSES

List of Commenters:

The Canadian Advocacy Council for Canadian CFA Institute Societies (CAC)

Canadian Coalition for Good Governance (CCGG)

Cassels Brock on behalf of Royal Gold, Inc. (Cassels)

Norton Rose (Norton)

Stikeman Elliott on behalf of a client (Stikeman)

Capitalized terms used and not otherwise defined in the Notice of Approval shall have the meaning in the TSX Request for Comments – Amendments to Toronto Stock Exchange Company Manual dated January 22, 2015.

Summarized Comments Received	TSX Response
1. Do you think that the proposed trading threshold (less than 25% of trading occurring on all Canadian marketplaces in the year preceding the application) is appropriate to defer to the other exchange or jurisdiction?	
Commenters did not provide specific responses to this question.	Not applicable.
2. Are the transactions for which TSX is proposing to allow deferral to another exchange appropriate? Are there any transactions that should be excluded? Are there additional transaction types that should be included?	
One commenter submitted that the exemption available under Section 401.1 from the requirements in Sections 461.1 to 461.4 (the "Director Election Requirements") should be automatic for Eligible International Interlisted Issuers rather than requiring an annual application to TSX. This commenter submitted that the annual application contemplated by Section 401.1 imposes administrative burdens on interlisted issuers without providing shareholder value. This commenter submitted that since the criteria listed in Section 401.1 are objective, it is not clear what the benefit is of requiring annual TSX approval of an exemption from the Director Election Requirements. It was further submitted that there could be significant harm to issuers if TSX did not approve the application. The commenter suggested that TSX could instead request that Eligible International Interlisted Issuers file a letter confirming that the criteria for the exemption under Section 401.1 are met (Cassels).	TSX has revised the drafting of Section 401.1 to require Eligible International Interlisted Issuers to obtain TSX's prior approval the first year such issuer wishes to rely on an exemption from the Director Election Requirements and Section 464. If TSX approves the exemption, in subsequent consecutive years the Eligible International Interlisted Issuer may continue to rely on the exemption if it provides prior notice to TSX. The process for submission and the form of the application and notice is described in Section 401.1.
One commenter submitted that TSX should consider providing that Section 461.1 does not apply to issuers that access the Canadian markets through National Instrument 71-101 <i>The Multijurisdictional Disclosure System</i> ("MJDS") (Cassels).	TSX thanks the commenter for its input. TSX notes that issuers that access the Canadian markets through MJDS may not necessarily meet the definition of "Eligible International Interlisted Issuer", which is a definition based on the other exchange on which the issuer is listed, the issuer's jurisdiction of incorporation and the level of trading on the other exchange.
One commenter submitted that when considering whether an Eligible International Interlisted Issuer will be eligible for an exemption under Section 401.1, TSX should consider whether the broader corporate governance framework to which the issuer is subject demonstrates comparable commitment to the Director Election Requirements. This commenter submitted that TSX should retain discretion in granting exemptions from the Director Election Requirements	TSX notes that while it adopted the Director Election Requirements to strengthen the Canadian corporate governance regime and support the integrity of the Canadian capital markets, it has determined that it is appropriate to exempt Eligible International Interlisted Issuers from such requirements because their trading in Canada is limited and the issuer is subject to acceptable requirements on the other exchange and pursuant to its local corporate laws,

