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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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Table of Contents

| | |
|---|--|
| <p>Chapter 1 Notices / News Releases 1</p> <p>1.1 Notices 1</p> <p>1.1.1 CSA Staff Notice 21-316 – Information Processor for Corporate Debt Securities 1</p> <p>1.1.2 Notice of Amendments to the Securities Act – Bill 91..... 7</p> <p>1.1.3 Notice of Amendments to the Securities Act – Bill 144..... 8</p> <p>1.1.4 Notice of Ministerial Approval of Amendments to NI 45-106 Prospectus Exemptions 9</p> <p>1.1.5 OSC Staff Notice 11-742 (Revised) – Securities Advisory Committee..... 10</p> <p>1.1.6 Notice of Memorandum of Understanding Concerning Monitoring of the Ongoing Compliance with Recognition Conditions by CCPs Established in Canada 11</p> <p>1.2 Notices of Hearing..... 22</p> <p>1.2.1 Argosy Securities Inc. and Keybase Financial Group Inc. – s. 8..... 22</p> <p>1.3 Notices of Hearing with Related Statements of Allegations (nil)</p> <p>1.4 News Releases (nil)</p> <p>1.5 Notices from the Office of the Secretary 22</p> <p>1.5.1 Argosy Securities Inc. and Keybase Financial Group Inc. 22</p> <p>1.5.2 Weizhen Tang 23</p> <p>1.6 Notices from the Office of the Secretary with Related Statements of Allegations (nil)</p> <p>Chapter 2 Decisions, Orders and Rulings 25</p> <p>2.1 Decisions 25</p> <p>2.1.1 Front Street U.S. MLP Income Fund Ltd. et al..... 25</p> <p>2.1.2 Aquinox Pharmaceuticals, Inc. 30</p> <p>2.1.3 Arrow Capital Management Inc. and Exemplar Yield Fund 32</p> <p>2.1.4 Buck Consultants Limited 37</p> <p>2.1.5 PC Gold Inc. 43</p> <p>2.1.6 Kicking Horse Energy Inc. 44</p> <p>2.1.7 MarketAxess Canada Limited – s. 15.1 of NI 21-101 Marketplace Operation 46</p> <p>2.1.8 1832 Asset Management L.P. 48</p> <p>2.1.9 Bloom Investment Counsel, Inc. et al. 50</p> <p>2.2 Orders..... 54</p> <p>2.2.1 Canadian National Railway Company – s. 104(2)(c)..... 54</p> <p>2.2.2 Weizhen Tang – ss. 127(1), 127(10) 59</p> <p>2.2.3 PC Gold Inc. – s. 1(6) of the OBCA..... 62</p> <p>2.3 Orders with Related Settlement Agreements..... (nil)</p> <p>2.4 Rulings (nil)</p> | <p>Chapter 3 Reasons: Decisions, Orders and Rulings (nil)</p> <p>3.1 OSC Decisions (nil)</p> <p>3.2 Director’s Decisions (nil)</p> <p>3.3 Court Decisions (nil)</p> <p>Chapter 4 Cease Trading Orders 65</p> <p>4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders..... 65</p> <p>4.2.1 Temporary, Permanent & Rescinding Management Cease Trading Orders 65</p> <p>4.2.2 Outstanding Management & Insider Cease Trading Orders 66</p> <p>Chapter 5 Rules and Policies 67</p> <p>5.1.1 Amendments to NI 45-106 Prospectus Exemptions 67</p> <p>5.1.2 Amendments to NI 52-107 Acceptable Accounting Principles and Auditing Standards 81</p> <p>5.1.3 Amendments to NI 45-102 Resale of Securities 82</p> <p>5.1.4 Amendments to MI 11-102 Passport System..... 83</p> <p>5.1.5 Changes to Companion Policy 45-106CP Prospectus Exemptions 84</p> <p>5.1.6 Changes to NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions 91</p> <p>5.1.7 Amendments to OSC Rule 11-501 Electronic Delivery of Documents to the Ontario Securities Commission 92</p> <p>5.1.8 Amendments to OSC Rule 13-502 Fees..... 93</p> <p>5.1.9 Amendments to OSC Rule 45-501 Ontario Prospectus and Registration Exemptions 94</p> <p>5.1.10 Amendments to NI 45-102 Resale of Securities 95</p> <p>5.1.11 Changes to Companion Policy 45-501CP to Ontario Securities Commission Rule 45-501 Ontario Prospectus and Registration Exemptions 96</p> <p>5.1.12 Changes to Companion Policy 45-106CP Prospectus Exemptions 98</p> <p>Chapter 6 Request for Comments (nil)</p> <p>Chapter 7 Insider Reporting 99</p> <p>Chapter 9 Legislation..... 201</p> <p>9.1.1 Bill 91, Building Ontario Up Act (Budget Measures), 2015..... 201</p> <p>9.1.2 Bill 144, Budget Measures Act, 2015 202</p> |
|---|--|

| | | |
|--------------------|--|--------------|
| Chapter 11 | IPOs, New Issues and Secondary Financings | 203 |
| Chapter 12 | Registrations | 213 |
| 12.1.1 | Registrants | 213 |
| Chapter 13 | SROs, Marketplaces, Clearing Agencies and Trade Repositories | 215 |
| 13.1 | SROs..... | (nil) |
| 13.2 | Marketplaces..... | 215 |
| 13.2.1 | Aequitas Neo Exchange Inc. – Appeal Procedures – Notice of Approval..... | 215 |
| 13.2.2 | Aequitas NEO Exchange Inc. – Proposed Amendments to NEO Exchange Trading Policies – OSC Staff Notice of Proposed Changes and Request for Comment | 216 |
| 13.3 | Clearing Agencies | 217 |
| 13.3.1 | CDS – Material Amendments to CDS Rules Concerning Enhancements to CNS (Dedicated Own Resources) and Related Change to Fee Schedule – Notice of Commission Approval | 217 |
| 13.4 | Trade Repositories | (nil) |
| Chapter 25 | Other Information | 219 |
| 25.1 | Approvals | 219 |
| 25.1.1 | I.G. Investment Management, Ltd. – s. 213(3)(b) of the LTCA..... | 219 |
| Index | | 221 |

Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 CSA Staff Notice 21-316 – Information Processor for Corporate Debt Securities



Canadian Securities
Administrators

Autorités canadiennes
en valeurs mobilières

CSA Staff Notice 21-316 Information Processor for Corporate Debt Securities

December 29, 2015

1. Introduction

Canadian Securities Administrators (CSA) staff (CSA staff or we) are publishing this notice to inform the public that CanPX Inc. (CanPX) will continue to act as an information processor for corporate debt securities under National Instrument 21-101 *Marketplace Operation* (NI 21-101) for a period of six months from January 1, 2016 to June 30, 2016.

2. Requirements regarding Transparency of Corporate Debt Securities

Transparency of trading in corporate debt securities has been an important goal of the CSA. Providing information regarding trades in corporate bonds facilitates informed decision making by investors and contributes to the price discovery process.

Part 8 of NI 21-101 sets out the transparency requirements applicable to corporate debt securities. It requires marketplaces that display orders of corporate debt securities to provide information regarding orders for designated corporate debt securities to an information processor, as required by the information processor. Marketplaces, inter-dealer bond brokers and dealers are also required to provide trade information for corporate debt securities to an information processor, if one is in place, as required by the information processor.¹

NI 21-101 also provides for the operation and regulation of an information processor.²

The regulatory requirements applicable to the information processor are set out in Part 14 of NI 21-101 and include requirements to:

- provide prompt and accurate order and trade information;
- not unreasonably restrict fair access to such information;
- provide timely, accurate, reliable and fair collection, processing, distribution and publication of information for orders for, and trades in, securities;
- maintain reasonable books and records; and
- maintain resilient systems, including an annual independent systems review.

¹ For government debt securities, the requirements for marketplaces and inter-dealer bond brokers to provide order and trade information have been postponed until January 1, 2018.

² An information processor is defined as a person or company that receives and provides information under NI 21-101 and has filed Form 21-101F5 *Information Statement - Information Processor* (Form 21-101F5).

3. CanPX as the Information Processor for Corporate Debt Securities

CanPX has been an information processor for corporate debt securities since 2003. We have included a high-level description of CanPX's operations at Appendix A. Its status as an information processor was most recently renewed in 2014 for an 18 month period, until December 31, 2015.³

We have recently published a proposed plan to increase fixed income transparency by transitioning the role of the information processor to the Investment Industry Regulatory Organization of Canada (IIROC). CSA Staff Notice and Request for Comment 21-315 *Next Steps in Regulation and Transparency of the Fixed Income Market* (CSA Staff Notice 21-315), published on September 17, 2015, included a description of the plan. It described our goal to expand corporate bond transparency so that post-trade information is available for all corporate bonds, subject to a dissemination delay and to volume caps. Our intention is to leverage IIROC's fixed income reporting platform (the Market Trade Reporting System, or MTRS 2.0)⁴ and publish a subset of the information reported to IIROC by its dealer members. We will also work with IIROC after implementation to analyze the data received on MTRS 2.0 and develop a plan to reduce the dissemination delay.

In response to the request for comment on the planned transparency plan, we received 14 comment letters and are currently reviewing them. It is our expectation that we will publish additional information about the timing of the dissemination of the post-trade information, as well as details regarding what this information would include, in the first quarter of 2016.

In order to accommodate the transition of the information processor to IIROC, and also to consider and address the comments received on CSA Staff Notice 21-315, it is necessary to extend CanPX's status as an information processor until June 30, 2016. CanPX has agreed to continue to comply with a number of undertakings, set out at Appendix B of this Notice.

4. Questions

Please refer your questions to any of the following:

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³ CSA staff announced the renewal of CanPX in CSA Staff Notice 21-314 *Information Processor for Corporate Debt Securities*, published in Ontario at (2014) 37 OSCB 6240.

⁴ MTRS 2.0 was developed to facilitate the implementation of IIROC Rule 2800C *Transaction Reporting for Debt Securities*. This rule is being implemented in two stages. In the first stage, effective November 1, 2015, dealers that are Government Securities Distributors (GSDs) and affiliates that are GSDs are required to report. All other dealers will be required to report their transactions in the second stage, effective November 1, 2016.

APPENDIX A

OVERVIEW OF CANPX'S FUNCTIONS

As the information processor for corporate debt securities, CanPX is responsible for designating the corporate debt securities for which it receives and disseminates post-trade information (the Designated Corporate Debt Securities).⁵ It makes the selection in accordance with a set of selection criteria which are published on its website⁶ and which include whether the bonds are highly liquid, whether they represent a majority of trade flow within the corporate bond markets, whether they include bonds with short-term, mid-term and long-term maturities, and whether they cover each industry classification. At this time, approximately 450 securities are included on the Designated Corporate Debt Securities list. The information disseminated is subject to volume caps and is disseminated every hour. There are volume caps of \$2 million for investment grade corporate debt securities and \$200,000 for non-investment grade corporate debt securities. These volume caps mask the true dollar size of large trades. The trade data is aggregated by CanPX's technical facilitator and is made available to market participants and investors through data vendors contracted by CanPX. In addition, CanPX makes available on its website, free of charge, end-of-day pricing information on the Designated Corporate Debt Securities.⁷

CanPX currently requires that only marketplaces and dealers that have achieved a market share of 0.5% of total corporate bond trading provide to it trade details regarding the Designated Corporate Debt Securities. Currently, this includes 12 investment dealers.

In addition to complying with the applicable requirements in NI 21-101, CanPX has agreed to comply with a number of undertakings that, among others, require CanPX to address conflicts of interest such as those related to the business activities of its board members, maintaining transparency for corporate debt securities, and maintaining the integrity of corporate debt data it disseminates.⁸

⁵ The CSA allowed CanPX to make the selection in order to promote an industry solution to corporate debt transparency, in response to significant industry pressure against a solution to fixed income transparency that is mandated by regulators.

⁶ For a description of the criteria and process for selection, see <http://www.canpxonline.ca/selectioncriteria.php>.

⁷ <http://www.canpxonline.ca/quotes.php>

⁸ The existing undertakings in place until December 31, 2015 can be found at (2014) 37 OSCB 6243.

APPENDIX B

UNDERTAKINGS PROVIDED BY CANPX

In connection with its role as the information processor for corporate debt securities, CanPX undertakes the following:

1. Changes to Form 21-101F5

- a. As required by section 14.2 of National Instrument 21-101 *Marketplace Operation* (NI 21-101), CanPX will file with the CSA amendments to the information provided in Form 21-101F5. The significant changes referred to in section 14.2(1) of NI 21-101 will be reviewed and approved by CSA staff prior to their implementation. These significant changes include the following:
- changes to the governance of CanPX, including the structure of the Advisory Committee referred to in paragraph 2b below,
 - significant changes to the fees charged for corporate debt information distributed as the IP,
 - changes to the fee structure and fee / revenue sharing model related to the services provided as the IP,
 - changes to the data products offered as the IP,
 - changes to the threshold for reporting trades in corporate debt securities,
 - removal of marketplaces, dealers or inter-dealer bond brokers required to report trade data regarding corporate debt securities,
 - changes to the selection criteria for the corporate debt securities reported to CanPX,
 - any reduction in the number of corporate debt securities reported to CanPX,
 - significant changes to the systems, technology or technology provider used by CanPX, including those affecting capacity, or
 - changes affecting the independence of the IP from the contributors of corporate debt securities information (Data Contributors) or the business activities of its technology provider.

2. Governance

- a. CanPX's Board of Directors will meet at regular times, and no less than quarterly.
- b. CanPX will maintain its Advisory Committee that includes representation from Data Contributors, and from subscribers and vendors (Data Purchasers) and will provide a report within 15 days after each of its meetings that describes the topics discussed and their resolution.
- c. CanPX will notify CSA staff of any changes to the composition of the Advisory Committee and of any changes to its mandate within 15 days from making the change.
- d. The mandate of the Advisory Committee will continue to make reference to the ability of the committee to contact the Director of the Market Regulation Branch of the Ontario Securities Commission and the Senior Director, Market Structures at the Autorité des marchés financiers with any concerns that it may have regarding the governance or operations of the IP.
- e. The Advisory Committee will maintain minutes of its meetings and these minutes will reflect the views and recommendations provided to CanPX's management. The minutes will be made available, upon request, to CSA staff.

3. Conflicts of Interest

- a. CanPX will maintain and monitor compliance with policies and procedures to address the conflicts of interest related to the business activities of its board members.
- b. CanPX will maintain and monitor compliance with policies and procedures to address the potential conflicts of interest that arise due to the fact that its technology provider is also a marketplace and a distributor of data.

- c. CanPX will provide any changes to the policies and procedures referred to in paragraphs 3a and 3b to CSA staff for review and approval.

4. IP Products

- a. CanPX will limit the products distributed as the IP to a consolidated feed (the Consolidated Data Product) that displays the information related to corporate debt securities provided to it in accordance with the requirements set out in Part 8 of NI 21-101 and Part 10 of the Companion Policy 21-101CP (Designated Corporate Debt Securities). CanPX will display this information no later than one hour from the time of the trade.
- b. CanPX will not distribute, as the IP, any additional products using the data provided to it under Part 8 of NI 21-101 unless it obtains prior approval from CSA staff.
- c. If CanPX intends to create and distribute, other than as the IP, any products using the data provided to it under Part 8 of NI 21-101:
 - i. the data required to be provided to the IP by Data Contributors will not be used for such other products without the permission of the Data Contributors; and
 - ii. the additional products will be made available for purchase separately from, and will not be bundled with, the Consolidated Data Product and any other products approved under paragraph 4b.

5. Data reported to and disseminated by CanPX

- a. CanPX will maintain and monitor compliance with:
 - i. policies and procedures to verify the timeliness and accuracy of information received and disseminated by the IP; and
 - ii. processes to resolve on a timely basis any data integrity issues identified.
- b. CanPX will provide any changes to the policies and procedures referred to in paragraph 5a to CSA staff for review and approval.
- c. CanPX will monitor the timeliness and accuracy of information received by and disseminated by the IP on an ongoing basis and take adequate measures to resolve any data integrity issues on a timely basis. CanPX will report to its Board of Directors at each of their quarterly meeting on the timeliness and accuracy of the information received by and disseminated by the IP, along with significant data integrity issues, for the most recent quarter. Within 15 days following the board meeting, a report will be provided by CanPX to CSA staff outlining the issues identified, if any, and the measures CanPX will take to address them.
- d. CanPX will provide to CSA staff updates to its plan to increase the number of Designated Corporate Debt Securities by January 31, 2016.
- e. CanPX will conduct an additional review of the adequacy of the list of Designated Corporate Debt Securities by January 31, 2016 and prepare a report outlining the results of this review and its analysis to CSA staff within 15 days of the completion of the review. The report must include an analysis showing the coverage of retail-sized bonds trades, coverage of corporate bonds traded and coverage of total bonds issued, as well as statistics indicating the types of bonds on the Designated Corporate Debt Securities and the frequency of trades for bonds not included on the list.
- f. CanPX will provide reports of the corporate debt securities removed from the Designated Corporate Debt Securities within 15 days of their removal. Such reports will include a brief analysis supporting the reason for their removal from the list.
- g. CanPX will provide updates to staff regarding developments on new or potential agreements with data distributors on a monthly basis.

6. Resources

- a. CanPX will maintain sufficient financial resources to ensure its financial viability.

- b. CanPX will ensure that it has an adequate number of staff dedicated to its systems and operations to ensure the proper performance of its functions, including staff directly responsible for monitoring of the corporate debt data reported to it in accordance with the requirements of NI 21-101.

7. Agreements with Data Contributors

- a. CanPX will ensure that all Data Contributors are given access to CanPX on fair and reasonable terms.
- b. New standard agreements or contracts to be entered into between CanPX and Data Contributors in connection with the IP services will be provided to CSA staff for review and approval prior to their execution. In addition, any proposed material changes to these standard agreements or contracts will be provided to CSA staff for review and approval.

8. Fees / Fee structure / Revenue sharing

CanPX will make available, on its website, the fee schedule for the Consolidated Data Product, and any additional products subsequently approved by CSA staff to be distributed by CanPX as an information processor.

9. Non-exclusivity

CanPX acknowledges that the selection as an IP does not grant that IP exclusive rights to consolidate and disseminate order and trade data. CanPX will not seek such exclusivity through the terms of any contract with a Data Contributor or Data Purchaser.

10. Term and notice

- a. CanPX will continue to act as an information processor for corporate debt securities for a period of six months starting from January 1, 2016, ending on June 30, 2016.

1.1.2 Notice of Amendments to the Securities Act – Bill 91

NOTICE OF AMENDMENTS TO THE SECURITIES ACT

On June 4, 2015, the Government's Bill 91, *Building Ontario Up Act (Budget Measures), 2015* received Royal Assent. Amendments to the *Commodity Futures Act* and *Securities Act* were included in Bill 91.

An explanation of this amendment is provided in Chapter 9.

Questions may be referred to:

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1.1.3 Notice of Amendments to the Securities Act – Bill 144

NOTICE OF AMENDMENTS TO THE SECURITIES ACT

On December 10, 2015, the Government's Bill 144, *Budget Measures Act, 2015* received Royal Assent. Amendments to the *Securities Act* were included in Bill 144.

An explanation of this amendment is provided in chapter 9.

Questions may be referred to:

Paloma Ellard
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416-595-8906
pellard@osc.gov.on.ca

1.1.4 Notice of Ministerial Approval of Amendments to NI 45-106 Prospectus Exemptions

NOTICE OF MINISTERIAL APPROVAL OF AMENDMENTS TO NATIONAL INSTRUMENT 45-106 PROSPECTUS EXEMPTIONS

January 7, 2016

On December 16, 2015, the Minister of Finance approved amendments made by the Ontario Securities Commission (**OSC** or **Commission**) to National Instrument 45-106 *Prospectus Exemptions* (the **NI 45-106 Amendments**) and amendments to other instruments that are consequential to the NI 45-106 Amendments (the **Consequential Amendments**).

The NI 45-106 Amendments introduce an offering memorandum prospectus exemption in Ontario.

The NI 45-106 Amendments and the Consequential Amendments are referred to collectively as the Rule Amendments and include amendments to the following instruments:

- National Instrument 45-102 *Resale of Securities*
- National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards*
- Ontario Securities Commission Rule 11-501 *Electronic Delivery of Documents to the Ontario Securities Commission*
- Ontario Securities Commission Rule 13-502 *Fees*, and
- Ontario Securities Rule 45-501 *Ontario Prospectus and Registration Exemptions*.

The Rule Amendments, together with related policy changes, were made by the Commission on October 20, 2015. They were published on the OSC website at <http://www.osc.gov.on.ca> and in the OSC Bulletin in (2015), 38 OSCB (Supp-3) on October 29, 2015.

The Rule Amendments come into force in Ontario on January 13, 2016.

The text of the Rule Amendments approved by the Minister of Finance, as well as the related policy changes, is set out in Chapter 5 of this Bulletin.

1.1.5 OSC Staff Notice 11-742 (Revised) – Securities Advisory Committee

**REVISED ONTARIO SECURITIES COMMISSION STAFF NOTICE 11-742
SECURITIES ADVISORY COMMITTEE**

In a Notice published in the OSC Bulletin on October 22, 2015, the Commission invited applications for positions on the Securities Advisory Committee (“SAC”). SAC provides advice to the Commission and staff on a variety of matters including legislative and policy initiatives and important capital markets trends and brings various issues to the attention of the Commission and staff.

The Commission was very impressed with the number of highly qualified practitioners who applied for positions on SAC. Unfortunately, there were far more applicants than there were positions available and selection from among the group was very difficult. The Commission would like to thank everyone who applied for their interest in serving on SAC.

The Commission is pleased to publish the names of the four new members who will be participating on SAC for the next three years.

- Thomas Fenton Aird & Berlis LLP
- Eric Moncik Blake, Cassels & Graydon LLP
- Ramandeep Grewal Stikeman Elliott LLP
- Thomas Yeo Torys LLP

The members of SAC have staggered terms. The continuing members of SAC are:

- Blair Cowper-Smith OMERS Administration Corporation
- Sheldon Freeman Goodmans LLP
- Mindy Gilbert Davies Ward Phillips & Vineberg LLP
- Kathleen Ritchie Gowling Lafleur Henderson LLP
- Julie Shin Toronto Stock Exchange
- Judy Cotte RBC Global Asset Management
- Diana Wisner Bank of Montreal
- Ian Michael McCarthy Tétrault LLP

The Commission would like to take this opportunity to thank the four members of SAC, listed below, who completed their term in December 2015, having served on the Committee with great dedication over the last three years. Their advice and guidance on a range of issues has been very valuable to the Commission.

- Douglas Bryce Osler Hoskin & Harcourt LLP
- Carol Derk Borden Ladner Gervais LLP
- Shahan Mirakian McMillan LLP
- Sean Vanderpol Stikeman Elliott LLP

The Commission will publish a notice in Fall 2016 inviting applications for the next group of new SAC members, who will commence their terms in January 2017.

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1.1.6 Notice of Memorandum of Understanding Concerning Monitoring of the Ongoing Compliance with Recognition Conditions by CCPs Established in Canada

**NOTICE OF MEMORANDUM OF UNDERSTANDING
CONCERNING MONITORING OF THE ONGOING COMPLIANCE
WITH RECOGNITION CONDITIONS BY CCPs ESTABLISHED IN CANADA**

January 4, 2016

The Ontario Securities Commission, together with the Autorité des marchés financiers and the Manitoba Securities Commission, entered into a Memorandum of Understanding (the "Supervisory MOU") with the European Securities and Markets Authority ("ESMA"). The Supervisory MOU establishes cooperation and information sharing arrangements between the signatory authorities regarding the monitoring of the ongoing compliance with recognition conditions by Central Counterparties ("CCPs") established and recognized or designated as a clearing house or clearing agency in Manitoba, Ontario or Québec which have applied for recognition under the European Markets Infrastructure Regulation ("EMIR") to provide clearing services to clearing members or trading venues established in the European Union. EMIR provides that cooperation arrangements must be established between ESMA and non-EU authorities whose legal and supervisory framework for CCPs have been deemed equivalent to EMIR by the European Commission as a precondition for ESMA to recognise CCPs established under those non-EU authorities to provide services to clearing members or trading venues established in Europe.

The Supervisory MOU is subject to the approval of the Minister of Finance. The Supervisory MOU was delivered to the Minister of Finance on January 4, 2016.

Questions may be referred to:

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Senior Advisor
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Memorandum of Understanding



European Securities and Markets Authority (“ESMA”)

and



Autorité des marchés financiers (“AMF”)



Manitoba Securities Commission (“MSC”)



Ontario Securities Commission (“OSC”)

**Memorandum of Understanding Related to
European Securities and Markets Authority's Monitoring of the
Ongoing Compliance with Recognition Conditions by
CCPs Established in Canada – Manitoba, Ontario and Quebec**

In view of central counterparties ("CCPs") established and recognized in Manitoba, Ontario and Québec having applied to the European Securities and Markets Authority ("ESMA") for recognition as CCPs, pursuant to Article 25 of EMIR (defined below), the Autorité des marchés financiers of Québec ("AMF"); the Manitoba Securities Commission ("MSC") and the Ontario Securities Commission ("OSC") (each, a "Local Authority" and collectively, the "Local Authorities") and ESMA have reached this Memorandum of Understanding ("MoU") regarding arrangements for cooperation related to ESMA's monitoring of the ongoing compliance by the Covered CCPs with the recognition conditions set out in Article 25 of EMIR (the "Recognition Conditions").

Under Article 25(6) of EMIR, the European Commission has adopted an Implementing Decision determining that the legal and supervisory arrangements of Manitoba, Ontario and Québec ensure that Covered CCPs comply with legally binding requirements which are equivalent to the requirements of EMIR, that Covered CCPs are subject to effective supervision and enforcement in Manitoba, Ontario or Québec on an ongoing basis, and that their legal framework provides for an effective equivalent system for the recognition of CCPs under the legal regimes of third countries.

Article 25(2)(c) of EMIR requires the establishment of cooperation arrangements as a precondition for ESMA to recognise CCPs established in Manitoba, Ontario or Québec to provide clearing services to clearing members or trading venues established in the European Union.

Therefore, the purpose of this MoU is two-fold, namely to 1) ensure the fulfilment of the condition set out in Article 25(2)(c) of EMIR, i.e., that cooperation arrangements have been established as regards the Covered CCPs; and 2) express the Authorities' willingness to consult, cooperate and exchange information in the interest of fulfilling responsibilities and mandates of each Local Authority and ESMA in relation to the Covered CCPs.

This MoU is an arrangement between each Local Authority and ESMA and not a collective arrangement with other European Union authorities, nor between the Local Authorities outside of the context of this MOU. As such, it will not impact any arrangements which may be agreed directly between other European Union authorities and the Local Authorities, nor between the Local Authorities.

Article 1

Definitions

For the purpose of this MoU:

- a) "Authority" means a signatory to this MoU or any successor thereto;
- b) "Books and Records" means documents, electronic media, and books and records within the possession, custody and control of, and other information about, a Covered CCP;
- c) "Central counterparty or CCP" means a legal person that interposes itself between the counterparties to the contracts traded on one or more financial markets, becoming the buyer to every seller and the seller to every buyer;
- d) "Covered CCP" means a CCP established in Canada and recognized either (i) as a clearing agency in the province of Ontario; or (ii) as a clearing house in the province of Québec; or (iii) as a clearing agency in the province of Manitoba under *The Securities Act* or designated as a clearing house under *The Commodity Futures Act*, which has applied for recognition to, or where the context permits, has been recognized by, ESMA pursuant to Article 25 of EMIR;
- e) "Emergency Situation" means the occurrence of an event that could materially impair the financial or operational condition of a Covered CCP;
- f) "EMIR" means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories;
- g) "ESCB" means the European System of Central Banks;

- h) “Governmental Entity” means:
 - i. If the Requesting Authority is a Local Authority:
 - (a) their respective provincial finance ministry and other provincial government agencies;
 - (b) The Bank of Canada, the British Columbia Securities Commission or any other provincial or territorial securities or derivatives regulatory authority in Canada which, from time to time, becomes party to the *Memorandum of Understanding Respecting the Oversight of Certain Clearing and Settlement Systems*, dated March 19, 2014,¹ as amended or supplemented from time to time; and
 - ii. If the Requesting Authority is ESMA, the authorities identified in Article 25(3) of EMIR, namely:
 - (a) the competent authority of a Member State in which the Covered CCP provides or intends to provide clearing services and which has been selected by the CCP;
 - (b) the competent authorities responsible for the supervision of the clearing members of the CCP that are established in the three Member States of the European Union which make or are anticipated by the CCP to make the largest contributions to the default fund of the CCP referred to in Article 42 of EMIR on an aggregate basis over a one-year period;
 - (c) the competent authorities responsible for the supervision of trading venues located in the European Union, served or to be served by the CCP;
 - (d) the competent authorities supervising CCPs established in the European Union with which interoperability arrangements have been established;
 - (e) the relevant members of the ESCB of the Member States in which the CCP provides or intends to provide clearing services and the relevant members of the ESCB responsible for the oversight of the CCPs with which interoperability arrangements have been established;
 - (f) the central banks of issue of the most relevant European Union currencies of the financial instruments cleared or to be cleared;
- i) “Implementing Decision” means Commission Implementing Decision (EU) 2015/2040 of 13 November 2015.
- j) “Laws and Regulations” means, in relation to ESMA, applicable European Union legislation within ESMA’s scope of action as set out in Article 1(2) of Regulation (EU) No. 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC and, in relation to Local Authorities, the Commodity Futures Act (Manitoba), the Securities Act (Manitoba), the Securities Act (Ontario), the Commodity Futures Act (Ontario), the Securities Act (Québec), the Derivatives Act (Québec), An Act respecting the Autorité des marchés financiers (Québec) and the rules, regulations, decisions, directions and orders adopted pursuant to them;
- k) “On-site Inspection” means any regulatory visit by ESMA to the premises of a Covered CCP located in the Local Authorities’ territory, including inspection of Books and Records;
- l) “Person” includes a natural person, unincorporated association, partnership, trust, investment company or corporation and may be a Covered CCP;
- m) “Requested Authority” means:
 - i. Where the Requesting Authority is ESMA, the Local Authority to whom a request is made under this MoU; or
 - ii. Where the Requesting Authority is a Local Authority, ESMA; and
- n) “Requesting Authority” means the Authority making a request under this MoU.

¹ http://lautorite.qc.ca/files/pdf/bourses-oar-chambres/protocole-entente-surveillance_systemecompensation_an.pdf

Article 2

General provisions

1. Pursuant to the regime under EMIR for recognition of third-country CCPs, ESMA does not have direct supervision or enforcement powers over the Covered CCPs and relies on the supervision and enforcement capabilities of the Local Authorities which supervise and enforce compliance with the Local Authorities' Laws and Regulations.
2. This MoU covers only cooperation with regards to Covered CCPs, as between each of the Local Authority/ies and ESMA. It does not cover cooperation with regards to CCPs established in the European Union because ESMA does not have direct supervisory powers in respect of such CCPs. For the avoidance of doubt, this MoU does not cover, in particular, cooperation in respect of CCPs established in the European Union of the supervisory college of which ESMA is a member.
3. This MoU is a statement of intent to consult, cooperate and exchange information in connection with the responsibilities and mandates of each Authority in relation to the Covered CCPs, including ESMA's monitoring of the ongoing compliance by the Covered CCPs with the Recognition Conditions. The cooperation and information sharing arrangements under this MoU should be interpreted and implemented in a manner that is permitted by, and consistent with, the laws and other legal or regulatory requirements applicable to each Authority.
4. This MoU does not create any legally binding obligations, confer any rights or supersede any domestic laws. This MoU does not confer upon any Person the right or ability, directly or indirectly, to obtain, suppress or exclude any information or to challenge the execution of a request for assistance under this MoU.
5. This MoU is not intended to limit or condition the discretion of an Authority in any way in the discharge of its regulatory or supervisory responsibilities or to prejudice or affect in any way the individual responsibilities, competencies or autonomy of any Authority. This MoU does not limit an Authority to taking solely those measures described herein in fulfilment of its responsibilities and mandates. In particular, this MoU does not affect any right of any Authority to communicate with or obtain information or documents from any Person subject to its jurisdiction that is established in the territory of the other Authority.
6. The Authorities should, within the framework of this MoU, provide each other with the fullest cooperation permissible under their Laws and Regulations in relation to the responsibilities and mandates of each Authority in relation to the Covered CCPs recognized in their jurisdiction, including ESMA's monitoring of the ongoing compliance by the Covered CCPs with the Recognition Conditions. Following notification, cooperation may be denied:
 - a) Where cooperation would require an Authority to act in a manner that would violate its Laws and Regulations;
 - b) On the grounds of national public interest for the Local Authorities or European public interest for ESMA; or
 - c) Where a request for assistance has not been made in accordance with the terms of this MoU.
7. The Authorities represent that as of the date of this MoU no domestic secrecy or blocking laws or regulations should prevent them from providing assistance to one another in accordance with the terms of this MoU.
8. If a Requested Authority anticipates that it will incur substantial costs in responding to a request for assistance under this MoU, it may request a cost-sharing arrangement with the Requesting Authority before the Requested Authority continues to respond to the request for assistance, unless otherwise agreed.
9. To facilitate communication and cooperation under this MoU, the Authorities hereby designate contact persons the details of which are as set out in the Appendix. Any amendments to the details of contact persons shall be communicated without undue delay to the other Authorities.

Article 3

Scope of cooperation

1. The Authorities recognise the importance of close communication concerning the Covered CCPs and intend to cooperate regarding:
 - a) general issues, including with respect to regulatory, supervisory or other developments concerning the Covered CCPs;

- b) issues relevant to the operations, activities and services of the Covered CCPs; and
 - c) any other areas of mutual interest.
2. The Authorities recognise in particular the importance of close cooperation in the event that a Covered CCP, particularly one whose failure likely would be systemically important to an Authority, experiences, or is threatened by, a potential financial crisis or other Emergency Situation.
3. Cooperation will be most useful in circumstances where issues of regulatory concern may arise, including but not limited to:
- a) the initial application of a Covered CCP for recognition in the European Union pursuant to Article 25 of EMIR;
 - b) changes in a Covered CCP's internal rules, policies and procedures that could affect the way in which the Covered CCP complies with any Recognition Conditions; or
 - c) regulatory or supervisory actions or approvals taken by the Local Authorities or ESMA in relation to a Covered CCP, including changes to the relevant obligations and requirements to which the Covered CCPs are subject that may impact the Covered CCPs' continued compliance with the Recognition Conditions.
4. *Notification.* ESMA or the relevant Local Authority shall seek to inform, respectively, the relevant Local Authority/ies or ESMA as soon as practicable of:
- a) any known material event that could adversely impact the financial or operational stability of a Covered CCP, including where the Covered CCP is deemed to be in breach of the conditions of any license, registration, authorisation or recognition, or of any Laws and Regulations to which it is subject;
 - b) enforcement or regulatory actions or sanctions, including the withdrawal, revocation, suspension or modification of any license, registration, authorisation or recognition concerning or related to a Covered CCP and which may have a material effect on the Covered CCP;
 - c) any material extension of the range of activities and services that a Covered CCP provides with respect to current or new asset classes or current or new European Union trading venues;
 - d) material changes to the Laws and Regulations to which the Covered CCPs are subject;
 - e) in respect of notification by ESMA to the Local Authority/[ies], any permission or approval granted to a Covered CCP to provide clearing services to clearing members, trading venues or, when known to the Covered CCP, clients established in the European Union, including in respect of branches of entities established in the European Union; and
 - f) in respect of notification by ESMA to the Local Authority/[ies], any request to a Covered CCP to observe a measure that ESMA has adopted to ensure compliance with the Recognition Conditions, or to cease a practice that ESMA determines is contrary to the Recognition Conditions.

The information to be provided by an Authority pursuant to this paragraph will refer to the Covered CCPs recognized by that Authority. The determination of what constitutes "material extension", "material changes", "material event", "adversely impact" or "material effect" will be left to the reasonable discretion of the Authority providing the information.

5. *Exchange of Written Information.* Each Authority, upon written request, intends to provide the Requesting Authority with assistance in endeavouring to obtain information not otherwise available to the Requesting Authority and, where needed, interpreting such information so as to enable the Requesting Authority to assess compliance with the Laws and Regulations to which the Covered CCPs are subject, provided that the Requested Authority is authorised to collect such information. Such requests shall be made pursuant to Article 4 of this MoU, and the Authorities anticipate that such requests will be made in a manner that is consistent with the goal of minimising administrative burdens.

The information covered by this paragraph includes without limitation:

- a) information that would assist the Requesting Authority in verifying that a Covered CCP complies with the relevant obligations and requirements of the Laws and Regulations of the Requesting Authority;

- b) information that would assist ESMA in verifying compliance with its request to a Covered CCP to observe a measure that ESMA has adopted to ensure compliance with the Recognition Conditions or to cease a practice that ESMA determines is contrary to the Recognition Conditions;
- c) information that would assist the Requesting Authority in understanding changes to the relevant obligations and requirements to which the Covered CCPs are subject under the Laws and Regulations of the Requested Authority;
- d) information relevant to the financial and operational conditions of a Covered CCP, which might include periodic reports submitted directly by a Covered CCP to an Authority;
- e) relevant regulatory information and filings that a Covered CCP is required to provide to an Authority; and
- f) regulatory reports and assessments, or findings or information contained therein, prepared by an Authority in respect of a Covered CCP.

Article 4

Execution of requests for information

1. To the extent possible, a request for written information pursuant to Article 3(5) should be made in writing (which may be transmitted electronically) and addressed to the relevant contact person identified in the Appendix. A request generally should specify at least the following:
 - a) the information sought by the Requesting Authority;
 - b) a concise description of the matter that is the subject of the request and the purpose for which the information is sought, including the Laws and Regulations applicable to the activity;
 - c) to whom, if anyone, including any Governmental Entity, onward disclosure of information is likely to be necessary and the reason for such disclosure; and
 - d) the desired time period for reply and, where appropriate, the urgency thereof.
2. In Emergency Situations, the ESMA or the relevant Local Authority/ies shall endeavour to notify, respectively, the relevant Local Authority/ies or ESMA of the Emergency Situation and communicate information between each other as deemed appropriate in the particular circumstances, taking into account all relevant factors, including the status of efforts to address the Emergency Situation. During Emergency Situations, requests for information may be made in any form, including orally, provided such communication is confirmed in writing as promptly as possible following such notification.

Article 5

On-site Inspections

1. ESMA does not intend to conduct any On-site Inspection of the Covered CCPs as part of its monitoring of the ongoing compliance by Covered CCPs with the Recognition Conditions, since under Article 25(6) of EMIR, the European Commission has adopted an Implementing Decision determining that the legal and supervisory arrangements of the Local Authorities ensure that Covered CCPs comply with legally binding requirements which are equivalent to the requirements of EMIR, that Covered CCPs are subject to effective supervision and enforcement in the provinces of Manitoba, Ontario or Québec on an ongoing basis, and that the legal framework of the Local Authorities provides for an effective equivalent system for the recognition of CCPs authorised under the legal regime of third countries.
2. Given that ESMA, in respect of Covered CCPs, relies on the supervision and enforcement capabilities of the Local Authorities, which supervise and enforce compliance with the Local Authorities' Laws and Regulations, any On-site Inspections by ESMA officers will only be considered in exceptional circumstances and subject to the prior agreement of the Local Authorities.
3. In such exceptional circumstances, the Authorities should discuss and reach understanding on the terms regarding an On-site Inspection by ESMA officers, in particular in determining the respective roles and responsibilities of the Authorities. ESMA will act in accordance with the following procedure before conducting an On-site Inspection:

- a) ESMA will consult the Local Authorities with a view to reaching an understanding on the intended timeframe for, and the purpose and scope of, any On-site Inspection. The Local Authorities may, in their discretion, accompany or assist the visiting ESMA officers during the On-site Inspection.
- b) When establishing the scope of any proposed On-site Inspection by ESMA officers, ESMA will consider the supervisory activities of the Local Authorities given ESMA's reliance on the supervision and enforcement capabilities of the Local Authorities in respect of Covered CCPs and will consider any information that was made available or is capable of being made available by the Local Authorities.
- c) Upon request, the Local Authorities will assist ESMA in reviewing, interpreting and analysing the contents of public and non-public Books and Records and obtaining information from directors and senior management of a Covered CCP.

Article 6

Permissible uses of information

1. The Requesting Authority may use non-public information obtained under this MoU solely for the purpose of ensuring, monitoring or assessing compliance with the Laws and Regulations of the Requesting Authority.
2. Before using non-public information furnished under this MoU for any purpose other than that stated in Article 6(1), the Requesting Authority must obtain the written consent of the Requested Authority for the intended use. If consent is denied by the Requested Authority, the Authorities will consult to discuss the reasons for withholding approval of such use and the circumstances, if any, under which the intended use by the Requesting Authority might be allowed.
3. If an Authority ("Receiving Authority") receives, via a third party that is not a signatory to this MoU, non-public information originally provided by the other Authority ("Disclosing Authority") that is related to the Disclosing Authority's supervision and oversight of a Covered CCP and that the Receiving Authority is aware it was obtained by the third party from the Disclosing Authority on a confidential basis, the Receiving Authority will use and treat the information in accordance with the terms of this MoU.
4. The restrictions in this Article do not apply to an Authority's use of information it obtains directly from a Covered CCP.

Article 7

Confidentiality and onward sharing of information

1. Except as provided in Article 7(2)-(4) or pursuant to a legally enforceable demand, each Authority will keep confidential and agree not to disclose, to the extent permitted by law, non-public information received under this MoU, requests made under this MoU, the contents of such requests, and any other matters arising under this MoU. The terms of this MoU are not confidential.
2. Each Local Authority may share non-public information obtained under this MoU with another Local Authority so long as that other Local Authority uses and treats that information in accordance with this MoU.
3. As required by law or authorised by law, it may become necessary for a Requesting Authority to share non-public information obtained under this MoU with a Governmental Entity in its jurisdiction. In such circumstances and to the extent permitted by law:
 - a) The Requesting Authority intends to notify the Requested Authority; and
 - b) Prior to the Requesting Authority sharing the non-public information, the Requesting Authority will provide adequate assurances to the Requested Authority concerning the Governmental Entity's use and confidential treatment of the information, including, as necessary, assurances that:
 - i. The Governmental Entity has confirmed that it requires the information for the purpose of enabling it to fulfil its responsibilities and mandates as described in Article 1; and
 - ii. The information will not be shared by the Governmental Entity with other parties without getting the prior written consent of the Requested Authority.

4. The requirements in Article 7(3) do not apply where the Requesting Authority shares non-public information obtained under this MoU with a Governmental Entity that falls within the scope of Article 1(h)(i)(b), so long as the Local Authority ensures that such Governmental Entity uses and treats that information in accordance with this MoU.
5. Except as provided in Article 7(2) or (3) if disclosure is otherwise required by law, the Requesting Authority must obtain the prior written consent of the Requested Authority before disclosing non-public information received under this MoU to any non-signatory to this MoU. The Requested Authority will take into account the level of urgency of the request and respond in a timely manner. During an Emergency Situation, consent may be obtained in any form, including orally, provided such communication is confirmed in writing as promptly as possible following such notification. If consent is denied by the Requested Authority, the Requesting and Requested Authorities will consult to discuss the reasons for withholding approval of such disclosure and the circumstances, if any, under which the intended disclosure by the Requesting Authority might be allowed.
6. To the extent possible, the Requesting Authority should notify the Requested Authority of any legally enforceable demand for non-public information that has been furnished under this MoU. When complying with the demand, the Requesting Authority intends to assert all appropriate legal exemptions or privileges with respect to such information as may be available.
7. The Authorities intend that the sharing or disclosure of non-public information, including deliberative and consultative materials, pursuant to the terms of this MoU, will not constitute a waiver of privilege or confidentiality of such information.
8. The Authorities acknowledge that nothing in this Article 7 prevents an Authority from disclosing information it receives directly from a Covered CCP.

Article 8

Successor authorities

1. Where the relevant functions of an Authority are transferred or assigned to another authority or authorities, the terms of the MoU shall apply to the successor authority or authorities performing those relevant functions, such successor authority or authorities shall become a signatory or signatories to this MoU without the need for any further amendment to this MoU, and notice will be provided to the other Authorities. This will not affect the right of any Authority to give prior written notice as provided in Article 11(2) that it no longer wishes to be a signatory to this MoU if it wishes to do so.

Article 9

Amendments

1. The Authorities intend to periodically review the functioning and effectiveness of cooperation arrangements between the Authorities. This MoU may be amended with the written consent of all signatories.

Article 10

Execution of the MoU

1. This MoU will enter into force on the date that it is signed by the Authorities except for the OSC, where it will enter into force on the date when endorsement by the respective Ministry in accordance with the applicable legislation is notified to the other parties by the OSC.

Article 11

Termination

1. This MoU will remain operative for an unlimited period of time.
2. If an Authority wishes to no longer be a signatory to this MoU, it shall provide thirty (30) calendar days prior written notice to the other Authorities.

3. If an Authority gives such notice, the other Authorities will consult concerning the disposition of any pending requests made pursuant to this MOU. If an agreement cannot be reached through consultation, cooperation will continue with respect to all requests for assistance that were made under the MoU before the expiration of the 30-day period until all requests are fulfilled or the Requesting Authority withdraws such request(s) for assistance.
4. In the event of termination of this MoU, information obtained under this MoU will continue to be treated in the manner described under Articles 6 and 7.
5. If this MoU is terminated without being substituted in a reasonable timeframe by an equivalent arrangement, pursuant to Article 25 of EMIR, ESMA will consider the withdrawal of recognition of the Covered CCPs.

Signatures

Date: 30/11/2015

| | |
|---|--|
| European Securities and Markets Authority <i>“Steven Maijoor”</i> Steven Maijoor Chairman | Ontario Securities Commission <i>“Monica Kowal”</i> Monica Kowal, Acting Chair |
| Autorité des marchés financiers <i>“Louis Morisset”</i> Louis Morisset President and Chief Executive Officer | Manitoba Securities Commission <i>“Donald G. Murray”</i> Donald G. Murray Chair |

Appendix

Contact Persons

| European Securities and Markets Authority | Ontario Securities Commission |
|---|--|
| Name: Fabrizio Planta Telephone: +33 1 5836 4270 Email: fabrizio.planta@esma.europa.eu | Name: Director, Office of Domestic and International Affairs Telephone: (416) 593-8131 Email: mourequest@osc.gov.on.ca |
| Autorité des marchés financiers | Manitoba Securities Commission |
| Name: Corporate secretary Telephone: (514) 395-0337 ext.2517 Email: anne-marie.beaudoin@lautorite.qc.ca | Name: Chris Besko, Director Telephone: (204)-945-2561 Email: chris.besko@gov.mb.ca |

1.2 Notices of Hearing

1.2.1 Argosy Securities Inc. and Keybase Financial Group Inc. – s. 8

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

AND

**IN THE MATTER OF
ARGOSY SECURITIES INC. and
KEYBASE FINANCIAL GROUP INC.**

**NOTICE OF HEARING
(Section 8)**

TAKE NOTICE THAT the Ontario Securities Commission (the “Commission”) will hold a hearing at the offices of the Commission at 20 Queen Street West, 17th Floor, on January 15 and 18, 2016 at 10:00 a.m., or as soon thereafter as the hearing can be held;

TO CONSIDER a request made by Argosy Securities Inc. and Keybase Financial Group Inc., pursuant to section 8 of the *Securities Act*, R.S.O., c. S.5, as amended, for a hearing and review of a decision of a Director of the Compliance and Registrant Regulation Branch dated August 18, 2015;

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

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

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

ET AVIS EST ÉGALEMENT DONNÉ PAR LA PRÉSENTE que l’avis d’audience est disponible en français, que la participation à l’audience peut se faire en français ou en anglais et que les participants doivent aviser le Bureau du secrétaire par écrit le plus tôt possible avant l’audience si le participant demande qu’une instance soit tenue entièrement ou partiellement en français.

DATED at Toronto, this 22nd day of December, 2015.