Summarized Comments Received	TSX Response
<p>so that only issuers that have director election practices consistent with the policy objectives of the Director Election Requirements are eligible for an exemption from these requirements. TSX's corporate governance requirements establish market expectations for director elections not just for Canadian entities, but for all entities trading on TSX (CCGG).</p>	<p>notwithstanding that such requirements may not be directly equivalent to the Director Election Requirements.</p>
<p>One commenter submitted that the Amendments should be clarified to state that Canadian-based interlisted issuers will be granted an exemption from the Director Election Requirements only in extraordinary circumstances, or TSX should set out a non-exhaustive list of situations that may warrant an exemption for such issuers. This commenter further submitted that is not clear whether Canadian-based interlisted issuers will be able to avail themselves of a discretionary exemption from the Director Election Requirements pursuant to Section 401.1 or whether such discretionary relief may be granted pursuant to Section 405 and submitted that this should be clarified (CCGG).</p>	<p>TSX agrees that it is generally not appropriate to grant waivers from the Director Election Requirements to Canadian-based interlisted issuers.</p> <p>TSX notes that the exemptions in Section 401.1 and Staff Notice 2015-0002 are available to Eligible International Interlisted Issuers and other International Interlisted Issuers, respectively, and these exemptions are not available to Canadian-based interlisted issuers. However, TSX retains the general discretion to waive its requirements under Section 405 of the Manual. TSX expects that an exemption from the Director Election Requirements would be granted to a Canadian-based interlisted issuer only in exceptional circumstances.</p>
<p>3. Are there other requirements for which TSX should defer to another exchange or jurisdiction?</p>	
<p>One commenter submitted that because AIM uses Nominated Advisors ("Nomads") to manage issuers listed on AIM, such issuers will not qualify for the exemption available under Section 602.1. This commenter advised that the Nomad acts as the effective regulator for issuers listed on AIM and AIM does not review or approve transactions. Therefore, the condition in Section 602.1 for the Recognized Exchange to have accepted the transaction before TSX will defer to such Recognized Exchange cannot be satisfied by these issuers. The current practice is for the Nomad to provide a letter to TSX stating that the transaction will be carried out in accordance with AIM requirements and confirming that the Nomad has been approved as a nominated advisor for the purpose of AIM. In order for Eligible Interlisted Issuers listed on AIM to take advantage of the proposed exemption, the commenter submitted that the language in Section 602.1 should be expanded to directly refer to a letter from a Nomad or to provide that TSX may receive evidence of completion of the transaction in accordance with market practice in the relevant jurisdiction (Norton).</p>	<p>TSX has revised Section 602.1 to require the issuer to provide evidence that the Recognized Exchange or relevant regulator has accepted the transaction. TSX considers a Nomad that has been approved as a nominated advisor for the purpose of AIM a relevant regulator. TSX will accept a letter from the Nomad stating that the transaction will be carried out in accordance with AIM requirements and confirming that the Nomad has been approved as a nominated advisor for the purpose of AIM for the purposes of Section 602.1.</p> <p>In circumstances where the Recognized Exchange or relevant regulator does not provide the issuer with evidence that it has accepted a transaction, TSX will accept confirmation from qualified legal counsel in the local jurisdiction that the proposed transaction complies with the applicable rules of the other exchange and applicable laws.</p>
<p>4. Is the proposed definition of "recognized exchange" appropriate? Should other exchanges or marketplaces be included? Should any of the proposed exchanges or marketplaces be excluded from the definition?</p>	
<p>One commenter submitted that while the exchanges currently listed in the definition of "Recognized Exchange" have rules that are transparent and provide sufficient regulatory oversight, additional exchanges should not be added to the definition without a new public comment process and an opportunity for review by applicable securities regulatory authorities. The commenter noted that the proposed definition of "Recognized Exchange" is an inclusive definition and other exchanges may be added at the discretion of TSX. This commenter submitted that a rigorous review of corporate transactions by an exchange is important to the integrity of the capital markets, and thus it is</p>	<p>TSX thanks the commenter for its input. TSX does not expect to request public comment should it determine to add other exchanges to the definition of Recognized Exchange because it does not expect such a change to have an impact on the Exchange's market structure requiring public comment. While the Recognized Exchange definition provides the market with transparency regarding the level of exchange oversight that will be applied if TSX defers to that exchange's rules, TSX believes it is important to retain the discretion to include other exchanges in the definition. TSX notes that under the former Section 602(g), TSX has had the discretion to not apply certain TSX requirements when an</p>