“Josée Turcotte”
Secretary to the Commission

1.5 Notices from the Office of the Secretary

1.5.1 Argosy Securities Inc. and Keybase Financial Group Inc.

**FOR IMMEDIATE RELEASE
December 22, 2015**

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

AND

**IN THE MATTER OF
ARGOSY SECURITIES INC. and
KEYBASE FINANCIAL GROUP INC.**

TORONTO – The Ontario Securities Commission will hold a hearing to consider a request made by Argosy Securities Inc. and Keybase Financial Group Inc., pursuant to section 8 of the *Securities Act*, R.S.O., c. S.5, as amended, for a hearing and review of a decision of a Director of the Compliance and Registrant Regulation Branch dated August 18, 2015.

The hearing will be held on January 15 and 18, 2016 at 10:00 a.m. on the 17th floor at the offices of the Commission at 20 Queen Street West, Toronto, or as soon thereafter as the hearing can be held.

A copy of the Notice of Hearing dated December 22, 2015 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOSÉE TURCOTTE
SECRETARY

For media inquiries:

media_inquiries@osc.gov.on.ca

For investor inquiries:

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

1.5.2 Weizhen Tang

FOR IMMEDIATE RELEASE
December 22, 2015

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

AND

**IN THE MATTER OF
WEIZHEN TANG**

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

- (a) Tang shall file witness statements for the witnesses he intends to request the Commission to summons by no later than January 8, 2016, setting out the names of the witnesses, their addresses, and disclosing the substance of their anticipated evidence at the Merits Hearing;
- (b) Tang shall not be permitted to file a Hearing Brief without leave of the Panel; and
- (c) A further pre-hearing conference is scheduled for January 18, 2016 at 9:00 a.m.

A copy of the Order dated December 18, 2015 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOSÉE TURCOTTE
SECRETARY

For media inquiries:

media_inquiries@osc.gov.on.ca

For investor inquiries:

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

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Front Street U.S. MLP Income Fund Ltd. et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – approval granted under NI 81-102 for reorganization of a non-redeemable investment fund that will result in securityholders becoming securityholders of a mutual fund – approval needed because pre-approval conditions for mergers won't be met because investment objectives and fee structure not substantially similar – merger will result in lower management and counterparty fees for terminating fund securityholders – merger to otherwise comply with pre-approval criteria, including securityholder, IRC approval.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 5.5(1)(b), 5.7(1)(b).

December 18, 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
FRONT STREET U.S. MLP INCOME FUND LTD.
(the Terminating Fund)

AND

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS
(Continuing Fund, and together with the Terminating Fund, the Funds or individually a Fund)

AND

FRONT STREET CAPITAL 2004
(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**) for approval (the **Approval Sought**) under subsection 5.5(1)(b) of National Instrument 81-102 *Investment Funds* (**NI 81-102**) of the proposed merger of the Terminating Fund into the Continuing Fund (the **Merger**).

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

- (i) the Ontario Securities Commission is the principal regulator (**Principal Regulator**) for this application; and

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

Interpretation

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

Representations

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

The Filer

1. The head office of each of the Filer and the Funds is located in Toronto, Ontario. The Filer is the manager of both Funds, and is also the portfolio manager of the Terminating Fund and the investment advisor of the Continuing Fund, providing investment advisory services to both Funds in such capacity.
2. Both of the Funds are reporting issuers in each of the Jurisdictions. Neither the Filer nor the Funds is in default of securities legislation in any of the Jurisdictions.

The Terminating Fund

3. The Terminating Fund is a closed-end investment fund operating under the laws of Canada.
4. The Terminating Fund is authorized to issue 200 class A shares and an unlimited number of equity shares issuable in series, of which two series of equity shares (the series C shares and the series U shares) have been created. A trust (**FSUSMLP Trust**) established for the benefit of the shareholders of the Terminating Fund owns all of the issued and outstanding class A shares (voting, non-participating) of the Terminating Fund.
5. The Terminating Fund's investment objectives are:
 - (i) to provide shareholders of the Terminating Fund with quarterly tax-advantaged cash distributions and long-term capital appreciation, through its economic exposure to the performance of an actively managed, diversified notional portfolio (the **FSUSMLP MLP Portfolio**) of energy infrastructure master limited partnerships (**MLPs**) that are U.S. limited partnerships or limited liability companies that are (a) publicly traded on U.S. securities exchanges and (b) primarily engaged in the transportation, storage, processing, refining, marketing, exploration and production and mining of minerals or natural resources; and
 - (ii) seek to provide Canadian investors with the benefits of exposure to the MLP asset class, including (a) high levels of cash distributions, (b) the opportunity for capital appreciation, and (c) protection against inflation, as the revenues of many MLPs are linked to the U.S. Producer Price Index or other inflation indices pursuant to U.S. federal regulation.
6. In order to obtain such economic exposure and to create certain tax advantages, the Terminating Fund is party to two forward purchase and sale agreements (together, the **Forward Agreements**) entered into with a Canadian chartered bank (the **Counterparty**).
7. Pursuant to the Forward Agreements, the Counterparty has agreed to pay to the Terminating Fund, as the purchase price for the applicable portfolio of common shares of Canadian public companies, an amount based on the value of the FSUSMLP MLP Portfolio on the applicable settlement date, subject to any applicable costs in the event of early termination of the applicable Forward Agreement and net of leverage.
8. On March 21, 2013, the Canadian government announced, through its federal budget, that, following a transitional period ending on December 31, 2014, it would eliminate certain tax benefits in investment funds, such as the Terminating Fund, that use forward agreements to convert income to capital gains for tax purposes. Accordingly the Terminating Fund will not be able to enter into a new forward agreement to create the same tax advantages that were available under the Forward Agreements.
9. On December 9, 2015, the Filer will settle the Forward Agreement scheduled to be settled on such date and, if the Merger is approved, will also terminate the Forward Agreement scheduled to be settled on May 20, 2016. Accordingly, at the time of the Merger, the Terminating Fund will be invested entirely in cash.

10. The Filer intends to hold a special meeting of the shareholders of the Terminating Fund to consider and, if thought fit, to approve, among other things, the Merger, by way of an amalgamation under the *Canada Business Corporations Act* (the **CBCA**), on or about January 29, 2016.

The Continuing Fund

11. Front Street Mutual Funds Limited (**FSMFL**) is a multi-class mutual fund corporation operating under the laws of Canada. FSMFL offers the Continuing Fund.
12. The Continuing Fund offers series A, B, F, I, X, UB, UF and UI shares. The Continuing Fund is authorized to issue an unlimited number of shares of each such series.
13. The Continuing Fund's investment objective is to provide stable and long-term capital appreciation and income by investing primarily in, or providing economic exposure to, the securities of North American issuers that collect revenue based on the transportation of commodities between producers and consumers in sectors such as pipelines, terminals, marine transportation and midstream services energy infrastructure sector, including energy infrastructure MLPs that are U.S. limited partnerships or limited liability companies that are (a) publicly traded on U.S. securities exchanges and (b) primarily engaged in the transportation, storage, processing, refining, marketing, exploration and production and mining of minerals or natural resources.
14. In order to obtain such economic exposure, the Continuing Fund will enter into one or more equity swaps with a U.S. financial institution as counterparty.
15. The Filer intends to hold a special meeting of the shareholders of the Continuing Fund to consider and, if thought fit, to approve, among other things, the amalgamation of the Continuing Fund and the Terminating Fund on or about January 29, 2016.

The Merger

16. A press release and a material change report in respect of the proposed Merger were filed on SEDAR under the Terminating Fund's profile on October 29, 2015 and November 6, 2015, respectively.
17. As required under National Instrument 81-107 *Independent Review Committee for Investment Funds (NI 81-107)*, on October 8, 2015 the Funds' Independent Review Committee (**IRC**) reviewed the potential conflict of interest matters related to the proposed Merger and evaluated whether the proposed Merger, if implemented, would achieve a fair and reasonable result for each of the Funds and the IRC approved the Merger as to such matters.
18. Approval of the Mergers is required because the Mergers do not satisfy all of the criteria for preapproved reorganizations and transfers as set out in section 5.6 of NI 81-102, namely because: (i) a reasonable person may not consider the fundamental investment objectives of the Funds to be "substantially similar"; and (ii) a reasonable person may not consider the fee structure of the Funds to be "substantially similar".
19. Shareholders of the Terminating Fund and the Continuing Fund will be asked to approve the Merger at the special meetings scheduled to be held on or about December 21, 2015.
20. Notices of the meetings, management information circulars and proxies in connection with the special meetings were mailed to shareholders of the Funds on November 18, 2015 and filed via SEDAR.
21. The management information circular of the Terminating Fund includes information about tax implications of the Merger, as well as the differences between the Terminating Fund and the Continuing Fund. It also includes the fund facts document for the applicable series of shares of the Continuing Fund. Accordingly, shareholders of the Terminating Fund will have an opportunity to consider this information prior to voting on the Merger.
22. The Filer currently expects to implement the Merger on or about January 29, 2016. If approval of the shareholders of either Fund is not obtained, the Filer will consider whether the Terminating Fund should be terminated on the expiry of the Forward Agreement on May 20, 2016.
23. The Filer will pay for the costs of the Merger. These costs consist mainly of legal, proxy solicitation, printing, mailing and regulatory fees, as well as the costs of implementing the Merger.
24. Following the Merger, the Continuing Fund will continue as a publicly offered open-end mutual fund.

25. Pursuant to the Merger:
- a. holders of series C shares of the Terminating Fund will receive series MC shares of the Continuing Fund, the terms and conditions attaching to such series MC shares being substantially the same as those attaching to the series F shares of the Continuing Fund;
 - b. holders of series U shares of the Terminating Fund will receive series MU shares of the Continuing Fund, the terms and conditions attaching to such series MU shares being substantially the same as those attaching to the series UF shares of the Continuing Fund; and
 - c. holders of class A shares of the Terminating Fund will receive class A shares of FSMFL and it is intended that the FSUSMLP Trust will redeem such class A shares following completion of the Merger and the FSUSMLP Trust will be wound up.
26. The fees of the applicable series of the Continuing Fund which shareholders of the Terminating Fund will receive are lower than the fees of the applicable series of the Terminating Fund.
27. No sales charges will be payable by shareholders of the Terminating Fund in connection with the Merger.

Procedure for the Merger

28. The proposed Merger will be structured according to the steps set out below:
- a. the shareholders of each of the Funds will be asked to consider and, if thought fit, to approve the Merger of the Funds by way of a statutory amalgamation under the CBCA;
 - b. upon the Merger, the portfolio assets of the Terminating Fund, which will be entirely cash, will be transferred to the Continuing Fund in return for the issuance to the Terminating Fund of such number of shares of the Continuing Fund as is equal to the value of the cash transferred divided by the Continuing Fund's then applicable net asset value per share;
 - c. pursuant to the amalgamation agreement to be entered into between the Terminating Fund and the Continuing Fund as contemplated by section 182 of the CBCA, shareholders of the Terminating Fund will receive the number of shares of the corresponding series of the Continuing Fund *pro rata* to their shareholdings in the Terminating Fund immediately prior to the Merger;
 - d. the Terminating Fund will cease to exist following the amalgamation and a notice pursuant to section 2.10 of NI 81-102 will be filed on the Terminating Fund's SEDAR profile.

Benefits of the Merger

29. The Filer believes that the Merger will be beneficial to shareholders of the Funds for the following reasons:
- a. although the Merger may result in the expiry of capital losses carried forward of the Terminating Fund, the amalgamation of the Funds will be a tax-deferred transaction and will not give rise to tax in either of the Funds. In addition, shareholders of the Terminating Fund who hold shares of the Terminating Fund as capital property will not realize a capital gain or capital loss as a result of the exchange of shares of the Terminating Fund for shares of the Continuing Fund on the amalgamation;
 - b. given the elimination of the tax benefits for which the Terminating Fund was structured, it no longer makes sense to continue to operate both the Terminating Fund and the Continuing Fund as the Terminating Fund will no longer provide an additional tax benefit to investors; once the transitional grandfathering for derivative forward agreements entered into prior to March 21, 2013 ceases to apply, there is no reasonably foreseeable reason why a shareholder would be better off in the Terminating Fund relative to Continuing Fund, as shareholders will participate in a fund with similar investment objectives. The Manager believes that the Continuing Fund will facilitate an improved after-tax outcome for shareholders of the Terminating Fund, especially after consideration of the other options of: (i) leaving shareholders in the soon to be tax-ineffective Terminating Fund; or (ii) simply winding down the Terminating Fund;
 - c. the Manager also believes that shareholders of a larger combined Continuing Fund will enjoy increased economies of scale and corresponding lower operating expenses (which are borne directly by shareholders);

- d. the Continuing Fund will charge a management fee for each series of shares that is lower than the fees charged by the corresponding series of shares of the Terminating Fund;
- e. shares of the Terminating Fund can only be redeemed on an applicable monthly or annual redemption date. Shares of the Continuing Fund are redeemable daily;
- f. the valuation procedures for both Funds are substantially similar as for each Fund the net asset value of the Fund on a particular date will be equal to (i) the Fund's total assets, less (ii) the aggregate value of the liabilities of the Fund. The net asset value for a particular series of a Fund will be calculated by dividing (x) the net asset value of the Fund attributable to the applicable series by (y) the total number of shares of that series issued and outstanding, such valuation is made daily for both Funds; and
- g. shares of the Terminating Fund are, and it is expected that shares of the Continuing Fund will be after the Merger, qualified investments under the *Income Tax Act* (Canada) for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans, deferred profit sharing plans, registered disability plans and tax-free savings accounts.

Redemption Right

- 30. Shareholders of the Terminating Fund were provided with a right to redeem their shares at a price equal to their net asset value per security prior to the effective date of the Merger, on the Terminating Fund's annual redemption date, in November.

Decision

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

The decision of the Principal Regulator under the Legislation is that the Approval Sought is granted.

"Stephen Paglia"
Acting Manager, Investment and Structured Products Branch
Ontario Securities Commission

2.1.2 Aquinox Pharmaceuticals, Inc.

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions.

National Instrument 44-101, Short Form Prospectus Distributions, section 8.1 and National Instrument 44-102 Shelf Distributions, section 11.1(1) – Qualification – An issuer that does not meet the eligibility criteria in section 2.2 or 2.3 of NI 44-101 or because it does not have securities listed on an exchange in Canada wants to use the short form prospectus system; the issuer is a reporting issuer in Canada; the issuer's shares are listed on NASDAQ and are not listed on a Canadian exchange; the issuer is subject to the reporting requirements of the United States Securities Exchange Act of 1934.

Applicable Legislative Provisions

National Instrument 44-101 Short Form Prospectus Distributions, s. 8.1(1).

National Instrument 44-102 Shelf Distributions, s. 11.1(1).

December 22, 2015

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

AND

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

AND

**IN THE MATTER OF
AQUINOX PHARMACEUTICALS, INC.
(the Filer)**

DECISION

Background

1 The securities regulatory authority or regulator in each of the Jurisdictions (Decision Makers) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that the qualification criteria in subsection 2.2(e) of National Instrument 44-101 *Short Form Prospectus Distributions* (NI 44-101) and subsections 2.2(1), 2.2(2) and 2.2(3)(b)(iii) of National Instrument 44-102 *Shelf Distributions* that the equity securities of the Filer be listed and posted for trading on a short form eligible exchange (as defined in NI 44-101) does not apply to the Filer (the Requested Relief).

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

- (a) the British Columbia Securities Commission is the principal regulator for this application;
- (b) the Filer has provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in Alberta; and
- (c) this decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

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

Representations

- 3 This decision is based on the following facts represented by the Filer:
1. the Filer is a corporation existing under the laws of Delaware and its head office is located in British Columbia;
 2. the Filer is a clinical-stage pharmaceutical company focused on discovering and developing targeted therapeutics in disease areas of inflammation and immuno-oncology;
 3. the Filer is, and has been for the last 12 months, a reporting issuer in British Columbia, and is not in default of any of its obligations as a reporting issuer under the securities legislation of British Columbia;
 4. the Filer is subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, of the United States and is not in default of any requirement of applicable securities laws of the United States;
 5. the Filer's authorized capital consists of 50,000,000 shares of common stock and 5,000,000 shares of preferred stock, of which 17,211,986 shares of common stock and no shares of preferred stock were issued and outstanding as of December 14, 2015;
 6. the common stock of the Filer is quoted for trading on The NASDAQ Global Market (NASDAQ) under the symbol "AQXP", but is not listed and posted for trading on any stock exchange in Canada;
 7. a short form eligible exchange is defined in NI 44-101 as the Toronto Stock Exchange, Tier 1 and Tier 2 of the TSX Venture Exchange, Aequitas NEO Exchange Inc. or the Canadian Securities Exchange; and
 8. the Filer satisfies the basic qualification criteria in section 2.2 of NI 44-101, other than having its securities listed and posted for trading on a short form eligible exchange.

Decision

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

The decision of the Decision Makers under the Legislation is that the Requested Relief is granted provided that:

- (a) the Filer complies with all applicable requirements, procedures and qualification criteria of NI 44-101, other than the requirement in subsection 2.2(e) of NI 44-101 that the Filer's equity securities be listed and posted for trading on a short form eligible exchange; and
- (b) the common stock of the Filer is listed and posted for trading on NASDAQ on the date of filing by the Filer of a final short form prospectus in the Jurisdictions pursuant to NI 44-101.

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

2.1.3 Arrow Capital Management Inc. and Exemplar Yield Fund

Headnote

NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Approval of mutual fund merger – approval required because merger does not meet the criteria for pre-approved reorganizations and transfers in National Instrument 81-102 – a reasonable person may not consider the merging funds to have substantially similar investment objectives – investors of terminating fund provided with timely and adequate disclosure regarding the merger.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 5.5(1)(b), 5.5(3), 5.6, 5.7.

November 26, 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
ARROW CAPITAL MANAGEMENT INC.
(the Filer)

AND

EXEMPLAR YIELD FUND
(the Terminating Fund)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Terminating Fund for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) approving the proposed merger (the **Merger**) of the Terminating Fund into Exemplar Growth and Income Fund (the **Continuing Fund**, and together with the Terminating Fund, the **Funds**) pursuant to paragraph 5.5(1)(b) of National Instrument 81-102 *Investment Funds* (**NI 81-102**) (the Approval Sought).

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

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

Interpretation

Terms defined in MI 11-102, National Instrument 14-101 *Definitions* and NI 81-102 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 in respect of the Filer and the Funds:

The Filer and the Funds

1. The Filer is a corporation existing under the laws of Ontario having its registered head office in Toronto, Ontario.
2. The Filer is registered in the following categories in the jurisdictions as indicated below:
 - (a) Ontario: Portfolio Manager (**PM**), Investment Fund Manager (**IFM**), Exempt Market Dealer (**EMD**) and Commodity Trading Manager under the *Commodity Futures Act* (Ontario);
 - (b) Alberta: EMD;
 - (c) British Columbia: EMD;
 - (d) Quebec: EMD and IFM; and
 - (e) Newfoundland and Labrador: IFM.
3. The Filer is the investment fund manager and portfolio manager of each of the Funds.
4. Each of the Funds is an open-end mutual fund trust established under the laws of Ontario by a declaration of trust pursuant to which the Filer is the trustee. The head office of each Fund is located in Toronto, Ontario.
5. Each of the Funds is a reporting issuer under the applicable securities legislation of all the provinces and territories in Canada, other than Nunavut, and subject to NI 81-102.
6. The various series of the Terminating Fund and the Continuing Fund are qualified for distribution in the Jurisdiction and the Passport Jurisdictions pursuant to the simplified prospectus and annual information form of the Funds, and of the other mutual funds forming part of the Exemplar Mutual Funds fund family, dated June 29, 2015. Securities of the Funds are not distributed in Nunavut.
7. Neither the Filer nor either of the Funds is in default of securities legislation in any jurisdiction of Canada.

The Meeting and Proposed Merger

8. In its capacity as the manager of the Funds, the Filer is proposing to merge the Terminating Fund into the Continuing Fund.
9. The unitholders of the Terminating Fund and of the Continuing Fund will be asked to approve the Merger at a joint meeting of the unitholders of the Terminating Fund and of the Continuing Fund expected to be held on or around November 27, 2015, but for greater clarity, the unitholders of each Fund will be asked to approve the proposed Merger separately.
10. Subject to receipt of the unitholder approvals and the Approval Sought, the Merger is expected to occur on or about November 30, 2015 or as soon as practicable thereafter (the **Effective Date**).
11. If the respective unitholder approvals are not received at the joint meeting in respect of the Terminating Fund and the Continuing Fund, then the Merger will not proceed.
12. The Merger will be completed as a "qualifying exchange" or a tax-deferred transaction under the *Income Tax Act* (Canada) (the **Tax Act**), and the proposed procedure to effect the Merger is as follows:
 - (a) Any investment held by the Terminating Fund that is not consistent with the investment objective of the Continuing Fund or acceptable to the portfolio manager of the Continuing Fund will be sold prior to the Effective Date. As a result, the Terminating Fund will temporarily hold cash and/or money market instruments and will not be invested in accordance with its investment objectives for a brief period of time prior to the Merger. The value of any investment sold prior to the Effective Date will depend on prevailing market conditions.

Decisions, Orders and Rulings

- (b) Prior to the Merger, each of the Terminating Fund and the Continuing Fund will distribute to their respective unitholders sufficient net income and net realized capital gains so that neither of the Funds will be subject to tax under Part I of the Tax Act for the taxation year ended at the time of the Merger.
 - (c) On the Effective Date, the Terminating Fund will transfer all of its assets less an amount required to satisfy the liabilities of the Terminating Fund, to the Continuing Fund, in exchange for units of the Continuing Fund. The units of the Continuing Fund received by the Terminating Fund will have an aggregate net asset value (NAV) equal to the value of the net assets transferred by the Terminating Fund.
 - (d) Immediately following the above-noted transfer, the Terminating Fund will redeem its outstanding units and distribute the units of the Continuing Fund received by the Terminating Fund to unitholders of the Terminating Fund, in exchange for all such unitholders' existing units of the Terminating Fund on a series-for-series and dollar-for-dollar basis, as follows:
 - (i) Unitholders of Series A, Series F and Series I units of the Terminating Fund will receive Series A, Series F and Series I units of the Continuing Fund, respectively, and such corresponding series of units have the same rate of management fee and, except as described in the Information Circular (defined below), are otherwise the same.
 - (ii) Since the management fee rate is 2.25% of series NAV per annum for Series L units of the Terminating Fund and is 2.30% of series NAV per annum for Series L units of the Continuing Fund, the holders of Series L units of the Terminating Fund will receive Series A units of the Continuing Fund, which are subject to a lower management fee rate of 2.00% of series NAV per annum. Unitholders owning Series L units of the Termination Fund will have their deferred sales charge schedule eliminated as a result of the Merger for units held at the Effective Date. No other series of the Terminating Fund has a deferred sales charge option.
 - (iii) As such, the management fees of each applicable series of the Continuing Fund are substantially the same as, or lower than, the management fees of the corresponding series of the Terminating Fund.
 - (e) Each unitholder of the Terminating Fund will receive the corresponding series of units of the Continuing Fund with a value equal to the value of the corresponding series of units the Terminating Fund as set out above as determined on the Effective Date.
 - (f) Immediately following the Merger, unitholders of the Terminating Fund will hold units of the Continuing Fund of a series corresponding to the series of, and of equivalent value to, their units of the Terminating Fund.
 - (g) As soon as reasonably possible following the Merger, the Terminating Fund will be wound up.
13. Costs and expenses associated with the Merger will be borne by the Filer and will not be charged to the Funds. The costs of the Merger include legal, printing, mailing and regulatory fees, as well as proxy solicitation and brokerage costs.
14. No sales charges will be payable by unitholders of the Funds in connection with the Merger.

Comparison of Terminating Fund and Continuing Fund

15. The Merger satisfies all of the requirements for pre-approved reorganizations and transfers set out in section 5.6(1) of NI 81-102, except the requirement set out in subsection 5.6(1)(a)(ii) as a reasonable person may not consider the Terminating Fund and Continuing Fund to have substantially similar investment objectives.

Unitholder Disclosure

16. A press release describing the proposed Merger has been issued and the press release, material change report, the amendment to the simplified prospectus and annual information form, the amended and restated fund facts of the Terminating Fund and the amended and restated fund facts of the Continuing Fund (the **CF Fund Facts**), all dated October 26, 2015, and which give notice of the proposed Merger, have been filed via SEDAR.
17. A notice of meeting, management information circular (the **Information Circular**), proxy and CF Fund Facts of the applicable series of each Continuing Fund (the **Meeting Materials**) were mailed to unitholders of each Fund commencing on or about October 26, 2015 and have been filed via SEDAR.

Decisions, Orders and Rulings

18. The Meeting Materials contain the CF Fund Facts, a description of the proposed Merger, information about the Terminating Fund and the Continuing Fund and a description of their differences and income tax considerations for investors of the Terminating Fund. The Meeting Materials also describe the various ways in which investors can obtain a copy of the simplified prospectus and annual information form of the Continuing Fund, as well as the most recent interim and annual financial statements and management reports of fund performance for the Continuing Fund, at no cost.
19. While the Information Circular indicated that as at September 30, 2015, the Terminating Fund (with net assets of \$5,448,674) was larger than the Continuing Fund (with net assets of \$4,559,367), as at November 11, 2015, the Terminating Fund (with net assets of approximately \$4,635,000) was smaller than the Continuing Fund (with net assets of approximately \$4,885,000). While the Filer issued and filed a press release and filed a material change report and amendment to the offering documents in respect of the proposed Merger for both Funds, and is seeking approval of investors of the Continuing Fund to the proposed Merger, the Filer does not consider the proposed Merger material for the Continuing Fund.

Unitholder Purchases and Redemptions

20. Units of the Funds are redeemable daily at their NAV per unit calculated daily.
21. Unitholders will continue to have the right to redeem their securities of the Terminating Fund up to the close of business on the last business day before the effective date of the Merger.
22. Subject to receiving the necessary approvals, including unitholder approval at the joint unitholder meeting, effective as of the close of business on November 27, 2015, the Terminating Fund will cease distribution of securities and any new purchases of securities will not be allowed. The Terminating Fund will remain closed to purchase-type transactions, except pursuant to the Terminating Fund's pre-authorized purchase program, until it is merged with the Continuing Fund on the Effective Date. All systematic programs shall remain unaffected until the business day immediately before the Effective Date.
23. Following the Merger, all optional services (such as systematic withdrawal plans) will continue to be available to investors. Unitholders of the Terminating Fund will be automatically enrolled in comparable plans with respect to their corresponding securities of the Continuing Fund unless they advise otherwise.
24. Unitholders may change or cancel any systematic program at any time and unitholders of the Terminating Fund who wish to establish one or more systematic programs in respect of their holdings in the Continuing Fund may do so following the Merger.
25. Unitholders of the Terminating Fund who elected to receive distributions in cash from the Terminating Fund before the Merger will receive distributions in cash from the Continuing Fund after the Merger.

IRC Review

26. The Filer has presented the proposed Merger to the independent review committee of the Funds (the **IRC**) and has obtained a positive recommendation that the Merger, if implemented, would achieve a fair and reasonable result for the Funds.
27. A summary of the IRC's recommendation has been included in the notice of special meeting sent to unitholders of the Terminating Fund as required by section 5.1(2) of NI 81-107.

Benefits of Merger

28. The Filer believes that the Merger is in the best interest of the Terminating Fund and the Continuing Fund and their unitholders and will be beneficial to unitholders of the Terminating Fund and the Continuing Fund for the following reasons:
 - (a) under the Merger, investors in the Terminating Fund are provided greater flexibility to decide when a disposition and possible taxable event is triggered because they have the option to redeem their units before the Merger if they so choose, or they can participate in the tax-deferred Merger and avoid a disposition and possible taxable event that would occur in connection with the liquidation of the Terminating Fund;
 - (b) the Continuing Fund is a better alternative for investors than the Terminating Fund as it provides the opportunity for greater long term growth and a more diverse portfolio;

Decisions, Orders and Rulings

- (c) the Merger will provide economies of scale by eliminating duplicative administrative and regulatory costs of operating the Terminating Fund and the Continuing Fund as separate mutual funds;
- (d) following the Merger, the Continuing Fund will have more assets allowing for increased portfolio diversification opportunities and a smaller proportion of assets set aside to fund redemptions; and
- (e) there will be a savings in brokerage charges through a merger rather than liquidating the portfolio of securities of the Terminating Fund.

Decision

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

The decision of the principal regulator under the Legislation is that the Approval Sought is granted, provided that the Filer obtains the prior unitholder approvals for the Merger at the joint meeting held for that purpose, or any adjournments thereof.

“Stephen Paglia”
Acting Manager,
Investment Funds and Structured Products Branch
Ontario Securities Commission

2.1.4 Buck Consultants Limited

Headnote

National Policy 11-203 Process for Exemptive Relief in Multiple Jurisdictions – Plan Sponsors, CAP Members, and named service provider exempted from the dealer registration and prospectus requirements in the Legislation in respect of trades in securities of mutual funds to tax-assisted and non-tax assisted savings plans (which act as ‘overflow’ savings plans connected to tax-assisted capital accumulation plans serviced by the same service provider), subject to certain terms and conditions – contributions to the non-tax assisted savings plans limited by reference to specified limits in the Income Tax Act (Canada).

Applicable Legislative Provisions

Statutes Cited

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

Rules Cited

National Instrument 81-101 Mutual Fund Prospectus Disclosure.
National Instrument 81-102 Investment Funds.
National Instrument 45-106 Prospectus and Registration Exemptions.

Published Documents Cited

Amendments to NI 45-106 – Registration and Prospectus Exemption for Certain Capital Accumulation Plans, October 21, 2005 (2005), 25 OSCB 8681.

December 15, 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
BUCK CONSULTANTS LIMITED
(the Filer)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer for a decision, on behalf of the Filer (including its respective directors, officers, representatives and employees acting on its behalf), any Plan Sponsor (as defined herein) and any Fund (as defined herein), under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) for a ruling that:

- (a) the dealer registration requirements contained in the Legislation shall not apply to the Filer (including its respective directors, officers, representatives and employees acting on its behalf) or any Plan Sponsor of a CAP (as defined herein) or a Non-Tax Assisted CAP (as defined herein) that uses the services of the Filer in respect of its CAP or Non-Tax Assisted CAP in respect of trades in the securities of the Funds to a CAP or a Non-Tax Assisted CAP sponsored by the Plan Sponsor, subject to certain terms and conditions (the **Dealer Registration Relief**); and

- (b) the prospectus requirements contained in the Legislation shall not apply in respect of the distribution of securities of Funds to CAPs or Non-Tax Assisted CAPs sponsored by the Plan Sponsor for which the Filer provides services (the **Prospectus Relief**)

(the Dealer Registration Relief and the Prospectus Relief are collectively, the **Exemption Sought**).

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

- (a) the Ontario Securities Commission is the principal regulator for 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 the jurisdictions of (i) Quebec, Newfoundland and Labrador, the Yukon Territory and Nunavut in respect of CAPs and (ii) Alberta, British Columbia, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Nunavut, the Yukon Territory and the Northwest Territories in respect of Non-Tax Assisted CAPs.

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.

For the purposes of this decision, the following terms have the following meanings:

- (a) **CAP** has the meaning given to the term “capital accumulation plan” as defined in section 1.1 of the CAP Guidelines (as defined herein), namely, a tax assisted investment or savings plan that permits the members of the CAP to make investment decisions among two or more options offered within the plan. CAPs include a defined contribution registered pension plan, a group registered retirement savings plan, a group registered education savings plan, a group tax-free savings plan or a deferred profit sharing plan, and in Quebec and Manitoba, include a simplified pension plan.
- (b) **CAP Guidelines** means the *Guidelines for Capital Accumulation Plans* published in May 2004 by the Joint Forum of Financial Market Regulators, as updated in 2009 and 2010.
- (c) **Fund** means a mutual fund as defined in section 1 of the Legislation, whether offered by prospectus or pursuant to prospectus exemptions in the Legislation, and which in both cases, comply with Part 2 of National Instrument 81-102 *Investment Funds* (**NI 81-102**), but does not include an exchange-traded fund.
- (d) **Member** means a current or former employee, or a person who belongs, or did belong, to a trade union or association, or
 - (i) his or her spouse
 - (ii) a trustee, custodian or administrator who is acting on his or her behalf, or for his or her benefit, or on behalf of, or for the benefit of, his or her spouse or
 - (iii) his or her holding entity, or a holding entity of his or her spousethat has assets in a CAP or a Non-Tax Assisted CAP and also includes any person who is eligible to participate in a CAP or Non-Tax Assisted CAP.
- (e) **Non-Tax Assisted CAP** means an investment or savings plan that meets the definition of CAP in the CAP Guidelines and that is administered in accordance with the CAP Guidelines, but for the fact that it is an investment or savings plan that is non-tax assisted.
- (f) **Plan** means, depending on the context in which it is used, a CAP or a Non-Tax Assisted CAP or both of them.
- (g) **Plan Sponsor** means any employer, trustee, trade union or association or a combination of them that establishes a CAP or a Non-Tax Assisted CAP and uses the services of the Filer in respect of such CAP or Non-Tax Assisted CAP, and includes the Filer to the extent that the Plan Sponsor has delegated some or all of its responsibilities to the Filer.

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 and is a subsidiary of Xerox Corporation, which is a reporting issuer in Ontario and other jurisdictions of Canada. Its head office is in Toronto, Ontario and it has offices also in Ottawa, Ontario and Montreal, Quebec. The Filer is not registered as a dealer, adviser or investment fund manager under the securities regulation of any jurisdiction.
2. The Filer provides human resources consulting and benefits plan administration to clients including corporate, public sector, multi-employer and not-for-profit entities. The Filer's consulting services range from advisory, technology and administrative solutions.
3. Among other things related to its principal business of human resources consulting, the Filer provides consulting services related to the needs of employers and others relating to retirement savings and retirement financial planning of their employees. The Filer has expertise in,
 - (a) Plan strategy and design, including defined benefit plans, defined contribution plans and supplemental employee retirement plans.
 - (b) Defined contribution plan consulting and technology services
 - (c) Plan governance frameworks consulting services, including oversight, reporting and documenting Plans
 - (d) Compliance and regulatory risk management
 - (e) Actuarial consulting and financial management
 - (f) Investment management consulting
 - (g) Ongoing Plan operation and administration of Plans.
4. The Filer intends to assist Plan Sponsors in initial Plan design and set up, including providing consulting services to Plan Sponsors on investment choices for the Plan. The investment choices for the Members of the Plans may include Funds, which may be publicly offered mutual funds or mutual funds distributed under private placements that are managed by various investment fund managers registered in one or more Canadian jurisdictions. The investment choices for the Plans may also be segregated funds managed by insurance companies. Where the investment choices are Funds, the Funds comply with Part 2 of NI 81-102 in respect of their investment restrictions and practices. None of the Funds will be exchange-traded funds.
5. The services that the Filer provides to Plan Sponsors also involve recordkeeping of Member data, transactions processing in respect of Member accounts, provision of Member statements as required under pension standards legislation and/or the applicable recordkeeping agreement and processing changes to Member accounts such as termination, death, retirement or a change in marital status. The Filer will also allow Members to call for information about the Plan through its call centre and will facilitate access to a variety of self-help tools that allow Members to make investment decisions regarding their investments held through the Plans.
6. The Filer does not engage in discretionary decision making with respect to the Plans or Member accounts and does not select investments for the Plans or provide investment advice to Members. The Filer does not manage or administer any of the Funds, nor does it provide custodial services in respect of the Plans or the Funds.
7. Members will make initial investment decisions to invest in Funds chosen by the Plan Sponsor, although the Plan Sponsor may establish a default option if the Member fails to make an investment choice, and subsequent changes to those investment decisions, with or without the assistance of a registered dealer selected by the Member. Plan Sponsors may facilitate access to a registrant for advice to Members. Member instructions are transmitted to the Filer using electronic systems provided by the Filer. The Filer will process the trades in the Funds as instructed and will establish and maintain the records reflecting the interest of each Member or Plan Sponsor, as the case may be, in each Fund and for each Plan.
8. The Filer, the Plan Sponsors and the Funds trade or will trade with the Plans or the Members in accordance with the conditions set out in proposed amendments to National Instrument 45-106 *Prospectus and Registration Exemptions* related to CAPs, which were published by the Canadian Securities Administrators (the **CSA**) on October 21, 2005 (the **Proposed CAP Exemption**) and adopted in the form of a blanket exemption in all jurisdictions, other than in Ontario,

Québec, Newfoundland and Labrador and the Yukon Territory and Nunavut Territory (the **CAP Blanket Exemption**). The Proposed CAP Exemption and the CAP Blanket Exemption contemplate both dealer registration and prospectus exemptions, where required.

9. Although no equivalent to the CAP Blanket Exemption has been adopted in the jurisdictions of Ontario, Québec, Newfoundland and Labrador, the Yukon Territory and Nunavut Territory, CSA Notice 81-405 *Request for Comment on Proposed Exemptions for Certain Capital Accumulation Plans* published on May 28, 2004 (the **CAP Staff Notice**) states that, in Ontario, the conditions described in the Proposed CAP Exemption will form the basis of the circumstances in which staff of the Ontario Securities Commission expects that they could recommend that the Ontario Securities Commission grant discretionary relief to an applicant. The jurisdictions in which no equivalent to the CAP Blanket Exemption was adopted made it clear that they would be prepared to grant discretionary relief on terms similar to those contained in the Proposed CAP Exemption. The CAP Staff Notice stated that the purpose of the Proposed CAP Exemption was to remove existing barriers to trading mutual fund securities with members of CAPs where there is no valid regulatory reason for having such barriers.
10. As Plan Sponsors will typically approach retirement consultants, such as the Filer, for assistance with respect to securities regulatory issues (when the investment choices are Funds), the Filer is seeking an exemption on behalf of itself, the Plan Sponsors and the Funds, as applicable, from the dealer and the prospectus requirements, including the obligation to deliver a prospectus, where required, provided the conditions as described in this decision are adhered to.
11. The Filer is not in default of securities legislation in any jurisdiction.
12. The Filer may be requested by a Plan Sponsor to provide services to a Non-Tax Assisted CAP established by the Plan Sponsor for the benefit of individual Members. These Non-Tax Assisted CAPs would not constitute CAPs, as defined in the CAP Guidelines, the Proposed CAP Exemption or the CAP Blanket Exemption, since they are not “tax-assisted” under applicable legislation. Non-Tax Assisted CAPs are intended as non-registered employee savings plans to which excess contributions of Members that cannot be invested in a CAP because of legislative limits for such CAP investments will be invested on behalf of the Members.
13. Non-Tax Assisted CAPs are established in conjunction with CAPs because Canadian tax legislation imposes a limit on the amounts that may be contributed to a CAP. The benefit formula under a Plan Sponsor’s benefit program sometimes results in contributions that exceed that tax limit. A Plan Sponsor may establish a Non-Tax Assisted CAP to allow for those excess contributions to be invested in the same manner as the tax assisted contributions. These excess contributions to Non-Tax Assisted CAPs are not expected to be significant and in any event will be limited by the calculation set out in the conditions to this decision and subject to the remaining conditions set out in this decision.
14. Non-Tax Assisted CAPs will operate in the same manner as CAPs in terms of the relationship between Members and Plan Sponsors, and the duties, rights and responsibilities of Members and Plan Sponsors. The only significant difference between the two types of plans is the tax assisted nature of one and not the other.
15. Each Member of a Non-Tax Assisted CAP of a Plan Sponsor that is administered by the Filer will also be a member of the Plan Sponsor’s CAP.
16. The Filer will administer the Non-Tax Assisted CAPs in accordance with the CAP Guidelines and, in the case of the Non-Tax Assisted CAPs, in a similar manner to the related CAPs for the applicable Members. The Filer will only administer Non-Tax Assisted CAPs which originate out of CAPs of a Plan Sponsor also serviced by the Filer.

Decision

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

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

1. **for the Dealer Registration Relief:**
 - (a) the Plan Sponsor selects the Funds that Members will be able to invest in under the Plans;
 - (b) the Plan Sponsor establishes a policy, and provides Members with a copy of the policy and any amendments to it, describing what happens if a Member does not make an investment decision;

- (c) in addition to any other information that the Plan Sponsor believes is reasonably necessary for a Member to make an investment decision within the Plan, and unless that information has previously been provided, the Plan Sponsor provides the Member with the following information about each Fund the Member may invest in:
- (1) the name of the Fund;
 - (2) the name of the manager of the Fund and its portfolio adviser;
 - (3) the fundamental investment objective of the Fund;
 - (4) the investment strategies of the Fund or the types of investments the Fund may hold;
 - (5) a description of the risks associated with investing in the Fund;
 - (6) where a Member can obtain more information about each Fund's portfolio holdings; and
 - (7) where a Member can obtain more information generally about each Fund, including any continuous disclosure;
- (d) the Plan Sponsor provides Members with a description and amount of any fees, expenses and penalties relating to the Plan, as the case may be, that are borne by Members, including:
- (1) any costs that must be paid when a Fund is bought or sold;
 - (2) costs associated with accessing or using any of the investment information, decision-making tools or investment advice provided by the Plan Sponsor;
 - (3) the management fees paid by the Funds;
 - (4) the operating expenses paid by the Funds;
 - (5) record keeping fees;
 - (6) any costs for transferring among investment options, including penalties, book and market value adjustments and tax consequences;
 - (7) account fees; and
 - (8) fees for services provided by the Filer,
- provided that the Plan Sponsor may disclose the fees, penalties and expenses on an aggregate basis, if the Plan Sponsor discloses the nature of the fees, expenses and penalties, and the aggregated fees do not include fees that arise because of a choice that is specific to a particular Member;
- (e) the Plan Sponsor has, within the past year, provided the Members with performance information about each Fund the Members may invest in, including:
- (1) the name of the Fund for which the performance is being reported;
 - (2) the performance of the Fund, including historical performance for one, three, five and ten years if available;
 - (3) a performance calculation that is net of investment management fees and mutual fund expenses;
 - (4) the method used to calculate the Fund's performance return calculation, and information about where a Member could obtain a more detailed explanation of that method;
 - (5) the name and description of a broad-based securities market index, selected in accordance with National Instrument 81-106 *Investment Fund Continuous Disclosure*, for the Fund, and corresponding performance information for that index; and
 - (6) a statement that past performance of the Fund is not necessarily an indication of future performance;

- (f) the Plan Sponsor has, within the past year, informed Members if there were any changes in the choice of Funds that Members could invest in and where there was a change, provided information about what Members needed to do to change their investment decision, or make a new investment;
- (g) the Plan Sponsor provides Members with investment decision-making tools that the Plan Sponsor reasonably believes are sufficient to assist them in making an investment decision within the Plan;
- (h) the Plan Sponsor must provide the information required by paragraphs (b), (c), (d) and (g) prior to the Member making an investment decision under the Plan;
- (i) if the Plan Sponsor makes investment advice from a registrant available to Members, the Plan Sponsor must provide Members with information about how they can contact the registrant;
- (j) the maximum amount that may be contributed in respect of a Member to a Non -Tax Assisted CAP in a given year is limited to any positive difference between:
 - (1) the maximum amount that the Member and the Plan Sponsor would have been able to contribute for that year to the applicable CAP under the terms of the applicable CAP if contributions to the applicable CAP were not restricted to the maximum dollar limit provided in the *Income Tax Act* (Canada) (the **ITA**); and
 - (2) the maximum dollar limit provided in the ITA for the applicable CAP,

provided that this maximum amount that may be contributed in respect of a Member to the Non-Tax Assisted CAP in a given year shall not exceed an amount equal to the “money purchase limit”, as defined in the ITA, for the year.

In this paragraph (j), the amount determined under (1) shall be no more than 18 % of the Member’s “earned income” as defined in the ITA and the “maximum dollar limit” means the “RRSP dollar limit” as defined in the ITA (in the case where the applicable CAP is an RRSP), the “money purchase limit” as defined in the ITA (in the case where the applicable CAP is a DCP), one-half of the “money purchase limit” (in the case where the applicable CAP is a DPSP) or any applicable maximum fixed dollar contribution prescribed under the ITA (in the case of any other type of CAP).

2. **for the Prospectus Relief;**

- (a) the conditions set forth in paragraph 1 above are met;
 - (b) the Funds comply with Part 2 of NI 81-102; and
 - (c) where a Member chooses to invest in a publicly available Fund selected by the Plan Sponsor as an investment option for a Non-Tax Assisted Plan, the current prospectus of the Fund and/or Fund Facts as permitted by the Legislation, will be made available, upon demand, to the Member;
3. before the first time a Fund relies on this Decision, the Fund files a notice in the form found in Appendix C of the Proposed CAP Exemption in each jurisdiction in which the Fund expects to distribute its securities;
4. this Decision, as it relates to the jurisdiction of a Decision Maker with respect to the Dealer Registration Relief will terminate upon the coming into force in securities rules of a registration exemption for trades in a security of a mutual fund to a CAP or 90 days after the Decision Maker publishes in its Bulletin a notice or a statement to the effect that it does not propose to make such a rule;
5. this Decision, as it relates to the jurisdiction of a Decision Maker with respect to the Prospectus Relief will terminate upon the coming into force in securities rules of a prospectus exemption for the distribution of a security of a mutual fund to a CAP or 90 days after the Decision Maker publishes in its Bulletin a notice or a statement to the effect that it does not propose to make such a rule.

“Sarah B. Kavanagh”
Commissioner
Ontario Securities Commission

“Anne Marie Ryan”
Commissioner
Ontario Securities Commission

2.1.5 PC Gold Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – application for a decision that the issuer is not a reporting issuer under applicable securities laws – issuer in default of its obligation to file and deliver its interim financial statements and related management’s discussion and analysis – requested relief granted.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s. 1(10)(a)(ii).
CSA Staff Notice 12-307 Applications for a Decision that an Issuer is not a Reporting Issuer.

December 23, 2015

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA AND ONTARIO
(THE “JURISDICTIONS”)**

AND

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

AND

**IN THE MATTER OF
PC GOLD INC.
(THE “FILER”)**

DECISION

Background

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

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

- (a) the Ontario Securities Commission is the principal regulator for this application, and
- (b) the decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

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

Representations

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

1. The Filer is a company incorporated under the *Business Corporations Act* (Ontario) and has its head office in Vancouver, British Columbia and its registered office in Toronto, Ontario.
2. The Filer is a reporting issuer in each of the Jurisdictions.
3. Pursuant to a plan of arrangement under the *Business Corporations Act* (Ontario) (the “**Arrangement**”) completed on November 16, 2015, the shareholders of the Filer exchanged the shares of the Filer held by them for shares of First Mining Finance Corp. (“**FMF**”). As a result of the Arrangement, the Filer became a wholly-owned subsidiary of FMF.
4. Immediately prior to the completion of the Arrangement, the Filer had 111,146,667 common shares issued and outstanding. The Filer has no outstanding securities other than the common shares.
5. The common shares of the Filer, which traded under the symbol “PKL” on the TSX Venture Exchange, were delisted effective at the close of trading on November 18, 2015.
6. The outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 securityholders in each of the jurisdictions of Canada and fewer than 51 securityholders in total worldwide.
7. No securities of the Filer, including debt securities, are traded in Canada or another country on a “marketplace” as defined in National Instrument 21-101 – *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported.
8. The Filer has no intention to seek public financing by way of an offering of securities.
9. The British Columbia Securities Commission granted the Filer non-reporting status in British Columbia effective November 30, 2015 pursuant to British Columbia Instrument 11-502 – *Voluntary Surrender of Reporting Issuer Status*.

10. The Filer is not in default of any requirement of securities legislation in any jurisdiction, except for the obligation to file in the Jurisdictions its interim financial statements and related management's discussion and analysis for the period ended September 30, 2015, as required under National Instrument 51-102 – *Continuous Disclosure Obligations*, and the related certification of such financial statements and management's discussion and analysis, as required under National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings* (collectively, the "**Filings**"), all of which became due on November 30, 2015.
11. The Filer is not eligible to use the simplified procedure under CSA Staff Notice 12-307 *Applications for a Decision that an Issuer is not a Reporting Issuer* because it is in default of its obligation to file the Filings.
12. The Filer is applying for a decision that it is not a reporting issuer in all of the jurisdictions of Canada in which it is currently a reporting issuer.
13. Upon the granting of the Exemptive Relief Sought, the Filer will no longer be a reporting issuer or the equivalent thereof in any jurisdiction in Canada.