Summarized Comments Received	TSX Response
important that the market is comfortable with the exchanges to which TSX will defer for the purposes of Sections 401.1 and 602.1 (CAC).	issuer was listed on “another exchange”, and such discretion has been exercised without causing market integrity concerns.
<p>5. Is the proposed definition of “recognized jurisdiction” appropriate? Should other jurisdictions be included? Should any of the proposed jurisdictions be excluded from the definition?</p>	
<p>One commenter submitted that the definition of “Recognized Jurisdiction” should include Hong Kong. Because the current definition of “Recognized Jurisdiction” excludes Hong Kong, Hong Kong incorporated entities do not meet the definition of Eligible International Interlisted Issuers and are unable to rely on the annual exemption process set out in Section 401.1. These issuers would instead have to rely on the discretion reserved by TSX to determine that additional jurisdictions are appropriate for the purposes of the definition of “Recognized Jurisdiction”. Such discretion is based upon a comparison of the corporate statutes of the issuer’s jurisdiction of incorporation against the <i>Canada Business Corporations Act</i>. TSX has approved an exemption from the Director Election Requirements for Hong Kong incorporated entities in the past. Therefore, TSX has already made an assessment of the corporate governance regime of Hong Kong (Stikeman).</p>	<p>TSX thanks the commenter for its input. TSX has reviewed the corporate governance regime of Hong Kong related to director election requirements and has determined to add Hong Kong to definition of “Recognized Jurisdiction”.</p>

APPENDIX B

BLACKLINE OF THE FINAL AMENDMENTS

324. Minimum Listing Requirements for International Interlisted Issuers

There are no unique requirements for the management or the financial requirements for International Interlisted Issuers ~~listed on a Recognized Exchange~~. However, these issuers are generally required to have some presence in Canada and must be able to demonstrate, as with all issuers, that they are able to satisfy all of their reporting and public company obligations in Canada. This may be satisfied by having a member of the board of directors or management, an employee or a consultant of the issuer situated in Canada.

~~Certain exemptions~~Exemptions may be available to ~~Eligible~~from requirements set out in Parts IV, V and VI of the Manual to certain International Interlisted Issuers or Eligible Interlisted Issuers as set out in Sections 401.1 and 602.1 of the Manual, respectively as provided in Section 401.1, Section 602.1 and TSX Staff Notice 2015-0002.

401.1 Exemptions for Eligible International Interlisted Issuers and Other International Interlisted Issuers

Subject to prior approval, TSX will not apply Sections 461.1 – 461.4 (Director Elections) and 464 (Annual Meetings) to Eligible International Interlisted Issuers. The first year an Eligible International Interlisted Issuer wishes to rely on this exemption, such issuer must obtain TSX's prior acceptance of the application of this exemption on an annual basis, at least five (5) and not more than thirty (30) business days in advance of finalizing the materials sent to holders of listed securities in connection with a meeting at which directors are being elected. The application should take the form of a letter addressed to TSX requesting the exemption and include: i) the Recognized Exchange(s) on which it is listed; ii) the jurisdiction of incorporation of the issuer; and iii) evidence that the volume of trading of the issuer's securities on all Canadian marketplaces in the 12 months immediately preceding the date of the application was less than 25%. If TSX accepts such application, in subsequent consecutive years the Eligible International Interlisted Issuer may continue to rely on this exemption if it provides prior notice to TSX at least five (5) and not more than thirty (30) business days in advance of finalizing the materials sent to holders of listed securities in connection with a meeting at which directors are being elected. The notice should take the form of a letter confirming that the issuer continues to be an Eligible International Interlisted Issuer.

~~Other~~International Interlisted Issuers that do not qualify as Eligible International Interlisted Issuers may apply to TSX for an exemption on an annual basis from Sections 461.1 – 461.4 (Director Elections) and 464 (Annual Meetings), as provided in updated TSX Staff Notice ~~2013-0002~~2015-0002.

Eligible International Interlisted Issuers and other International Interlisted Issuers must disclose the requirement from which they have been exempted for the year and their reliance on this Section 401.1 in a press release issued in connection with their annual meeting or in the materials sent to holders of listed securities in connection with a meeting at which directors are being elected, as applicable.

602. General.

(g) [Deleted.]

602.1 Exemptions for Eligible Interlisted Issuers

Subject to prior approval and provided that the proposed transaction is being completed in accordance with the standards of a Recognized Exchange, TSX will not apply its standards to Eligible Interlisted Issuers in respect of the following Sections: 501 (special requirements for non-exempt issuers), 604 (security holder approval), 606 (prospectus offerings), 607 (private placements), 608 (unlisted warrants), 610 (convertible securities), 611 (acquisitions), 612 (securities issued to registered charities), 613 (security based compensation arrangements) and 614 (rights offerings¹).