Decision

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

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

"Judith Robertson"
Commissioner
Ontario Securities Commission

"Janet Leiper"
Commissioner
Ontario Securities Commission

2.1.6 Kicking Horse Energy Inc.

Headnote

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

Applicable Legislative Provisions

Securities Act, R.S.A. 2000, c. S-4, s. 153.

Citation: Re Kicking Horse Energy Inc., 2015 ABASC 997

December 29, 2015

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

AND

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

AND

**IN THE MATTER OF
KICKING HORSE ENERGY INC.
(the Filer)**

DECISION

Background

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

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

- (a) the Alberta Securities Commission is the principal regulator for this application; and
- (b) this decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

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

Representations

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

1. The Filer was formed by amalgamation under the *Business Corporations Act* (Alberta) on December 19, 2014.
2. The Filer's head office is located in Calgary, Alberta.
3. The Filer is a reporting issuer in the Jurisdictions. The Filer is applying for a decision that it is not a reporting issuer in the Jurisdictions.
4. Pursuant to a statutory plan of arrangement under section 193 of the *Business Corporations Act* (Alberta) completed on December 1, 2015, all of the outstanding common shares of the Filer were acquired for all cash consideration by ORLEN Upstream Canada Ltd.
5. The common shares of the Filer, which traded under the symbol "KCK" on the TSX Venture Exchange, were delisted effective at the close of business on December 1, 2015.
6. The ticker symbol "CXLIF" for the common shares of the Filer on the OTC grey market was deleted on December 3, 2015.
7. The Filer is not an "OTC issuer" as that term is defined under Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*.
8. The Filer has no intention to seek a ticker symbol from the Financial Industry Regulatory Authority in the future, nor does it have any intention to take steps to have its securities trade on any over-the-counter market in Canada or the United States.
9. The Filer has no securities outstanding other than the Common Shares.
10. No securities of the Filer are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported.
11. The outstanding securities of the Filer are beneficially owned, directly or indirectly, by fewer than 15 security holders in each of the jurisdictions in Canada and fewer than 51 security holders in total worldwide.
12. The Filer has no current intention to seek public financing by way of offering its securities in Canada.
13. The Filer is not currently in default of any of its obligations under the Legislation as a reporting issuer, except its obligations to file (i) its interim financial statements and management's discussion and analysis for the three and nine months ended September 30, 2015, as required under National Instrument 51-102 *Continuous Disclosure Obligations*, which were due to be filed by November 30, 2015, and (ii) the related certification of such interim financial statements as required under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* which were due to be filed by November 30, 2015.
14. The Filer is not eligible to use the simplified procedure under the CSA Staff Notice 12-307 *Applications for a Decision that an Issuer is not a Reporting Issuer* since the Filer is a reporting issuer in British Columbia and is in default of certain of its obligations under the Legislation as a reporting issuer, as noted in paragraph 13.
15. The Filer did not surrender its status as a reporting issuer in British Columbia under British Columbia Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status* because it wished to receive a decision from all of the Jurisdictions at the same time.
16. The Filer, upon the grant of the Relief Sought, will no longer be a reporting issuer in any jurisdiction of Canada.

Decision

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

The decision of the Decision Makers under the Legislation is that the Relief Sought is granted and orders that the Filer is deemed to have ceased to be a reporting issuer.

"Denise Weeres"
Manager, Legal
Corporate Finance

2.1.7 MarketAxess Canada Limited – s. 15.1 of NI 21-101 Marketplace Operation

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO
(THE JURISDICTION)

AND

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

AND

IN THE MATTER OF
MARKETAXESS CANADA LIMITED
(THE APPLICANT)

DECISION

(s. 15.1 of National Instrument 21-101 Marketplace Operation)

Background

The principal regulator in the Jurisdiction has received an application (the Application) from the Applicant for a decision under securities legislation of the Jurisdiction of the principal regulator (the Legislation) for an exemption pursuant to section 15.1 of National Instrument 21-101 – *Marketplace Operation* (NI 21-101) from the restriction in section 6.3 of NI 21-101 relating to trading in Non-Canadian Fixed Income Securities, as defined below (Exemption Sought).

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

- (a) The Ontario Securities Commission is the principal regulator for the Applicant, and
- (b) The Applicant 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 Quebec and British Columbia.

The Applicant has also applied for an order pursuant to Section 144 of the *Securities Act* (Ontario) to revoke, as of the date thereof, the 2008 Relief, as defined below (the Revocation).

Interpretation

Terms defined in National Instrument 14-101 *Definitions* and National Policy 11-203 *Process for Exemptive Relief in Multiple Jurisdictions* (NP 11-203), NI 21-101 and the *Securities Act* (Ontario) have the same meaning if used in this Decision, unless otherwise defined.

Representations

The Decision is based on the following facts represented by the Applicant:

1. The Applicant is a corporation formed under the laws of the Province of Nova Scotia and is a wholly-owned subsidiary of MarketAxess Holdings Inc., a corporation formed under the laws of the State of Delaware, listed and publicly traded on NASDAQ.
2. The Applicant is an alternative trading system (ATS) under NI 21-101 that is registered as an investment dealer (or equivalent) in Ontario, Quebec and British Columbia and is a member of the Investment Industry Regulatory Organization of Canada (IIROC).
3. The Applicant is an affiliate of MarketAxess Corporation, which operates an ATS for the trading of fixed income securities in the United States, is registered as a broker-dealer under the United States Securities Exchange Act of 1934 and an international dealer under the *Securities Act* (Ontario) and is a member of the Financial Industry Regulatory Authority. The Applicant is also an affiliate of MarketAxess Europe Limited (together with MarketAxess Corporation, the Affiliate ATSs), which has received regulatory approval from the Financial Services Authority (FSA) in

the United Kingdom to operate as a multilateral trading facility (MTF). The Applicant and the Affiliate ATSs are all wholly-owned subsidiaries of MarketAxess Holdings Inc.

4. The Applicant, as an ATS, facilitates the execution of orders on its Affiliate ATSs by its subscribers, as defined in NI 21-101 and described in its Form 21-101F2 *Initial Operation Report Alternative Trading System* (Subscribers) on the Affiliate ATSs, through the use of routing and execution agreements between the Applicant and its Affiliate ATSs.

The Applicant, as an ATS, currently offers access to its Subscribers based in Ontario to a fixed income system (the Fixed Income System) operated by its Affiliate ATSs that facilitates trading in the following Non-Canadian Fixed Income Securities:

- (i) High-grade and high-yield U.S. corporate bonds;
- (ii) U.S. Government sponsored agency bonds (e.g. Ginnie Mae, issued by the Government National Mortgage Association, Fannie Mae, issued by the Federal National Mortgage Association, and Freddie Mac, issued by the Federal Home Loan Mortgage Corporation)
- (iii) Emerging market bonds, which are defined as U.S. dollar or Euro-denominated bonds issued by sovereign entities or corporations domiciled in a developing country, including both high-grade and non-investment grade debt;
- (iv) European high-grade corporate bonds, which are defined as corporate bonds issued by entities domiciled in Europe;
- (v) Non-Canadian structured products, consisting of asset-backed securities, non-agency residential mortgage-backed securities and commercial mortgage-backed securities; and
- (vi) Preferred stock of Non-Canadian issuers, constituting shares of ownership in a corporation that have a higher claim on its assets and earnings than common stock, and that generally have a dividend that must be paid out before dividends to common shareholders.

Section 6.3 of NI 21-101 provides that an ATS can only execute trades in Corporate Debt Securities. The definition of Corporate Debt Securities only includes debt securities issued in Canada by companies or corporations that are not listed on a recognized exchange or on a recognized quotation and trade reporting system.

5. By order cited as *In the Matter of MarketAxess Canada Limited* (2008) 31 OSCB 4038, the Applicant was granted relief from section 6.3 of NI 21-101 to be able to offer Non-Canadian Fixed Income Securities for trading to its Subscriber in Ontario (the 2008 Relief).
6. The effect of the Exemption Sought and the Revocation will be to replace and extend the 2008 Relief in Ontario, and to grant the Exemption Sought in Quebec and British Columbia, in each case with the effect as of and from the date thereof. The Revocation is required to ensure a clear and consistent public record.
7. Should the Applicant extend its registration in the future as to be permitted to offer access to the Fixed Income System in Canadian jurisdictions other than Ontario, Quebec and British Columbia, the Applicant may seek to extend the Exemption Sought to such other jurisdictions on such terms and conditions as may be appropriate from time to time.

Decision

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

The decision of the principal regulator under the Legislation is that the 2008 Relief is revoked and the Exemption Sought is granted provided that the Fixed Income System is only made available to the Subscribers as described above.

Dated this 5th, day of November, 2015

“Tracey Stern”
Director, Market Regulation
Ontario Securities Commission

2.1.8 1832 Asset Management L.P.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted to five mutual funds for extension of lapse date of its prospectus for 79 days – Filer will incorporate offering of the mutual funds under the same offering documents as a related family of mutual funds when they are renewed – Extension of lapse date will not affect the currency or accuracy of the information contained in the current prospectus and Fund Facts.

Applicable Legislative Provisions

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

December 30, 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
1832 ASSET MANAGEMENT L.P.
(the Filer)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of Dynamic Conservative Yield Private Pool, Dynamic Conservative Yield Private Pool Class, Dynamic International Dividend Private Pool, Dynamic North American Dividend Private Pool and Dynamic Tactical Bond Private Pool (collectively, the **Funds**) for a decision (the **Exemption Sought**) under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) that the time limits for the renewal of the simplified prospectus of the Funds be extended to those time limits that would be applicable as if the lapse date of the Funds' simplified prospectus and annual information form dated February 26, 2015, was May 15, 2016.

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

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

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

Interpretation

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

Representations

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

1. Each Fund is either a class of a corporation established under the laws of the Province of Ontario or a mutual fund trust governed by the laws of the Province of Ontario and is a reporting issuer as defined in the securities legislation of each of the Jurisdictions.
2. Each Fund currently distributes its securities in the Jurisdictions pursuant to a simplified prospectus dated February 26, 2015, as amended by amendment no. 1 dated August 24, 2015, and an annual information form dated February 26, 2015, as amended by amendment no. 1 dated August 24, 2015 (collectively, the **Current Prospectus**).
3. The lapse date of the Current Prospectus under the Legislation is February 26, 2016 (the **Current Lapse Date**). Accordingly, under the Legislation, the distribution of securities of the Fund would have to cease on the Current Lapse Date unless: (i) the Fund files a *pro forma* simplified prospectus at least 30 days prior to the Current Lapse Date; (ii) the final simplified prospectus is filed no later than 10 days after the Current Lapse Date; and (iii) a receipt for the final simplified prospectus is obtained within 20 days after the Current Lapse Date.
4. The Filer is the manager of the Funds. The Filer is also the manager of nine other "Dynamic Private Investment Pools" mutual funds (collectively, the **Other Funds**) that are offered in each of the provinces and territories of Canada under a simplified prospectus dated May 15, 2015, as amended by amendment no. 1 dated July 13, 2015, amendment no. 2 dated August 24, 2015 and amendment no. 3 dated November 13, 2015, and an annual information form dated May 15, 2015, as amended by amendment no. 1 dated July 13, 2015, amendment no. 2 dated August 24, 2015 and amendment no. 3 dated November 13, 2015, the lapse date of which is May 15, 2016.

5. The Filer is an Ontario limited partnership, which is wholly-owned, indirectly, by the Bank of Nova Scotia (**BNS**). The general partner of the Filer is 1832 Asset Management G.P. Inc., an Ontario corporation wholly-owned directly by BNS with its head office in Ontario.
6. The Filer is registered as: (i) a portfolio manager in all of the provinces of Canada and in the Northwest Territories and the Yukon; (ii) an exempt market dealer in all of the provinces of Canada (except Prince Edward Island and Saskatchewan); (iii) an investment fund manager in Ontario, Quebec, Newfoundland and Labrador and the Northwest Territories; and (iv) a commodity trading manager in Ontario.
7. Neither the Filer nor any of the Funds is in default of securities legislation in any of the Jurisdictions.
8. The Filer wishes to combine the simplified prospectus of the Funds with the simplified prospectus of the Other Funds in order to reduce the cost of renewing the simplified prospectus of the Funds and on-going printing and related costs. Offering the Funds under the same offering documents as the Other Funds would facilitate the distribution of the Funds in the Jurisdictions under the same simplified prospectus and would also assist in disseminating information with respect to the Funds and the Other Funds in such matters such as switching between the Funds and the Other Funds. The Other Funds share many common operational and administrative features with the Funds and combining them in the same simplified prospectus will allow investors to more easily compare the features of the Other Funds and the Funds.
9. It would be impractical to alter and modify all the dedicated systems, procedures and resources required to prepare the renewal simplified prospectus, annual information form and Fund Facts of the Other Funds, and unreasonable to incur the costs and expenses associated therewith, so that the renewal simplified prospectus of the Other Funds can be filed earlier with the renewal simplified prospectus of the Funds. As the simplified prospectus of the Other Funds is a large document and there is an in-depth internal review process that the Filer undertakes when renewing that document, the Filer would not have sufficient time to finalize and file the pro forma simplified prospectus of the Other Funds by at least 30 days prior to the Current Lapse Date.
10. The Filer may make minor changes to the features of the Other Funds as part of the process of renewing the Other Funds' simplified prospectus in May 2016. The ability to file the simplified prospectus of the Funds with those of the Other Funds will ensure that the Filer can make the operational and administrative features of the Funds and the Other Funds consistent with each other.
11. If the Exemption Sought is not granted, it will be necessary to renew the simplified prospectus and associated documents of the Funds twice within a short period of time in order to consolidate the simplified prospectus of the Funds with the simplified prospectus of the Other Funds.
12. There have been no material changes in the affairs of the Funds since the date of the Current Prospectus, other than those for which amendments have been filed. Accordingly, the Current Prospectus represents current information of the Funds. In addition, the most recently filed Fund Facts of the Funds provides even more current information to investors regarding the Funds.
13. Given the disclosure obligations of the Funds, should any material changes occur, the simplified prospectus of the Funds will be amended accordingly.
14. New investors of the Funds will receive delivery of the most recently filed Fund Facts of the Funds. The simplified prospectus of the Funds will still be available upon request.
15. The Exemption Sought will not affect the accuracy of the information contained in the Current Prospectus and therefore will not be prejudicial to the public interest.

Decision

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

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

“Raymond Chan”
Manager,
Investment Funds and Structured Products Branch
Ontario Securities Commission

2.1.9 Bloom Investment Counsel, Inc. et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Approval of mutual fund merger – approval required because merger does not meet the criteria for pre-approved reorganizations and transfers in National Instrument 81-102 – the merger is not a “qualifying exchange” or a tax-deferred transaction under the Income Tax Act – securityholders of terminating fund are provided with timely and adequate disclosure regarding the merger.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 5.5(1)(b), 19.1.

October 21, 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
BLOOM INVESTMENT COUNSEL, INC.
(the Filer)

AND

IN THE MATTER OF
BLOOM INCOME & GROWTH CANADIAN FUND
(the Terminating Fund)

AND

IN THE MATTER OF
BLOOM SELECT INCOME FUND
(the Continuing Fund and, together with the
Terminating Fund, the Funds)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer, the investment fund manager of each of the Funds, for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) for approval of the merger (the **Merger Approval**) pursuant to paragraph 5.5(1)(b) of National Instrument 81-102 – *Investment Funds (NI 81-102)*.

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 each of the other provinces and territories of Canada.

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.

The following terms shall have the following meanings:

“**Circular**” means the notice of the meeting, management information circular and forms of proxy of the Funds dated August 21, 2015.

“**Continuing Fund Declaration of Trust**” means the declaration of trust of the Continuing Fund dated March 22, 2012, as amended and restated effective March 7, 2014.

“**IRC**” means the independent review committee of the Funds.

“**Meeting**” means the adjourned special meeting of the unitholders of the Funds scheduled to be held on or about October 8, 2015.

“**Merger**” means the proposed merger of the Terminating Fund into the Continuing Fund to be effective on the Merger Effective Date subject to the receipt of applicable unitholder and regulatory approvals.

“**Merger Effective Date**” means the date for effecting the Merger, which is expected to be October 23, 2015, provided all required approvals are obtained for the Merger.

“**Tax Act**” means the *Income Tax Act* (Canada).

“**Terminating Fund Declaration of Trust**” means the declaration of trust of the Terminating Fund dated September 29, 2011, as amended and restated effective October 17, 2011, and as further amended and restated effective March 7, 2014.

Representations

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

The Filers

- 1. The head office of each of the Manager and the Funds is located at Suite 1710, 150 York Street, Toronto, Ontario M5H 3S5.

- Neither the Manager nor the Funds are in default of securities legislation in any jurisdiction of Canada.

The Manager

- The Manager is a privately-owned corporation existing under the *Business Corporations Act* (Ontario).
- The Manager is the investment fund manager and portfolio manager of the Funds.

The Terminating Fund

- The Terminating Fund is a closed-end investment trust established under the laws of the Province of Ontario pursuant to the Terminating Fund Declaration of Trust. Its units were qualified for distribution pursuant to a prospectus dated September 29, 2011, that was prepared and filed in accordance with the securities legislation of each of the provinces and territories of Canada. Accordingly, the Terminating Fund is a reporting issuer or the equivalent in each of the provinces and territories of Canada. The units of the Terminating Fund are listed and posted for trading on the Toronto Stock Exchange (the "TSX") under the symbol "BI.UN".
- The Terminating Fund is authorized to issue an unlimited number of a single class of transferable, redeemable units of beneficial interest, each of which evidences the proportionate ownership interest of a Unitholder in the capital of the Fund.
- The investment objectives of the Terminating Fund are to provide unitholders with monthly cash distributions that have a large component of Canadian eligible dividends and the opportunity for capital appreciation.
- The Terminating Fund has substantially similar valuation procedures and fee structures as the Continuing Fund, except that the Manager eliminated the service fee the Manager paid in respect of units of the Continuing Fund effective end of day September 30, 2015, resulting in a reduction in the management fee of the Continuing Fund.
- The Terminating Fund is not considered to be a mutual fund under securities legislation of the provinces and territories of Canada. While the Terminating Fund is subject to NI 81-102, it is not subject to all of the investment restrictions and operating policies that apply to mutual funds under such legislation. The Terminating Fund is managed in accordance with such applicable requirements and restrictions as well as the investment restrictions set out in the Terminating Fund Declaration of Trust.

The Continuing Fund

- The Continuing Fund is a closed-end investment trust established under the laws of the Province of Ontario pursuant to the Continuing Fund Declaration of Trust. Its units were qualified for distribution pursuant to a prospectus dated March 22, 2012, that was prepared and filed in accordance with the securities legislation of the each of the provinces and territories of Canada. Accordingly, the Continuing Fund is a reporting issuer or the equivalent in each of the provinces and territories of Canada. The units of the Continuing Fund are listed and posted for trading on the TSX under the symbol "BLB.UN".
- The Continuing Fund is authorized to issue an unlimited number of a single class of transferable, redeemable units of beneficial interest, each of which evidences the proportionate ownership interest of a Unitholder in the capital of the Fund.
- The investment objectives of the Continuing Fund are to provide Unitholders with an investment in an actively managed portfolio comprised mainly of Canadian equity securities that exhibit low volatility at the time of investment, monthly cash distributions that have a large component of Canadian eligible dividends, and the opportunity for capital appreciation.
- The Continuing Fund has substantially similar valuation procedures and fee structures as the Terminating Fund, except that the Manager eliminated the service fee the Manager paid in respect of units of the Continuing Fund effective end of day September 30, 2015, resulting in a reduction in the management fee of the Continuing Fund.
- The Continuing Fund is not considered to be a mutual fund under securities legislation of the provinces and territories of Canada. While the Continuing Fund is subject to NI 81-102, it is not subject to all of the investment restrictions and operating policies that apply to mutual funds under such legislation. The Continuing Fund is managed in accordance with such applicable requirements and restrictions as well as the investment restrictions set out in the Continuing Fund Declaration of Trust.

The Merger

- As required under National Instrument 81-107 – *Independent Review Committee for Investment Funds*, the Manager presented the terms of the Merger to the Funds' IRC for its review. The IRC considered both the proposed Merger and the proposed actions described in this Circular to implement the Merger (the **Proposed Actions**) and has provided the Manager with a positive recommendation to proceed with the Merger and

to implement the Proposed Actions. In making this recommendation, the IRC was of the opinion, after due inquiry, that (a) the Proposed Actions will achieve a fair and reasonable result for the Terminating Fund and for the Continuing Fund; and (b) the Merger, if implemented in the manner contemplated by the Proposed Actions and as presented to the IRC by the Manager, will achieve a fair and reasonable result for each of the Funds.

16. At concurrent adjourned special meetings held on October 8, 2015, Unitholders of the Terminating Fund approved the Merger and Unitholders of the Continuing Fund approved the acquisition from the Terminating Fund of certain securities in connection with the Merger which have a Beta equal to or greater than 1.0 but less than 1.5 that are identical to securities currently owned by Continuing Fund on a one-time basis in connection with the Merger.
17. On October 8, 2015, the Manager issued and filed a news release disclosing that, subject to receipt of regulatory approval, (i) the Merger will proceed; (ii) unitholders of the Terminating Fund will have the right to redeem their units pursuant to the special redemption right by submitting a redemption request through their broker prior to 5:00 p.m. (Toronto time) on October 20, 2015; (iii) the units submitted for redemption in accordance with subparagraph (ii) will be redeemed at a price equal to the net asset value of the Terminating Fund on the Merger Effective Date; and (iv) the Manager will commence the implementation of the Merger on the Merger Effective Date.
18. The Manager has filed a press release and a material change report announcing the Merger in accordance with Part 11 of National Instrument 81-106 *Investment Fund Continuous Disclosure*.
19. The Manager will pay for the costs of the Merger. These costs consist mainly of legal, proxy solicitation, printing, mailing and regulatory fees.
20. Following the Merger, the Continuing Fund will continue as a closed-end investment trust and the Terminating Fund will be wound up as soon as reasonably practicable.
21. Pursuant to the Merger, holders of Units of the Terminating Fund will receive Units of the Continuing Fund having a value that is equal to the net asset value of the Terminating Fund on the Merger Effective Date.
22. The management fees of the Continuing Fund will be lower than the management and administration fees of the Terminating Fund.
23. No sales charges will be payable by unitholders of the Terminating Fund in connection with the Merger.

Merger Steps

24. Pursuant to the Merger:
 - A. The unitholders of the Terminating Fund will be asked to consider and, if thought fit, to approve the Merger of the Terminating Fund.
 - B. The unitholders of the Continuing Fund will be asked to consider, and if thought fit, to approve certain amendments to the Continuing Fund Declaration of Trust to allow for the acquisition from the Terminating Fund of certain securities in connection with the Merger which have a Beta of equal to or greater than 1.0 but less than 1.5 that are identical to securities currently owned by the Continuing Fund on a one-time basis. If this approval is not obtained, such securities will be sold by the Terminating Fund prior to the Merger.
 - C. The fair market value of the Terminating Fund's investment portfolio and other assets will be determined at the close of business on the business day immediately prior to the Merger Effective Date, after giving effect to the redemption of units of the Terminating Fund pursuant to the special redemption right and after the disposition of any securities required to be disposed of by the Terminating Fund prior to the Merger.
 - D. The Terminating Fund will transfer all of its assets to the Continuing Fund for a purchase price equal to the fair market value of the assets transferred. The Continuing Fund will satisfy the obligation to pay the purchase price for the assets of the Terminating Fund acquired by the Continuing Fund by assuming the Terminating Fund's liabilities and by issuing to the Terminating Fund units of the Continuing Fund having an aggregate net asset value equal to the fair market value of the assets acquired less the amount of the liabilities assumed.
 - E. To the extent necessary to ensure that the Terminating Fund is not subject to non-refundable income tax under Part I of the Tax Act, the Terminating Fund will declare and pay a distribution to its unitholders of net income and net capital gains in respect of its current taxation year. Due to the fact that the Terminating Fund pays a high fixed monthly distribution, the Manager does not

anticipate that any further distributions will be required for these purposes.

- F. Immediately thereafter, the Terminating Fund will redeem all of its outstanding units at their net asset value which will be paid and satisfied by delivering to its unitholders units of the Continuing Fund acquired in (d) above.
- G. The Terminating Fund will be wound up as soon as reasonably possible following the Merger.

Unitholder Disclosure

- 25. The Circular was mailed to unitholders of the Funds on August 28, 2015 and filed on SEDAR in accordance with applicable securities legislation. The management information circular includes a summary of the IRC's approval.
- 26. The management information circular also includes information about the tax consequences of the Merger including the fact that the Merger will not be effected on a tax-deferred basis, and the creation of a special redemption right pursuant to which unitholders of the Terminating Fund will have the right to redeem their units prior to the Merger Effective Date. Accordingly, unitholders of the Terminating Fund will have an opportunity to consider this information prior to voting on the Merger.
- 27. As disclosed in the Circular mailed to unitholders of the Funds on August 28, 2015, additional information relating to the Funds, including financial information, is contained in the Funds' interim management report of fund performance and interim unaudited financial statements for the six months ended June 30, 2015, annual management report of fund performance and comparative annual audited financial statements for the year ended December 31, 2014, and annual information forms, which are available on the Funds' website at www.bloomfunds.ca or on SEDAR at www.sedar.com. Copies are also available at no cost by calling collect at (416) 861-9941 or toll-free at 1-855-BLOOM18.

Reasons for Merger Approval

- 28. The Merger satisfies all of the criteria for pre-approved reorganizations and transfers set forth in section 5.6(1) of NI 81-102, except that the Merger will not be a "qualifying exchange" or a tax deferred transaction within the meaning of the Tax Act.
- 29. The Filer believes that the Merger will be beneficial to unitholders of the Funds for the following reasons:

- A. unitholders of the Terminating Fund and the Continuing Fund will enjoy increased economies of scale and lower fund operating expenses (which are borne directly by unitholders) as part of a larger combined Continuing Fund;
- B. unitholders of the Terminating Fund will be subject to lower management fees as the management fees of the Continuing Fund will be lower than the management fees currently charged by the Terminating Fund;
- C. the unitholders of the Terminating Fund will not be responsible for the costs associated with the Merger; and
- D. the Continuing Fund will likely have a larger asset base which will allow for greater portfolio diversification and a smaller proportion of assets set aside to fund redemptions.

Decision

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

The decision of the principal regulator under the Legislation is that the Merger Approval is granted.

"Raymond Chan"
Manager
Investment Funds and Structured Products Branch
Ontario Securities Commission

2.2 Orders

2.2.1 Canadian National Railway Company – s. 104(2)(c)

Headnote

Subsection 104(2)(c) of the Act – Issuer bid – relief from issuer bid requirements in sections 94 to 94.8 and 97 to 98.7 of the Act – issuer proposes to purchase, pursuant to a repurchase program and at a discounted purchase price, up to 4,356,000 of its common shares under its normal course issuer bid from a third party purchasing as agent – third party will abide by the requirements governing normal course issuer bids as though it was the issuer, subject to certain modifications, including that the third party will not make any purchases under the program pursuant to a pre-arranged trade – common shares delivered to the issuer for cancellation will be common shares from the third party's existing inventory – due to the discounted purchase price, the common shares cannot be acquired through the TSX trading system – but for the fact that the common shares cannot be acquired through the TSX trading system, the Issuer could otherwise acquire such shares in reliance upon the issuer bid exemption available under section 101.2 of the Act and in accordance with the TSX rules governing normal course issuer bid purchases – during blackout periods, the third party will purchase common shares under the program based on irrevocable instructions delivered by the issuer prior to the start of the blackout period – outside of blackout periods, the third party will purchase common shares under the program based on instructions provided by the issuer on the relevant day prior to the opening of trading – acquisition of securities exempt from the issuer bid requirements in sections 94 to 94.8 and 97 to 98.7 of the Act, subject to conditions, including that the agreement governing the program will prohibit the third party from selling common shares from its existing inventory to the issuer under the program unless it has purchased, or had purchased on its behalf, an equivalent number of common shares on the markets and such number of common shares so purchased must be equal to the number of common shares sold to the issuer.

Applicable Legislative Provisions

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

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

AND

IN THE MATTER OF
CANADIAN NATIONAL RAILWAY COMPANY

ORDER
(Clause 104(2)(c))

UPON the application (the “**Application**”) of Canadian National Railway Company (the “**Issuer**”) to the Ontario Securities Commission (the “**Commission**”) for an order pursuant to clause 104(2)(c) of the *Securities Act* (Ontario) (the “**Act**”) exempting the Issuer from the requirements of sections 94 to 94.8, inclusive, and sections 97 to 98.7, inclusive, of the Act (the “**Issuer Bid Requirements**”) in respect of the proposed purchases by the Issuer of up to 4,356,000 of its common shares (the “**Program Maximum**”) from Royal Bank of Canada (“**RBC**”) pursuant to a repurchase program (the “**Program**”);

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

AND UPON the Issuer (and RBC in respect of paragraphs 5, 6, 7, 8, 18, 21, 22, 23, 24, 25, 26, 27, 29, 36 and 37 as they relate to RBC and its agents) having represented to the Commission that:

1. The Issuer is a corporation governed by the *Canada Business Corporations Act*.
2. The registered and head office of the Issuer is located at 935 de La Gauchetière Street West, Montréal, Quebec, H3B 2M9.
3. The Issuer is a reporting issuer in each of the provinces and territories of Canada (the “**Jurisdictions**”) and the Common Shares are listed for trading on the Toronto Stock Exchange (the “**TSX**”) and the New York Stock Exchange (the “**NYSE**”) under the symbols “CNR” and “CNI”, respectively. The Issuer is not in default of any requirement of the securities legislation of the Jurisdictions in which it is a reporting issuer.
4. The authorized common share capital of the Issuer consists of an unlimited number of common shares (the “**Common Shares**”), of which 792,158,531 were issued and outstanding as of November 18, 2015.
5. RBC is a full service Schedule 1 Bank under the *Bank Act* (Canada). The corporate headquarters of RBC are located in the Province of Ontario.
6. RBC does not directly or indirectly own more than 5% of the issued and outstanding Common Shares.
7. RBC is the beneficial owner of at least 4,356,000 Common Shares, none of which were acquired by, or on behalf of, RBC in anticipation or contemplation of resale to the Issuer (such Common Shares over which RBC has beneficial ownership, the “**Inventory Shares**”). No Common Shares were purchased by, or on behalf of, RBC on or after October 20, 2015, being the date that was 30 days prior to the date of the Application, in anticipation or contemplation of a sale of Common Shares by RBC to the Issuer.

8. RBC is at arm's length to the Issuer and is not an "insider" of the Issuer or "associate" of an "insider" of the Issuer, or an "associate" or "affiliate" of the Issuer, as such terms are defined in the Act. RBC is an "accredited investor" within the meaning of National Instrument 45-106 *Prospectus Exemptions*.
9. The Issuer announced on October 27, 2015 that it is engaging in a normal course issuer bid (the "**Normal Course Issuer Bid**") for up to 33,000,000 Common Shares, representing 4.9% of the Issuer's public float of Common Shares as of the date specified in the Notice of Intention to Make a Normal Course Issuer Bid (as amended on November 27, 2015) (the "**Notice**") that was submitted to, and accepted by, the TSX. The Notice specifies that purchases under the Normal Course Issuer Bid will be conducted through the facilities of the TSX and the NYSE or alternative trading systems, if eligible, or by such other means as may be permitted by the TSX or a securities regulatory authority in accordance with sections 628 to 629.3 of Part VI of the TSX Company Manual (the "**TSX Rules**"), including under automatic trading plans and by private agreements or share repurchase programs under issuer bid exemption orders issued by securities regulatory authorities.
10. The Commission granted the Issuer an order on October 27, 2015 (the "**October Order**") pursuant to clause 104(2)(c) of the Act exempting the Issuer from the Issuer Bid Requirements in connection with the proposed purchases by the Issuer of up to 4,000,000 Common Shares from The Bank of Nova Scotia ("**Scotia**") pursuant to a share repurchase program (the "**Initial Scotia Program**"). On November 27, 2015, the Commission granted the Issuer an order pursuant to section 144 of the Act varying the October Order so as to increase the maximum number of Common Shares that may be purchased under the Initial Scotia Program from 4,000,000 to 5,175,000 Common Shares (such varied Initial Scotia Program, the "**Scotia Program**"). As at November 19, 2015, the Issuer has purchased 2,077,400 Common Shares under the Scotia Program. The Scotia Program terminates on the earlier of December 24, 2015 and the date on which the Issuer will have purchased 5,175,000 Common Shares from Scotia under the Scotia Program.
11. The Program Maximum is less than the number of Common Shares remaining that the Issuer is entitled to acquire under the Normal Course Issuer Bid, calculated as at the date of the Program Agreement.
12. To the best of the Issuer's knowledge, the "public float" (calculated in accordance with the TSX Rules) for the Common Shares as at November 18, 2015 consisted of 679,056,456 Common Shares. The Common Shares are "highly liquid securities", as that term is defined in section 1.1 of OSC Rule 48-501 *Trading during Distributions, Formal Bids and Share Exchange Transactions* ("**OSC Rule 48-501**") and section 1.1 of the Universal Market Integrity Rules ("**UMIR**").
13. Pursuant to the TSX Rules, the Issuer has appointed Scotia Capital Inc. as its designated broker in Canada, and Merrill Lynch, Pierce, Fenner & Smith as its designated broker in the United States, in each case, in respect of the Normal Course Issuer Bid (the "**Responsible Brokers**").
14. The Issuer may, from time to time, appoint a non-independent purchasing agent (a "**Plan Trustee**") to fulfill requirements for the delivery of Common Shares under the Issuer's security-based compensation plans (the "**Plan Trustee Purchases**"). The maximum number of Common Shares that the Issuer is permitted to repurchase under the Normal Course Issuer Bid will be reduced by the number of Plan Trustee Purchases.
15. The Issuer implemented an automatic repurchase plan (the "**ARP**") to permit the Issuer to make purchases under the Normal Course Issuer Bid during internal blackout periods, including regularly scheduled quarterly blackout periods and at such times when the Issuer would not otherwise be permitted to trade in its Common Shares. The ARP was approved by the TSX and is in compliance with the TSX Rules and applicable securities law.
16. The Normal Course Issuer Bid is being conducted in reliance upon the exemption from the Issuer Bid Requirements set out in subsection 101.2(1) of the Act in Ontario, and its equivalent provision in the securities legislation of the other Jurisdictions. Subsection 101.2(1) provides that an issuer bid that is made in the normal course through the facilities of a designated exchange is exempt from the formal bid requirements if the bid is made in accordance with the by-laws, rules, regulations and policies of that exchange. The Commission has recognized the TSX as a designated exchange for the purposes of subsection 101.2(1) of the Act.
17. The Normal Course Issuer Bid is also being conducted in the normal course on the NYSE and other permitted published markets (collectively with the NYSE, the "**Other Published Markets**") in reliance upon the exemption from the Issuer Bid Requirements set out in subsection 101.2(2) of the Act in Ontario, and its equivalent provision in the securities legislation of the other Jurisdictions (the "**Other Published Markets Exemption**", and together with the TSX Rules, the "**NCIB Rules**"). The Other Published Markets Exemption provides

- that an issuer bid that is made in the normal course on a published market, other than a designated exchange, is exempt from the formal bid requirements if the bid is, among other things, for not more than 5% of the outstanding securities of a class of securities of the issuer and the aggregate number of securities acquired in reliance upon the Other Published Markets Exemption by the issuer and any person or company acting jointly or in concert with the issuer within any period of 12 months does not exceed 5% of the outstanding securities of that class at the beginning of the 12-month period.
18. The Issuer proposes to participate in the Program during, and as a part of, the Normal Course Issuer Bid. The Program will be governed by, and conducted in accordance with, the terms and conditions of a Repurchase Program Agreement (the “**Program Agreement**”) that will be entered into between the Issuer and RBC prior to the commencement of the Program and a copy of which will be delivered by the Issuer to the Commission.
 19. The Issuer is of the view that (a) it will be able to purchase Common Shares from RBC at a lower price than the price at which it would be able to purchase an equivalent quantity of Common Shares under the Normal Course Issuer Bid through the facilities of the TSX and/or on Other Published Markets, and (b) the purchase of Common Shares pursuant to the Program is in the best interests of the Issuer and constitutes a desirable use of the Issuer’s funds.
 20. At least two clear trading days prior to the commencement of the Program, the Issuer will issue a press release that has been pre-cleared by the TSX that describes the material features of the Program and discloses the Issuer’s intention to participate in the Program during the Normal Course Issuer Bid (the “**Press Release**”).
 21. RBC will retain the services of RBC Dominion Securities Inc. (“**RBC DS**”) to acquire Common Shares on its behalf through the facilities of the TSX and on Other Published Markets in Canada (each, a “**Canadian Other Published Market**” and collectively with the TSX, the “**Canadian Markets**”). No Common Shares will be acquired under the Program by, or on behalf of, RBC on any Other Published Markets other than Canadian Other Published Markets.
 22. RBC DS is registered as an investment dealer under the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia and New Brunswick. It is also registered as a futures commission merchant under the *Commodity Futures Act* (Ontario), a derivatives dealer under the *Derivatives Act* (Québec), and as dealer (futures commission merchant) under *The Commodity Futures Act* (Manitoba). RBC DS is a member of the Investment Industry Regulatory Organization of Canada (“**IIROC**”) and the Canadian Investor Protection Fund, a participating organization or member of the TSX, TSX Venture Exchange and Canadian Securities Exchange, and an approved participant of the Bourse de Montréal. The head office of RBC DS is located in Toronto, Ontario.
 23. The Program Agreement will provide that all Common Shares acquired by, or on behalf of, RBC on a day (each, a “**Trading Day**”) during the term of the Program Agreement on which Canadian Markets are open for trading must be acquired on Canadian Markets in accordance with the NCIB Rules that would be applicable to the Issuer in connection with the Normal Course Issuer Bid, provided that:
 - (i) during such times when the Issuer would not otherwise be permitted to trade in its Common Shares, including internal blackout periods (each such time, a “**Blackout Period**”), RBC will purchase, or have purchased on its behalf, Common Shares in accordance with the irrevocable instructions given by the Issuer to RBC prior to the start of the internal black-out period in compliance with exchange and securities regulatory requirements applicable to automatic repurchase plans;
 - (ii) during such times when the Issuer is not in a Blackout Period, RBC will purchase, or have purchased on its behalf, Common Shares on the applicable day in accordance with the instructions received from the Issuer prior to the opening of trading on such date, provided that the instructions given by the Issuer to RBC under the Program will be the same instructions that the Issuer would give if it were conducting the Normal Course Issuer Bid itself;
 - (iii) the aggregate number of Common Shares to be acquired on Canadian Markets by, or on behalf of, RBC on each Trading Day will not exceed the maximum daily limit that is imposed upon the Normal Course Issuer Bid pursuant to the TSX Rules determined with reference to an average daily trading volume that is based on the trading volume on all Canadian Markets rather than being limited to the trading volume on the TSX only (the “**Modified Maximum Daily Limit**”), being understood that the aggregate number of Common Shares to be acquired on the TSX by, or on behalf of, RBC on each Trading Day will not

- exceed the maximum daily limit that is imposed on the Normal Course Issuer Bid pursuant to the TSX Rules;
- (iv) the aggregate number of Common Shares acquired by, or on behalf of, RBC pursuant to the Program Agreement may not exceed the Program Maximum;
- (v) the aggregate number of Common Shares acquired by, or on behalf of, RBC pursuant to the Program Agreement on Canadian Other Published Markets may not exceed that number of Common Shares remaining eligible for purchase pursuant to the Other Published Markets Exemption, calculated as at the date of the Program Agreement;
- (vi) upon the occurrence of a cessation of trading on the TSX or other event that would impair RBC's ability to acquire Common Shares on Canadian Markets (a "**Market Disruption Event**"), RBC will cease acquiring Common Shares and the number of Common Shares acquired by RBC to such time will be the "**Acquired Shares**" for the purposes of the Program; and
- (vii) notwithstanding the block purchase exception provided for in the TSX Rules, no purchases will be made by, or on behalf of, RBC on any Canadian Markets pursuant to a pre-arranged trade.
24. Pursuant to the Program Agreement, on every Trading Day, RBC will purchase, or have purchased on its behalf, the Number of Common Shares. The "**Number of Common Shares**" will be no greater than the least of: (a) the quotient of an agreed upon daily Canadian dollar amount divided by the Discounted Price; (b) the Program Maximum less the aggregate number of Common Shares previously purchased by, or on behalf of, RBC under the Program; (c) on a Trading Day on which a Market Disruption Event occurred, the Acquired Shares; and (d) the Modified Maximum Daily Limit. The "**Discounted Price**" per Common Share is equal to (i) the volume weighted average price of the Common Shares on the Trading Day on which purchases were made less an agreed upon discount, or (ii) upon the occurrence of a Market Disruption Event, the volume weighted average price of the Common Shares at the time of the Market Disruption Event less an agreed discount.
25. RBC will deliver to the Issuer a number of Common Shares equal to the number of Common Shares purchased by, or on behalf of, RBC under the Program on any Trading Day on the second Trading Day thereafter, and the Issuer will pay RBC the Discounted Price for each such Common Share. Each Common Share purchased by the Issuer under the Program will be cancelled upon delivery to the Issuer. The Common Shares delivered by RBC to the Issuer will be from the Inventory Shares.
26. RBC will not sell Inventory Shares to the Issuer under the Program unless it has purchased, or had purchased on its behalf, an equivalent number of Common Shares on Canadian Markets, and the number of Common Shares that are purchased by, or on behalf of, RBC on Canadian Markets on a Trading Day will be equal to the Number of Common Shares for such Trading Day.
27. The Program will begin on the earlier of December 29, 2015 and the Trading Day following the expiration of the Scotia Program, and the Program will terminate on the earlier of February 29, 2016 and the date on which the Issuer will have purchased the Program Maximum from RBC (the "**Program Term**"). Neither the Issuer nor RBC may unilaterally terminate the Program Agreement during the Program Term except in the case of an event of default by a party thereunder.
28. The Program Agreement will (a) prohibit the Issuer from purchasing any Common Shares (other than Common Shares purchased under the Program), (b) require the Issuer to prohibit the Responsible Brokers from acquiring any Common Shares on behalf of the Issuer, (c) require the Issuer to prohibit the Plan Trustee from undertaking any Plan Trustee Purchases, and (d) require the Issuer to prohibit the designated broker under the ARP from acquiring any Common Shares on behalf of the Issuer, in each case, during the conduct of the Program by RBC and RBC DS.
29. The Program Agreement will provide that all purchases of Common Shares under the Program by, or on behalf of, RBC will be done as if RBC were an agent of the Issuer and neither RBC nor RBC DS will engage in any hedging activity in connection with the conduct of the Program.
30. The Program Term will include Blackout Periods and during such times, the Program will be conducted in accordance with the parameters established and set out in the Program Agreement. The Program was approved by the TSX.
31. The Issuer will report its purchases of Common Shares under the Program to the TSX in accordance with the TSX Rules. In addition, immediately following the completion of the Program, the Issuer will: (a) report the total number of Common Shares acquired under the Program to the TSX and the Commission; and (b) file a notice on the System for Electronic Document Analysis and Retrieval (SEDAR)

- disclosing the number of Common Shares acquired under the Program and the aggregate dollar amount paid for such Common Shares.
32. But for the fact that the Discount Price will be at a discount to the prevailing market price and below the prevailing bid-ask price for the Common Shares on the TSX at the time that the Issuer purchases the Common Shares from RBC, the Issuer could otherwise acquire such Common Shares through the facilities of the TSX as a “block purchase” in accordance with the block purchase exception in paragraph 629(1)7 of the TSX Rules and the exemption from the Issuer Bid Requirements that is available pursuant to subsection 101.2(1) of the Act.
33. The entering into of the Program Agreement, the purchase of Common Shares by, or on behalf of, RBC and the sale of Common Shares by RBC to the Issuer will not adversely affect the Issuer or the rights of any of the Issuer’s security holders and it will not materially affect control of the Issuer.
34. The sale of Common Shares to the Issuer by RBC will not be a “distribution” (as defined in the Act).
35. The Issuer will be able to acquire the Common Shares from RBC without the Issuer being subject to the dealer registration requirements of the Act.
36. At the time that the Issuer and RBC enter into the Program Agreement, neither the Issuer, nor any member of the Equity Finance Canada group of RBC, nor any personnel of RBC that negotiated the Program Agreement or made, participated in the making of, or provided advice in connection with, the decision to enter into the Program Agreement and sell the Common Shares, will be aware of any “material change” or “material fact” (each as defined in the Act) with respect to the Issuer or the Common Shares that has not been generally disclosed (the “**Undisclosed Information**”).
37. Each of RBC and RBC DS has policies and procedures that are designed to ensure conduct of the Program in accordance with, among other things, the Program Agreement and to preclude those persons responsible for administering the Program from acquiring any Undisclosed Information during the conduct of the Program.
- (a) at least two clear trading days prior to the commencement of the Program, the Issuer will issue the Press Release, which describes, among other things, the material features of the Program and discloses the Issuer’s intention to participate in the Program during the Normal Course Issuer Bid;
- (b) the Program Agreement will require RBC and its agents to abide by the NCIB Rules applicable to the Program, which will be available to the Commission and IIROC upon request;
- (c) the Program Agreement will require that RBC and its agents maintain records of all purchases of Common Shares that are made by, or on behalf of, RBC pursuant to the Program, which will be available to the Commission and IIROC upon request;
- (d) the Program Agreement will prohibit RBC from selling Inventory Shares to the Issuer under the Program unless RBC has purchased, or had purchased on its behalf, an equivalent number of Common Shares on Canadian Markets, and the Program Agreement will provide that the number of Common Shares that are purchased by, or on behalf of, RBC on Canadian Markets on a Trading Day will be equal to the Number of Common Shares for that Trading Day;
- (e) the Common Shares acquired by RBC under the Program will be taken into account by the Issuer when calculating the maximum annual aggregate limits that are imposed upon the Normal Course Issuer Bid in accordance with the TSX Rules and those Common Shares that were purchased by or on behalf of RBC on Canadian Other Published Markets will be taken into account by the Issuer when calculating the maximum aggregate limits that are imposed upon the Issuer in accordance with the Other Published Markets Exemption;
- (f) the Program Agreement will (i) prohibit the Issuer from purchasing any Common Shares (other than Common Shares purchased under the Program), (ii) require the Issuer to prohibit the Responsible Brokers from acquiring any Common Shares on behalf of the Issuer, (iii) require the Issuer to prohibit the Plan Trustee from undertaking any Plan Trustee Purchases, and (iv) require the Issuer to prohibit the designated broker under the ARP from acquiring any

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

IT IS ORDERED pursuant to clause 104(2)(c) of the Act that the Issuer be exempt from the Issuer Bid Requirements in respect of the entering into of the Program Agreement and the delivery of the Inventory Shares by RBC to the Issuer pursuant to the Program, provided that:

- Common Shares on behalf of the Issuer, in each case, during the conduct of the Program by RBC and RBC DS;
- (g) each purchase made by or on behalf of RBC through the facilities of Canadian Markets pursuant to the Program shall be marked with such designation as would be required by the applicable marketplace and UMIR for a trade made by an agent on behalf the Issuer;
 - (h) at the time that the Program Agreement is entered into by the Issuer and RBC, the Common Shares must be “highly liquid securities”, as that term is defined in section 1.1 of OSC Rule 48-501 and section 1.1 of UMIR;
 - (i) at the time that the Issuer and RBC enter into the Program Agreement, neither the Issuer, nor any member of the Equity Finance Canada group of RBC, nor any personnel of RBC that negotiated the Program Agreement or made, participated in the making of, or provided advice in connection with, the decision to enter into the Program Agreement and deliver the Common Shares, will be aware of any “material change” or “material fact” (each as defined in the Act) with respect to the Issuer or the Common Shares that has not been generally disclosed; and
 - (j) in addition to reporting its purchases of Common Shares under the Program to the TSX in accordance with the TSX Rules, immediately following the completion of the Program, the Issuer will: (i) report the total number of Common Shares acquired under the Program to the TSX and the Commission; and (ii) file a notice on SEDAR disclosing the number of Common Shares acquired under the Program and the aggregate dollar amount paid for such Common Shares.