Eligible Interlisted Issuers must obtain TSX acceptance of the proposed transaction by notifying TSX as required under Subsections 602 (a) or 501 (b), as applicable. The form of notice must comply with the requirements set out in Subsection 602 (e) or Subsection 501 (g) and also include: i) a notification that the listed issuer intends to rely on the exemption outlined in this Section 602.1; ii) the Recognized Exchange(s) on which it is listed; and iii) evidence that the volume of trading of the issuer's securities on all Canadian marketplaces in the 12 months immediately preceding the date of the application was less than 25%.

TSX will confirm its acceptance that the Eligible Interlisted Issuer may rely on the exemption as well as receipt of the documents and fees required for TSX acceptance. As a condition of acceptance, TSX will require evidence that the Recognized Exchange or relevant regulator has accepted the transaction, or confirmation from qualified legal counsel in the local jurisdiction that the proposed transaction is in compliance with applicable rules of the other exchange or marketplace, as well as applicable laws. Eligible Interlisted Issuers must disclose that they intend to or have relied on the exemption under this Section 602.1 in the press release(s) issued in connection with the transaction.

¹ Contact TSX to discuss the relief for rights offerings as certain elements related to trading, notice and mechanics will still be required.

PART 1 – INTRODUCTION

Interpretation

Addition of the following definitions:

“**Eligible Interlisted Issuer**” means a listed issuer that is also listed on a Recognized Exchange and that had less than 25% of the overall trading volume of its listed securities occurring on all Canadian marketplaces in the 12 months immediately preceding the date of an application or notice, as applicable, pursuant to Section 401.1 or 602.1 of the Manual;

“**Eligible International Interlisted Issuer**” means an Eligible Interlisted Issuer that is incorporated or organized in a Recognized Jurisdiction;

“**International Interlisted Issuer**” means an issuer incorporated or organized outside of Canada and listed on another exchange;

“**Recognized Exchange**” includes the following exchanges and marketplaces: New York Stock Exchange, NYSE MKT, NASDAQ, London Stock Exchange Main Board, AIM, Australian Securities Exchange, Hong Kong Stock Exchange Main Board and others, as may be determined by TSX from time to time;

“**Recognized Jurisdiction**” includes the following: Australia, England, Hong Kong and the State of Delaware and other jurisdictions with corporate statutes substantially modelled after these jurisdictions. Other jurisdictions may also be acceptable, as may be determined by TSX from time to time. In making its determination, TSX will compare the corporate statutes of these jurisdictions against the *Canada Business Corporations Act*;

APPENDIX C

TEXT OF FINAL AMENDMENTS

324. Minimum Listing Requirements for International Interlisted Issuers

There are no unique requirements for the management or the financial requirements for International Interlisted Issuers. However, these issuers are generally required to have some presence in Canada and must be able to demonstrate, as with all issuers, that they are able to satisfy all of their reporting and public company obligations in Canada. This may be satisfied by having a member of the board of directors or management, an employee or a consultant of the issuer situated in Canada.

Exemptions may be available from requirements set out in Parts IV, V and VI of the Manual to certain International Interlisted Issuers as provided in Section 401.1, Section 602.1 and TSX Staff Notice 2015-0002.

401.1 Exemptions for Eligible International Interlisted Issuers and Other International Interlisted Issuers

Subject to prior approval, TSX will not apply Sections 461.1 – 461.4 (Director Elections) and 464 (Annual Meetings) to Eligible International Interlisted Issuers. The first year an Eligible International Interlisted Issuer wishes to rely on this exemption, such issuer must obtain TSX's prior acceptance of the application of this exemption at least five (5) and not more than thirty (30) business days in advance of finalizing the materials sent to holders of listed securities in connection with a meeting at which directors are being elected. The application should take the form of a letter addressed to TSX requesting the exemption and include: i) the Recognized Exchange(s) on which it is listed; ii) the jurisdiction of incorporation of the issuer; and iii) evidence that the volume of trading of the issuer's securities on all Canadian marketplaces in the 12 months immediately preceding the date of the application was less than 25%. If TSX accepts such application, in subsequent consecutive years the Eligible International Interlisted Issuer may continue to rely on this exemption if it provides prior notice to TSX at least five (5) and not more than thirty (30) business days in advance of finalizing the materials sent to holders of listed securities in connection with a meeting at which directors are being elected. The notice should take the form of a letter confirming that the issuer continues to be an Eligible International Interlisted Issuer.