DATED at Toronto, Ontario, this 18th day of December, 2015

“Grant Vingoe”
Vice-Chair
Commissioner
Ontario Securities Commission

“William Furlong”
Commissioner
Ontario Securities Commission

2.2.2 Weizhen Tang – 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
WEIZHEN TANG**

ORDER

(Subsections 127(1) and 127(10))

WHEREAS on September 30, 2013, the Ontario Securities Commission (the “Commission”) issued a Notice of Hearing pursuant to subsections 127(1) and 127(10) of the *Securities Act*, R.S.O. 1990 c. S.5 as amended (the “Act”) accompanied by a Statement of Allegations of Staff of the Commission (“Staff”) dated September 30, 2013 with respect to Weizhen Tang (“Tang”);

AND WHEREAS the Notice of Hearing stated that a hearing would be held at the offices of the Commission on November 13, 2013;

AND WHEREAS on November 13, 2013, Staff attended the hearing and filed the Affidavits of Service of Jeff Thomson sworn October 4, 2013 demonstrating personal service of the Notice of Hearing and Statement of Allegations on Tang;

AND WHEREAS Tang did not attend the hearing nor was he represented by counsel;

AND WHEREAS Tang’s wife attended the hearing and addressed the Panel;

AND WHEREAS on November 13, 2013, Staff requested that the hearing be adjourned to January 2014;

AND WHEREAS the Commission ordered that the hearing be adjourned to January 21, 2014 at 10:00 a.m.;

AND WHEREAS on January 21, 2014, Counsel for Staff attended the hearing and filed the Affidavit of Service of Tia Faerber sworn January 17, 2014 as Exhibit “1” demonstrating service of the Commission’s Order dated November 13, 2013 on Tang;

AND WHEREAS Tang did not attend the hearing nor was he represented by counsel;

AND WHEREAS Tang’s wife, Hong Xiao, attended the hearing and addressed the Panel;

AND WHEREAS on January 21, 2014, Counsel for Staff requested that the hearing be adjourned to February 24, 2014;

AND WHEREAS on January 21, 2014, the Commission ordered that the hearing be adjourned to February 24, 2014 at 10:00 a.m.;

AND WHEREAS in advance of the hearing on February 24, 2014, Staff filed the Affidavit of Service of Tia Faerber, sworn February 18, 2014 demonstrating service of the Commission's Order dated January 21, 2014 on Tang;

AND WHEREAS on February 24, 2014, Counsel for Staff attended the hearing and made submissions;

AND WHEREAS Tang did not attend the hearing nor was he represented by counsel;

AND WHEREAS Tang's wife, Hong Xiao, attended the hearing and addressed the Panel;

AND WHEREAS the Commission ordered that the hearing be adjourned to October 27, 2014 at 2:00 p.m.;

AND WHEREAS in advance of the hearing on October 27, 2014, Staff filed the Affidavit of Alice Hewitt sworn October 22, 2014 demonstrating service of the Commission's Order dated February 24, 2014 on Tang;

AND WHEREAS on October 27, 2014, Counsel for Staff attended the hearing and made submissions;

AND WHEREAS Tang did not attend the hearing nor was he represented by counsel;

AND WHEREAS the Commission ordered that the hearing be adjourned to April 27, 2015 at 9:00 a.m.;

AND WHEREAS in advance of the hearing on April 27, 2015, Staff filed the Affidavit of Service of Alice Hewitt sworn March 2, 2015 demonstrating service of the Commission's Order dated October 28, 2014 on Tang;

AND WHEREAS on April 27, 2015, Counsel for Staff attended the hearing and made submissions;

AND WHEREAS Tang did not attend the hearing nor was he represented by counsel;

AND WHEREAS on April 27, 2015, the Commission ordered that the hearing be adjourned to September 14, 2015 at 10:00 a.m.;

AND WHEREAS in advance of the hearing on September 14, 2015, Staff filed the Affidavit of Service of Alice Hewitt sworn June 23, 2015 demonstrating service of the Commission's Order dated April 27, 2015 on Tang;

AND WHEREAS on September 14, 2015, Counsel for Staff attended the hearing and made submissions;

AND WHEREAS Tang attended the hearing and made submissions;

AND WHEREAS the Commission ordered that the hearing be adjourned to October 2, 2015 at 9:00 a.m.;

AND WHEREAS in advance of the hearing on October 2, 2015, Staff filed the Affidavit of Alice Hewitt sworn September 23, 2015 demonstrating service of the Commission's Order dated September 14, 2015 on Tang;

AND WHEREAS on October 2, 2015, Counsel for Staff attended the hearing and made submissions;

AND WHEREAS Tang attended the hearing and made submissions;

AND WHEREAS on October 2, 2015, the Commission ordered that a pre-hearing conference be scheduled for Friday, November 6, 2015 at 9:00 a.m., and the hearing on the merits (the "Merits Hearing") be scheduled for January 13, 14 and 15, 2016;

AND WHEREAS in advance of the pre-hearing conference on November 6, 2015, Staff filed the Affidavit of Service of Alice Hewitt sworn October 7, 2015 demonstrating service of the Commission's Order dated October 2, 2015 on Tang, and the Affidavit of Service of Anne Paiement sworn October 5, 2015 demonstrating service of Staff's first tranche of disclosure relating to this proceeding on Tang;

AND WHEREAS in advance of the pre-hearing conference on November 6, 2015, Tang filed Pre-Hearing Conference Submissions, expressing his intention to call a number of investors and current and former Commission staff members as witnesses;

AND WHEREAS in advance of the pre-hearing conference on November 6, 2015, Tang brought an application seeking relief pertaining to the freezing of certain funds held on behalf of corporations controlled by Tang, by Order of the Ontario Superior Court of Justice (the "Frozen Funds Application");

AND WHEREAS on November 6, 2015, Counsel for Staff attended the pre-hearing conference and made submissions and Tang attended the pre-hearing conference and made submissions;

AND WHEREAS on November 11, 2015, the Commission ordered that:

- (a) Subject to the authority of the Panel presiding over the Merits Hearing, Tang shall not be permitted to summon as witnesses at the Merits Hearing any of the three Staff members identified as prospective witnesses in Tang's Pre-Hearing Conference Submissions;
- (b) Subject to the authority of the Panel presiding over the Merits Hearing, Tang shall be permitted to summon no more than six investor witnesses at the Merits Hearing unless Tang provides the Panel with compelling reasons for doing so;
- (c) Subject to the authority of the Panel presiding over the Merits Hearing, the evidence that Tang may lead at the Merits Hearing shall be restricted to matters relevant to the appropriate sanction or sanctions that may be imposed on Tang under subsection 127(10) of the *Securities Act*;

- (d) Tang shall file and serve witness statements for the witnesses he intends to summon by no later than November 20, 2015, setting out their names and disclosing the substance of their anticipated evidence at the hearing on the merits;
- (e) Any hearing of the Frozen Funds Application, which would include a determination of the authority of a Panel to grant any relief in respect of such Application, shall be adjourned *sine die* pending the disposition of the motion brought by Representative Counsel before the Superior Court of Justice and served on Tang on November 6, 2014;
- (f) Staff shall advise the Commission, through the office of the Secretary, of the disposition of such motion by Representative Counsel and, if the motion is not disposed of in a timely fashion, Staff shall so alert the office of the Secretary for the purpose of permitting the Frozen Funds Application to be spoken to further;
- (g) Staff and Tang shall each deliver a Hearing Brief by no later than December 1, 2015; and
- (h) A further pre-hearing conference shall be held on November 25, 2015 at 9:00 a.m.;

AND WHEREAS in advance of the pre-hearing conference on November 25, 2015, Staff filed the Affidavit of Service of Lee Crann sworn November 23, 2015 demonstrating service of the Commission's Order dated November 11, 2015 on Tang, and the Affidavit of Service of Anne Paiement sworn November 6, 2015, demonstrating service of Staff's second tranche of disclosure relating to this proceeding on Tang;

AND WHEREAS Tang failed to deliver any witness statements on or before November 20, 2015.

AND WHEREAS on November 25, 2015, Tang and Counsel for Staff attended the pre-hearing conference and made submissions;

AND WHEREAS on November 27, 2015, the Commission ordered that:

- (a) Tang shall file witness statements for the witnesses he intends to summon by no later than December 18, 2015, setting out their names and disclosing the substance of their anticipated evidence at the Merits Hearing;
- (b) Staff and Tang shall each deliver a Hearing Brief by no later than December 18, 2015;

- (c) A further pre-hearing conference is scheduled for December 18, 2015 at 9:00 a.m.; and
- (d) The hearing dates of January 13, 14, and 15, 2016 scheduled for the Merits Hearing are vacated, and the Merits Hearing shall take place on February 17, 18, and 19, 2016.

AND WHEREAS in advance of the pre-hearing conference on December 18, 2015, Staff filed the Affidavit of Service of Lee Crann sworn December 14, 2015, demonstrating service of the Commission's Order dated November 27, 2015 on Tang;

AND WHEREAS Tang failed to deliver any witness statements or a Hearing Brief on or before December 18, 2015;

AND WHEREAS on December 18, 2015, Tang and Counsel for Staff attended the pre-hearing conference and made submissions;

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

IT IS ORDERED THAT:

- (a) Tang shall file witness statements for the witnesses he intends to request the Commission to summons by no later than January 8, 2016, setting out the names of the witnesses, their addresses, and disclosing the substance of their anticipated evidence at the Merits Hearing;
- (b) Tang shall not be permitted to file a Hearing Brief without leave of the Panel; and
- (c) A further pre-hearing conference is scheduled for January 18, 2016 at 9:00 a.m.

DATED at Toronto this 18th day of December, 2015.

"Christopher Portner"

2.2.3 PC Gold Inc. – s. 1(6) of the OBCA

Headnote

Applicant deemed to have ceased to be offering its securities to the public under the OBCA.

Applicable Legislative Provisions

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
PC GOLD INC.
(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 (the “**Common Shares**”).
2. The Applicant has its head office at 1805 - 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2 and its registered office at 333 Bay Street, Suite 3400, Toronto, Ontario, M5H 2S7.
3. Pursuant to a plan of arrangement under the OBCA (the “**Arrangement**”) completed on November 16, 2015, the shareholders of the Applicant exchanged the shares of the Applicant held by them for shares of First Mining Finance Corp. (“**FMF**”). As a result of the Arrangement, the Applicant became a wholly-owned subsidiary of FMF.
4. The Applicant has no outstanding securities other than the Common Shares.
5. The Common Shares of the Applicant, which traded under the symbol “PKL” on the TSX Venture Exchange, were delisted effective at the close of trading on November 18, 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 November 30, 2015.
8. The Applicant is a reporting issuer, or the equivalent, in Alberta and Ontario (the “**Jurisdictions**”).
9. The Applicant is not in default of any requirement of securities legislation in any jurisdiction, except for the obligation to file in the Jurisdictions its interim financial statements and related management’s discussion and analysis for the period ended September 30, 2015, as required under National Instrument 51-102 – *Continuous Disclosure Obligations*, and the related certification of such financial statements and management’s discussion and analysis, as required under National Instrument 52-109 – *Certification of Disclosure in Issuers’ Annual and Interim Filings* (collectively, the “**Filings**”), all of which became due on November 30, 2015.
10. The Applicant has no intention to seek public financing by way of an offering of securities.
11. On November 26, 2015 the Applicant made an application to the Ontario Securities Commission, as principal regulator on behalf of the securities regulatory authorities in the Jurisdictions, for a decision that the Applicant is not a reporting issuer in the Jurisdictions (the “**Reporting Issuer Requested Relief**”).
12. Upon the granting of the Reporting Issuer Relief Requested, the Applicant will not be a reporting issuer or equivalent 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 on this 22nd day of December, 2015.

“Janet Leiper”
Commissioner
Ontario Securities Commission

“Judith Robertson”
Commissioner
Ontario Securities Commission

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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 |
|---|-------------------------|------------------|-------------------------|----------------------|
| Altitude Resources Inc. | 8 December 2015 | 21 December 2015 | | 22 December 2015 |
| Enesco Energy Services Corp. | 8 December 2015 | 21 December 2015 | 21 December 2015 | |
| FPS Pharma Inc. | 8 December 2015 | 21 December 2015 | 21 December 2015 | |
| Hi Ho Silver Resources Inc. | 17 December 2015 | 30 December 2015 | 30 December 2015 | |
| Newnote Financial Corp. | 17 December 2015 | 30 December 2015 | 30 December 2015 | |
| PDC Biological Health Group Corporation | 17 December 2015 | 30 December 2015 | 30 December 2015 | |
| Regal Resources Inc. | 17 December 2015 | 30 December 2015 | 30 December 2015 | |
| ZaZa Energy Corporation | 17 December 2015 | 30 December 2015 | 30 December 2015 | |

Failure to File Cease Trade Orders

| Company Name | Date of Order | Date of Revocation |
|---|----------------|--------------------|
| Craig Wireless Systems Ltd. | 5 January 2016 | |
| Nuvolt Corporation Inc. / Corporation Nuvolt Inc. | 5 January 2016 | |

4.2.1 Temporary, Permanent & Rescinding Management Cease Trading Orders

| Company Name | Date of Order or Temporary Order | Date of Hearing | Date of Permanent Order | Date of Lapse/ Expire | Date of Issuer Temporary Order |
|---------------------------------|----------------------------------|-----------------|-------------------------|-----------------------|--------------------------------|
| Starrex International Ltd. | 30 December 2015 | 11 January 2016 | | | |
| Boyuan Construction Group, Inc. | 2 October 2015 | 14 October 2015 | 14 October 2015 | 29 December 2015 | |
| West Red Lake Gold Mines Inc. | 24 December 2015 | 6 January 2016 | | | |

4.2.2 Outstanding Management & Insider Cease Trading Orders

| Company Name | Date of Order or Temporary Order | Date of Hearing | Date of Permanent Order | Date of Lapse/ Expire | Date of Issuer Temporary Order |
|---------------------------------------|----------------------------------|------------------|-------------------------|-----------------------|--------------------------------|
| BitRush Corp. | 13 November 2015 | 25 November 2015 | 25 November 2015 | | |
| Boyuan Construction Group, Inc. | 02 October 2015 | 14 October 2015 | 14 October 2015 | 29 December 2015 | |
| Enerdynamic Hybrid Technologies Corp. | 4 November 2015 | 16 November 2015 | 16 November 2015 | | |
| Enerdynamic Hybrid Technologies Corp. | 22 October 2015 | 4 November 2015 | 4 November 2015 | | |
| Enerdynamic Hybrid Technologies Corp. | 15 October 2015 | 28 October 2015 | 28 October 2015 | | |
| Nobilis Health Corp. | 23 November 2015 | 4 December 2015 | 4 December 2015 | | |
| Starrex International Ltd. | 30 December 2015 | 11 January 2016 | | | |
| West Red Lake Gold Mines Inc. | 24 December 2015 | 6 January 2016 | | | |

Chapter 5

Rules and Policies

5.1.1 Amendments to NI 45-106 Prospectus Exemptions

AMENDMENTS TO NATIONAL INSTRUMENT 45-106 *PROSPECTUS EXEMPTIONS*

1. ***National Instrument 45-106 Prospectus Exemptions is amended by this Instrument.***
2. ***Section 1.1 is amended***
 - (a) ***in paragraph (b) of the definition of “eligibility adviser” by deleting “Saskatchewan or”,***
 - (b) ***in paragraph (h) of the definition of “eligible investor” by adding “in Manitoba, Northwest Territories, Nunavut, Prince Edward Island and Yukon,” before “a person that has obtained advice”.***
3. ***The Instrument is amended by adding the following section:***
 - 1.1.1 In this Instrument, in Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan

“date of transition to IFRS” has the same meaning as in National Instrument 51-102 *Continuous Disclosure Obligations*;

“exempt market dealer” has the same meaning as in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*;

“first IFRS financial statements” has the same meaning as in National Instrument 51-102 *Continuous Disclosure Obligations*;

“investment dealer” has the same meaning as in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*;

“new financial year” means the financial year of an issuer that immediately follows a transition year;

“old financial year” means the financial year of an issuer that immediately precedes a transition year;

“OM marketing materials” means a written communication, other than an OM standard term sheet, intended for prospective purchasers regarding a distribution of securities under an offering memorandum delivered under section 2.9 [*Offering memorandum*] that contains material facts relating to an issuer, securities or an offering;

“OM standard term sheet” means a written communication intended for prospective purchasers regarding a distribution of securities under an offering memorandum delivered under section 2.9 [*Offering memorandum*] that

 - (a) is dated,
 - (b) includes the following legend, or words to the same effect, on the first page:

“This document does not provide disclosure of all information required for an investor to make an informed investment decision. Investors should read the offering memorandum, especially the risk factors relating to the securities offered, before making an investment decision.”,
 - (c) contains only the following information in respect of the issuer, the securities or the offering:
 - (i) the name of the issuer;
 - (ii) the jurisdiction or foreign jurisdiction in which the issuer’s head office is located;
 - (iii) the statute under which the issuer is incorporated, continued or organized or, if the issuer is an unincorporated entity, the laws of the jurisdiction or foreign jurisdiction under which it is established and exists;

- (iv) a brief description of the business of the issuer;
 - (v) a brief description of the securities;
 - (vi) the price or price range of the securities;
 - (vii) the total number or dollar amount of the securities, or range of the total number or dollar amount of the securities;
 - (viii) the names of any agent, finder or other intermediary, whether registered or not, involved with the offering and the amount of any commission, fee or discount payable to them;
 - (ix) the proposed or expected closing date of the offering;
 - (x) a brief description of the use of proceeds;
 - (xi) the exchange on which the securities are proposed to be listed, if any, provided that the OM standard term sheet complies with the requirements of securities legislation for listing representations;
 - (xii) in the case of debt securities, the maturity date of the debt securities and a brief description of any interest payable on the debt securities;
 - (xiii) in the case of preferred shares, a brief description of any dividends payable on the securities;
 - (xiv) in the case of convertible securities, a brief description of the underlying securities into which the convertible securities are convertible;
 - (xv) in the case of exchangeable securities, a brief description of the underlying securities into which the exchangeable securities are exchangeable;
 - (xvi) in the case of restricted securities, a brief description of the restriction;
 - (xvii) in the case of securities for which a credit supporter has provided a guarantee or alternative credit support, a brief description of the credit supporter and the guarantee or alternative credit support provided;
 - (xviii) whether the securities are redeemable or retractable;
 - (xix) a statement that the securities are eligible, or are expected to be eligible, for investment in registered retirement savings plans, tax-free savings accounts or other registered plans, if the issuer has received, or reasonably expects to receive, a legal opinion that the securities are so eligible;
 - (xx) contact information for the issuer or any registrant involved, and
- (d) for the purposes of paragraph (c), “brief description” means a description consisting of no more than three lines of text in type that is at least as large as that used generally in the body of the OM standard term sheet;

“portfolio manager” has the same meaning as in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*;

“SEC issuer” has the same meaning as in National Instrument 51-102 *Continuous Disclosure Obligations*;

“specified derivative” has the same meaning as in National Instrument 44-102 *Shelf Distributions*;

“structured finance product” has the same meaning as in National Instrument 25-101 *Designated Rating Organizations*;

“transition year” means the financial year of an issuer in which the issuer has changed its financial year end;

“U.S. laws” has the same meaning as in National Instrument 51-102 *Continuous Disclosure Obligations*..

4. Section 2.9 is amended

- (a) **in subsection (1) by deleting** “, New Brunswick, Nova Scotia”,
- (b) **in subsection (2) by replacing** “In Alberta, Manitoba, Northwest Territories, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon” **with** “In Manitoba, Northwest Territories, Nunavut, Prince Edward Island and Yukon”,

(c) **by adding the following subsections:**

(2.1) In Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan, the prospectus requirement does not apply to a distribution by an issuer of a security of its own issue to a purchaser if

- (a) the purchaser purchases the security as principal,
- (b) the acquisition cost of all securities acquired by a purchaser who is an individual under this section in the preceding 12 months does not exceed the following amounts:
 - (i) in the case of a purchaser that is not an eligible investor, \$10 000;
 - (ii) in the case of a purchaser that is an eligible investor, \$30 000;
 - (iii) in the case of a purchaser that is an eligible investor and that received advice from a portfolio manager, investment dealer or exempt market dealer that the investment is suitable, \$100 000,
- (c) at the same time or before the purchaser signs the agreement to purchase the security, the issuer
 - (i) delivers an offering memorandum to the purchaser in compliance with subsections (5) to (13), and
 - (ii) obtains a signed risk acknowledgement from the purchaser in compliance with subsection (15), and
- (d) the security distributed by the issuer is not either of the following:
 - (i) a specified derivative;
 - (ii) a structured finance product.

(2.2) The prospectus exemption described in subsection (2.1) is not available

- (a) in Alberta, Nova Scotia and Saskatchewan, to an issuer that is an investment fund, unless the issuer is a non-redeemable investment fund or a mutual fund that is a reporting issuer, or
- (b) in New Brunswick, Ontario and Québec, to an issuer that is an investment fund.

(2.3) The investment limits described in subparagraphs (2.1)(b)(ii) and (iii) do not apply if the purchaser is

- (a) an accredited investor, or
 - (b) a person described in subsection 2.5(1) [*Family, friends and business associates*].,
- (d) **in subsection (3) by replacing** “In Alberta, Manitoba, Northwest Territories, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon” **with** “In Manitoba, Northwest Territories, Nunavut, Prince Edward Island and Yukon”,
- (e) **by adding the following subsection:**

(3.0.1) In Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan, this section does not apply to a distribution of a security to a person that was created, or is used, solely to purchase or hold securities in reliance on the exemption from the prospectus requirement set out in subsection (2.1).,

- (f)** *in subsection (3.1) by replacing “Subsections (1) and (2)”, with “Subsections (1), (2) and (2.1)”,*
- (g)** *in subsection (4) by deleting “, Saskatchewan”,*
- (h)** *by adding the following subsections:*

(5.1) In Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan, an offering memorandum delivered under subsection (2.1)

- (a)** must incorporate by reference, by way of a statement in the offering memorandum, OM marketing materials related to each distribution under the offering memorandum and delivered or made reasonably available to a prospective purchaser before the termination of the distribution, and
- (b)** is deemed to incorporate by reference OM marketing materials related to each distribution under the offering memorandum and delivered or made reasonably available to a prospective purchaser before the termination of the distribution.

(5.2) A portfolio manager, investment dealer or exempt market dealer must not distribute OM marketing materials unless the OM marketing materials have been approved in writing by the issuer.,

- (i)** *in subsections (15) and (16) by replacing “(1) or (2)” with “(1), (2) or (2.1)” wherever the phrase appears, and*
- (j)** *by adding the following subsections:*

(17.1) In Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan, the issuer must file with the securities regulatory authority a copy of all OM marketing materials required or deemed to be incorporated by reference into an offering memorandum delivered under this section,

- (a)** if the OM marketing materials are prepared on or before the filing of the offering memorandum, concurrently with the filing of the offering memorandum, or
- (b)** if the OM marketing materials are prepared after the filing of the offering memorandum, within 10 days of the OM marketing materials being delivered or made reasonably available to a prospective purchaser.

(17.2) OM marketing materials filed under subsection (17.1) must include a cover page clearly identifying the offering memorandum to which they relate.

(17.3) Subsections (17.4) to (17.21) apply to issuers that rely on subsection (2.1) and that are not reporting issuers in any jurisdiction of Canada.

(17.4) In Alberta, an issuer must, within 120 days after the end of each of its financial years, file with the securities regulatory authority annual financial statements and make them reasonably available to each holder of a security acquired under subsection (2.1).

(17.5) In New Brunswick, Ontario, Québec and Saskatchewan, an issuer must, within 120 days after the end of each of its financial years, deliver annual financial statements to the securities regulatory authority and make them reasonably available to each holder of a security acquired under subsection (2.1).