International Interlisted Issuers that do not qualify as Eligible International Interlisted Issuers may apply to TSX for an exemption on an annual basis from Sections 461.1 – 461.4 (Director Elections) and 464 (Annual Meetings), as provided in updated TSX Staff Notice 2015-0002.

Eligible International Interlisted Issuers and other International Interlisted Issuers must disclose the requirement from which they have been exempted for the year and their reliance on this Section 401.1 in a press release issued in connection with their annual meeting or in the materials sent to holders of listed securities in connection with a meeting at which directors are being elected, as applicable.

602. General.

(g) [Deleted.]

602.1 Exemptions for Eligible Interlisted Issuers

Subject to prior approval and provided that the proposed transaction is being completed in accordance with the standards of a Recognized Exchange, TSX will not apply its standards to Eligible Interlisted Issuers in respect of the following Sections: 501 (special requirements for non-exempt issuers), 604 (security holder approval), 606 (prospectus offerings), 607 (private placements), 608 (unlisted warrants), 610 (convertible securities), 611 (acquisitions), 612 (securities issued to registered charities), 613 (security based compensation arrangements) and 614 (rights offerings¹).

Eligible Interlisted Issuers must obtain TSX acceptance of the proposed transaction by notifying TSX as required under Subsections 602 (a) or 501 (b), as applicable. The form of notice must comply with the requirements set out in Subsection 602 (e) or Subsection 501 (g) and also include: i) a notification that the listed issuer intends to rely on the exemption outlined in this Section 602.1; ii) the Recognized Exchange(s) on which it is listed; and iii) evidence that the volume of trading of the issuer's securities on all Canadian marketplaces in the 12 months immediately preceding the date of the application was less than 25%.

TSX will confirm its acceptance that the Eligible Interlisted Issuer may rely on the exemption as well as receipt of the documents and fees required for TSX acceptance. As a condition of acceptance, TSX will require evidence that the Recognized Exchange or relevant regulator has accepted the transaction, or confirmation from qualified legal counsel in the local jurisdiction that the proposed transaction is in compliance with applicable rules of the other exchange or marketplace, as well as applicable laws. Eligible Interlisted Issuers must disclose that they intend to or have relied on the exemption under this Section 602.1 in the press release(s) issued in connection with the transaction.

¹ Contact TSX to discuss the relief for rights offerings as certain elements related to trading, notice and mechanics will still be required.

PART 1 – INTRODUCTION

Interpretation

Addition of the following definitions:

“Eligible Interlisted Issuer” means a listed issuer that is also listed on a Recognized Exchange and that had less than 25% of the overall trading volume of its listed securities occurring on all Canadian marketplaces in the 12 months immediately preceding the date of an application or notice, as applicable, pursuant to Section 401.1 or 602.1 of the Manual;

“Eligible International Interlisted Issuer” means an Eligible Interlisted Issuer that is incorporated or organized in a Recognized Jurisdiction;

“International Interlisted Issuer” means an issuer incorporated or organized outside of Canada and listed on another exchange;

“Recognized Exchange” includes the following exchanges and marketplaces: New York Stock Exchange, NYSE MKT, NASDAQ, London Stock Exchange Main Board, AIM, Australian Securities Exchange, Hong Kong Stock Exchange Main Board and others, as may be determined by TSX from time to time;

“Recognized Jurisdiction” includes the following: Australia, England, Hong Kong and the State of Delaware and other jurisdictions with corporate statutes substantially modelled after these jurisdictions. Other jurisdictions may also be acceptable, as may be determined by TSX from time to time. In making its determination, TSX will compare the corporate statutes of these jurisdictions against the *Canada Business Corporations Act*;

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