(17.6) In Nova Scotia, an issuer must, within 120 days after the end of each of its financial years, make reasonably available annual financial statements to each holder of a security acquired under subsection (2.1).

(17.7) Despite subsections (17.4), (17.5) and (17.6), as applicable, if an issuer is required to file, deliver or make reasonably available annual financial statements for a financial year that ended before the issuer distributed securities under subsection (2.1) for the first time, those annual financial statements must be filed in Alberta, delivered in New Brunswick, Ontario, Québec and Saskatchewan or made reasonably available in Nova Scotia, as applicable, on or before the later of

- (a) the 60th day after the issuer first distributes securities under subsection (2.1), and
- (b) the deadline in subsection (17.4), (17.5) or (17.6), as applicable, to file, deliver or make reasonably available the annual financial statements.

(17.8) The annual financial statements of an issuer referred to in subsections (17.4), (17.5) and (17.6) must include

- (a) a statement of comprehensive income, a statement of changes in equity, and a statement of cash flows for
 - (i) the most recently completed financial year, and
 - (ii) the financial year immediately preceding the most recently completed financial year, if any,
- (b) a statement of financial position as at the end of each of the periods referred to in paragraph (a),
- (c) in the following circumstances, a statement of financial position as at the beginning of the financial year immediately preceding the most recently completed financial year:
 - (i) the issuer discloses in its annual financial statements an unreserved statement of compliance with IFRS, and
 - (ii) the issuer
 - (A) applies an accounting policy retrospectively in its annual financial statements,
 - (B) makes a retrospective restatement of items in its annual financial statements, or
 - (C) reclassifies items in its annual financial statements,
- (d) in the case of the issuer's first IFRS financial statements, the opening IFRS statement of financial position at the date of transition to IFRS, and
- (e) notes to the annual financial statements.

(17.9) If the annual financial statements referred to in subsection (17.8) present the components of profit or loss in a separate income statement, the separate income statement must be displayed immediately before the statement of comprehensive income referred to in subsection (17.8).

(17.10) The annual financial statements referred to in subsection (17.8) must be audited.

(17.11) Despite subsection (17.10), for the first annual financial statements of an issuer referred to in subsections (17.4), (17.5) and (17.6), comparative information relating to the preceding financial year is not required to be audited if it has not been previously audited.

(17.12) Any period referred to in subsection (17.8) that has not been audited must be clearly labelled as unaudited.

(17.13) In Alberta, New Brunswick, Ontario, Québec and Saskatchewan, if an issuer decides to change its financial year end by more than 14 days, it must deliver to the securities regulatory authority and make reasonably available to each holder of a security acquired under subsection (2.1) a notice containing the information set out in subsection (17.15) as soon as practicable and, in any event, no later than the earlier of

- (a) the deadline, based on the issuer's old financial year end, for the next annual financial statements referred to in subsections (17.4) and (17.5), and
- (b) the deadline, based on the issuer's new financial year end, for the next annual financial statements referred to in subsections (17.4) and (17.5).

(17.14) In Nova Scotia, if an issuer decides to change its financial year end by more than 14 days, it must make reasonably available to each holder of a security acquired under subsection (2.1) a notice containing the information set out in subsection (17.15) as soon as practicable and, in any event, no later than the earlier of

- (a) the deadline, based on the issuer's old financial year end, for the next annual financial statements referred to in subsection (17.6), and
- (b) the deadline, based on the issuer's new financial year end, for the next annual financial statements referred to in subsection (17.6).

(17.15) The notice referred to in subsections (17.13) and (17.14) must state

- (a) that the issuer has decided to change its financial year end,
- (b) the reason for the change,
- (c) the issuer's old financial year end,
- (d) the issuer's new financial year end,
- (e) the length and ending date of the periods, including the comparative periods, of the annual financial statements referred to in subsections (17.4), (17.5) and (17.6) for the issuer's transition year and its new financial year, and
- (f) the filing deadline for the annual financial statements for the issuer's transition year.

(17.16) If a transition year is less than 9 months in length, the issuer must include as comparative financial information to its annual financial statements for its new financial year

- (a) a statement of financial position, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows, and notes to the financial statements for its transition year,
- (b) a statement of financial position, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows, and notes to the financial statements for its old financial year,
- (c) in the following circumstances, a statement of financial position as at the beginning of the old financial year:
 - (i) the issuer discloses in its annual financial statements an unreserved statement of compliance with IFRS, and
 - (ii) the issuer
 - (A) applies an accounting policy retrospectively in its annual financial statements,
 - (B) makes a retrospective restatement of items in its annual financial statements, or
 - (C) reclassifies items in its annual financial statements, and
- (d) in the case of the issuer's first IFRS financial statements, the opening IFRS statement of financial position at the date of transition to IFRS.

(17.17) A transition year must not exceed 15 months.

(17.18) An SEC issuer satisfies subsections (17.13), (17.14) and (17.16) if

- (a) it complies with the requirements of U.S. laws relating to a change of fiscal year, and
- (b) it delivers a copy of all materials required by U.S. laws relating to a change in fiscal year to the securities regulatory authority at the same time as, or as soon as practicable after, they

are filed with or furnished to the SEC and, in any event, no later than 120 days after the end of its most recently completed financial year.

(17.19) The financial statements of an issuer referred to in subsections (17.4), (17.5) and (17.6) must be accompanied by a notice of the issuer disclosing in reasonable detail the use of the aggregate gross proceeds raised by the issuer under section 2.9 in accordance with Form 45-106F16, unless the issuer has previously disclosed the use of the aggregate gross proceeds in accordance with Form 45-106F16.

(17.20) In New Brunswick, Nova Scotia and Ontario, an issuer must make reasonably available to each holder of a security acquired under subsection (2.1) a notice of each of the following events in accordance with Form 45-106F17, within 10 days of the occurrence of the event:

- (a) a discontinuation of the issuer's business;
- (b) a change in the issuer's industry;
- (c) a change of control of the issuer.

(17.21) An issuer is required to make the disclosure required respectively by subsections (17.4), (17.5), (17.6), (17.19) and (17.20) until the earliest of

- (a) the date the issuer becomes a reporting issuer in any jurisdiction of Canada, and
- (b) the date the issuer ceases to carry on business.

(17.22) In Ontario, an issuer that is not a reporting issuer in Ontario that distributes securities in reliance on the exemption in subsection (2.1) is designated a market participant under the *Securities Act* (Ontario).

(17.23) In New Brunswick, an issuer that is not a reporting issuer in New Brunswick that distributes securities in reliance on the exemption in subsection (2.1) is designated a market participant under the *Securities Act* (New Brunswick).

(18) Repealed. [B.C. Reg. 86/2011, s. (e).].

5. **Paragraph 6.1(1)(c) is amended by replacing** "or (2) [Offering memorandum for Alberta, B.C., Manitoba, New Brunswick, Nova Scotia, Newfoundland and Labrador, Northwest Territories, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon]" **with** ", (2) or (2.1) [Offering memorandum]".

6. **Section 6.5 is amended by adding the following subsection:**

(1.1) In Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan, the required form of risk acknowledgement for individual investors includes Schedule 1 *Classification of Investors Under the Offering Memorandum Exemption* and Schedule 2 *Investment Limits for Investors Under the Offering Memorandum Exemption* to Form 45-106F4..

7. **Part 8 is amended by adding the following sections:**

8.4.1 Transition – offering memorandum exemption – update of offering memorandum – Despite subsection 2.9(5.1), in Alberta, New Brunswick, Nova Scotia, Québec and Saskatchewan, an issuer is not required to update an offering memorandum that was filed in the local jurisdiction before April 30, 2016, solely to incorporate the statement required under paragraph 2.9(5.1)(a), unless the offering memorandum would otherwise be required to be updated pursuant to subsection 2.9(14) or Instruction B.12 of Form 45-106F2 *Offering Memorandum for Non-Qualifying Issuers*.

8.4.2 Transition – offering memorandum exemption – marketing materials – Despite paragraph 2.9(17.1)(a), in Alberta, New Brunswick, Nova Scotia, Québec and Saskatchewan, OM marketing materials that relate to an offering memorandum that was filed in the local jurisdiction before April 30, 2016 and that are delivered or made reasonably available after April 30, 2016 must be filed within 10 days from the earlier of delivery to, or being made reasonably available to, a prospective purchaser..

8. **Item 10.1 of Form 45-106F2 Offering Memorandum for Non-Qualifying Issuers is amended by adding** "Ontario," **before** "Prince Edward Island".

9. **Item 10.2 of Form 45-106F2 Offering Memorandum for Non-Qualifying Issuers is amended by adding** "Ontario," **before** "Prince Edward Island".

10. **Item 10 of Form 45-106F3 Offering Memorandum for Qualifying Issuers is amended by adding “Ontario,” before “Prince Edward Island”.**
11. **Form 45-106F4 Risk Acknowledgement is amended**
- (a) **by replacing** “In Alberta, Manitoba, Northwest Territories, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon to qualify as an eligible investor, you may be required to obtain that advice” **with** “In Manitoba, Northwest Territories, Nunavut, Prince Edward Island and Yukon to qualify as an eligible investor, you may be required to obtain that advice”, **and**
- (b) **by adding the following:**

Schedule 1
Classification of Investors Under the Offering Memorandum Exemption

Instructions: This schedule must be completed together with the Risk Acknowledgement Form and Schedule 2 by individuals purchasing securities under the exemption (the offering memorandum exemption) in subsection 2.9(2.1) of National Instrument 45-106 *Prospectus Exemptions* (NI 45-106) in Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan.

| How you qualify to buy securities under the offering memorandum exemption |
|---|
| Initial the statement under A, B, C or D containing the criteria that applies to you. (You may initial more than one statement.) If you initial a statement under B or C, you are not required to complete A. |

| A. You are an eligible investor because: | | Your initials |
|--|--|---------------|
| ELIGIBLE INVESTOR | Your net income before taxes was more than \$75,000 in each of the 2 most recent calendar years, and you expect it to be more than \$75,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.) | |
| | Your net income before taxes combined with your spouse’s was more than \$125,000 in each of the 2 most recent calendar years, and you expect your combined net income to be more than \$125,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.) | |
| | Either alone or with your spouse, you have net assets worth more than \$400,000. (Your net assets are your total assets, including real estate, minus your total debt including any mortgage on your property.) | |

| B. You are an eligible investor, as a person described in section 2.3 [<i>Accredited investor</i>] of NI 45-106 or, as applicable in Ontario, subsection 7.3(3) of the <i>Securities Act</i> (Ontario), because: | | Your initials |
|--|--|---------------|
| ACCREDITED INVESTOR | Your net income before taxes was more than \$200,000 in each of the 2 most recent calendar years, and you expect it to be more than \$200,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.) | |
| | Your net income before taxes combined with your spouse’s was more than \$300,000 in each of the 2 most recent calendar years, and you expect your combined net income before taxes to be more than \$300,000 in the current calendar year. | |
| | Either alone or with your spouse, you own more than \$1 million in cash and securities, after subtracting any debt related to the cash and securities. | |
| | Either alone or with your spouse, you have net assets worth more than \$5 million. (Your net assets are your total assets (including real estate) minus your total debt.) | |

| C. You are an eligible investor, as a person described in section 2.5 [Family, friends and business associates] of NI 45-106, because: | | Your initials |
|--|--|---------------|
| FAMILY, FRIENDS AND BUSINESS ASSOCIATES | <p>You are:</p> <p>1) <i>[check all applicable boxes]</i></p> <p><input type="checkbox"/> a director of the issuer or an affiliate of the issuer</p> <p><input type="checkbox"/> an executive officer of the issuer or an affiliate of the issuer</p> <p><input type="checkbox"/> a control person of the issuer or an affiliate of the issuer</p> <p><input type="checkbox"/> a founder of the issuer</p> <p>OR</p> <p>2) <i>[check all applicable boxes]</i></p> <p><input type="checkbox"/> a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, (i) individuals listed in (1) above and/or (ii) family members, close personal friends or close business associates of individuals listed in (1) above</p> <p><input type="checkbox"/> a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are (i) individuals listed in (1) above and/or (ii) family members, close personal friends or close business associates of individuals listed in (1) above</p> | |
| | <p>You are a family member of _____ <i>[Instruction: Insert the name of the person who is your relative either directly or through his or her spouse]</i>, who holds the following position at the issuer or an affiliate of the issuer:</p> <p>_____.</p> <p>You are the _____ of that person or that person's spouse. <i>[Instruction: To qualify for this investment, you must be (a) the spouse of the person listed above or (b) the parent, grandparent, brother, sister, child or grandchild of that person or that person's spouse.]</i></p> | |
| | <p>You are a close personal friend of _____ <i>[Instruction: Insert the name of your close personal friend]</i>, who holds the following position at the issuer or an affiliate of the issuer: _____.</p> <p>You have known that person for _____ years.</p> | |
| | <p>You are a close business associate of _____ <i>[Instruction: Insert the name of your close business associate]</i>, who holds the following position at the issuer or an affiliate of the issuer: _____.</p> <p>You have known that person for _____ years.</p> | |

| D. You are not an eligible investor. | | Your initials |
|--------------------------------------|---|---------------|
| NOT AN ELIGIBLE INVESTOR | <p>You acknowledge that you are not an eligible investor.</p> | |

Schedule 2
Investment Limits for Investors Under the Offering Memorandum Exemption

Instructions: This schedule must be completed together with the Risk Acknowledgement Form and Schedule 1 by individuals purchasing securities under the exemption (the offering memorandum exemption) in subsection 2.9(2.1) of National Instrument 45-106 *Prospectus Exemptions* (NI 45-106) in Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan.

| |
|--|
| SECTION 1 TO BE COMPLETED BY THE PURCHASER |
| 1. Investment limits you are subject to when purchasing securities under the offering memorandum exemption |
| You may be subject to annual investment limits that apply to all securities acquired under the offering memorandum exemption in a 12 month period, depending on the criteria under which you qualify as identified in Schedule 1. Initial the statement that applies to you. |

| A. You are an eligible investor. | | Your initials |
|---|---|----------------------|
| ELIGIBLE INVESTOR | As an eligible investor that is an individual, you cannot invest more than \$30,000 in all offering memorandum exemption investments made in the previous 12 months, unless you have received advice from a portfolio manager, investment dealer or exempt market dealer, as identified in section 2 of this schedule, that your investment is suitable. Initial one of the following statements: | |
| | You confirm that, after taking into account your investment of \$_____ today in this issuer, you have not exceeded your investment limit of \$30,000 in all offering memorandum exemption investments made in the previous 12 months. | |
| | You confirm that you received advice from a portfolio manager, investment dealer or exempt market dealer, as identified in section 2 of this schedule that the following investment is suitable. | |
| | You confirm that, after taking into account your investment of \$_____ today in this issuer, you have not exceeded your investment limit in all offering memorandum exemption investments made in the previous 12 months of \$100,000. | |

| B. You are an eligible investor, as a person described in section 2.3 [Accredited investor] of NI 45-106 or, as applicable in Ontario, subsection 7.3(3) of the Securities Act (Ontario). | | Your initials |
|--|---|----------------------|
| ACCREDITED INVESTOR | You acknowledge that, by qualifying as an eligible investor as a person described in section 2.3 [Accredited investor], you are not subject to investment limits. | |

| C. You are an eligible investor, as a person described in section 2.5 [Family, friends and business associates] of NI 45-106. | | Your initials |
|--|---|----------------------|
| FAMILY, FRIENDS AND BUSINESS ASSOCIATES | You acknowledge that, by qualifying as an eligible investor as a person described in section 2.5 [Family, friends and business associates], you are not subject to investment limits. | |

| D. You are not an eligible investor. | | Your initials |
|--------------------------------------|---|---------------|
| NOT AN ELIGIBLE INVESTOR | <p>You acknowledge that you cannot invest more than \$10,000 in all offering memorandum exemption investments made in the previous 12 months.</p> <p>You confirm that, after taking into account your investment of \$_____ today in this issuer, you have not exceeded your investment limit of \$10,000 in all offering memorandum exemption investments made in the previous 12 months.</p> | |

| SECTION 2 TO BE COMPLETED BY THE REGISTRANT | |
|--|--------|
| 2. Registrant information | |
| <i>[Instruction: this section must only be completed if an investor has received advice from a portfolio manager, investment dealer or exempt market dealer concerning his or her investment.]</i> | |
| First and last name of registrant (please print): | |
| Registered as: <i>[Instruction: indicate whether registered as a dealing representative or advising representative]</i> | |
| Telephone: | Email: |
| Name of firm: <i>[Instruction: indicate whether registered as an exempt market dealer, investment dealer or portfolio manager.]</i> | |
| Date: | |

12. The Instrument is amended by adding the following form after Form 45-106F15:

**Form 45-106F16
Notice of Use of Proceeds**

[Insert issuer name]

For the financial year ended [Insert end date of most recently completed financial year]

Date: [Specify the date of the Notice. The date must be no earlier than the date of the auditor's report on the financial statements for the issuer's most recently completed financial year.]

[Provide the information specified in the following table.]

| 1 Opening Proceeds | | | |
|---|-----|--|----|
| | (A) | Closing unused proceeds balance from the last Notice in Form 45-106F16 filed, if any | \$ |
| | (B) | Proceeds raised in the most recently completed financial year | \$ |
| | (C) | Total opening proceeds [Line (C) = Line (A) + Line (B)] | \$ |
| 2 Proceeds Used During the Most Recently Completed Financial Year | | | |
| | | [Provide in reasonable detail a breakdown of all proceeds used in the most recently completed financial year, including proceeds used to pay the following, as applicable: i. selling commissions and fees ii. other offering costs iii. amounts paid in respect of each use of available funds identified in the offering memorandum iv. each other principal use of proceeds, identified separately] | \$ |
| | (D) | Total used proceeds [Line (D) is the sum of the uses of proceeds itemized in this section 2 of the table, and must equal the aggregate gross proceeds used during the most recently completed financial year.] | \$ |
| 3 Closing Unused Proceeds | | | |
| | (E) | Closing unused proceeds [Line (E) = Line (C) – Line (D)] | \$ |

[If any of the proceeds required to be disclosed in this table were paid directly or indirectly to a related party (as defined in Instruction A.6 of Form 45-106F2 Offering Memorandum Form for Non-Qualifying Issuers) of the issuer, state in each case the name of the related party to whom the payment was made, their relationship to the issuer and the amount paid to the related party.]

**Instructions for Completing
Form 45-106F16
Notice of Use of Proceeds**

1. The amount for Line (A) is taken from Line (E) in the prior year's Notice of Use of Proceeds (Notice), if applicable. If a Notice was not required in the prior year, then the amount for Line (A) is \$nil.
2. The amount for Line (B) is the aggregate gross proceeds raised in all jurisdictions in Canada under section 2.9 [Offering memorandum] of National Instrument 45-106 (the OM exemption) during the most recently completed financial year. If an issuer raised funds in reliance on other prospectus exemptions concurrently with the OM exemption during the year and it is impractical to separately track proceeds raised only under the OM exemption, the issuer can provide the disclosure outlined in the table for the aggregate gross proceeds raised under all prospectus exemptions during the most recently completed financial year.

- 3. If Line (C) is \$nil, then the issuer does not have an obligation to file, deliver or make reasonably available the Notice for that financial year.
- 4. In Section 2 of the table, the issuer must provide a breakdown in reasonable detail of the uses of the aggregate gross proceeds during the most recently completed financial year. Issuers should ensure that the disclosure is specific enough and provides sufficient detail for an investor to understand how the proceeds have been used.
- 5. Both direct and indirect payments to related parties must be disclosed. An example of an indirect payment could include repayment of a debt that was incurred for a prior payment to a related party.
- 6. Proceeds invested on a temporary basis would not generally be considered to have been used.

13. The Instrument is amended by adding the following form:

**Form 45-106F17
Notice of Specified Key Events**

This is the form required under subsection 2.9(17.20) of National Instrument 45-106 *Prospectus Exemptions* (NI 45-106) in New Brunswick, Nova Scotia and Ontario to make available notice of specified key events to holders of securities acquired under subsection 2.9(2.1) of NI 45-106.

1. Issuer Name and Address

Provide the following information.

Full legal name

Street address

Municipality

Website

Province/State

Postal code/Zip code

Country

2. Specified Key Event

Provide the following information.

The event, as described in section 3, is: *[Select one or more type of event from the list below]*

- a discontinuation of the issuer's business
- a change in the issuer's industry
- a change of control of the issuer

Date on which the event occurred (yyyy/mm/dd):

3. Event Description

Provide a brief description of the event identified in section 2.

4. Contact Person

Provide the following information for a person at the issuer who can be contacted regarding the event described in section 3.

| | | | |
|---------------|----------------------|------------------|----------------------|
| Name | <input type="text"/> | Title | <input type="text"/> |
| Email address | <input type="text"/> | Telephone number | <input type="text"/> |

Date of notice (yyyy/mm/dd):

14. This Instrument comes into force in Ontario on January 13, 2016 and in Alberta, New Brunswick, Nova Scotia, Québec and Saskatchewan on April 30, 2016.

5.1.2 Amendments to NI 52-107 Acceptable Accounting Principles and Auditing Standards

**AMENDMENTS TO
NATIONAL INSTRUMENT 52-107 ACCEPTABLE ACCOUNTING PRINCIPLES AND AUDITING STANDARDS**

1. ***National Instrument 52-107 Acceptable Accounting Principles and Auditing Standards is amended by this Instrument.***
2. ***Section 1.1 is amended***
 - (a) ***by deleting “except in Ontario, “ from paragraph (d) of the definition of “acquisition statements”.***
3. ***Subsection 2.1(2) is amended***
 - (a) ***by deleting “except in Ontario, “ wherever it occurs, and***
 - (b) ***by deleting “and” at the end of paragraph (g), by adding “, and” at the end of paragraph (h) and by adding the following paragraph:***
 - (i) all financial statements
 - (i) filed by an issuer under subsection 2.9(17.4) of National Instrument 45-106 *Prospectus Exemptions*,
 - (ii) delivered by an issuer under subsection 2.9(17.5) of National Instrument 45-106 *Prospectus Exemptions*, or
 - (iii) made reasonably available by an issuer under subsection 2.9(17.6) of National Instrument 45-106 *Prospectus Exemptions*.
4. ***In the following provisions, “(c) and (e)” is replaced with “(c), (e) and (i)”:***
 - (a) ***subsection 3.2(1);***
 - (b) ***subsection 3.7(1);***
 - (c) ***subsection 3.8(1);***
 - (d) ***subsection 3.9(1);***
 - (e) ***subsection 3.10(1).***
5. This Instrument comes into force in Ontario on January 13, 2016 and in Alberta, New Brunswick, Nova Scotia, Québec and Saskatchewan on April 30, 2016.

5.1.3 Amendments to NI 45-102 Resale of Securities

**AMENDMENTS TO
NATIONAL INSTRUMENT 45-102 RESALE OF SECURITIES**

1. ***National Instrument 45-102 Resale of Securities is amended by this Instrument.***
2. ***Appendix D is amended in the list preceding “Transitional and Other Provisions” by replacing “section 2.9 [Offering memorandum] (in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon);” with “section 2.9 [Offering memorandum];”.***
3. This Instrument comes into force in Ontario on January 13, 2016 and in Alberta, New Brunswick, Nova Scotia, Québec and Saskatchewan on April 30, 2016.

5.1.4 Amendments to MI 11-102 Passport System

**AMENDMENTS TO
MULTILATERAL INSTRUMENT 11-102 PASSPORT SYSTEM**

1. **Multilateral Instrument 11-102 Passport System is amended by this Instrument.**
2. **Appendix D is amended by replacing the following rows**

| | | |
|--|-------------------------|-----|
| Offering memorandum in required form | s. 2.9(5) of NI 45-106 | n/a |
| Requirement to file offering memorandum within prescribed time | s. 2.9(14) of NI 45-106 | n/a |

with

| | | | | | | | | | | | | | |
|--|-------------------------|--------------------------------------|--------------------------------------|------------------------|--------------------------------------|--------------------------------------|--------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|--------------------------------------|
| Offering memorandum in required form | s. 2.9(5) of NI 45-106 | s. 2.9(5) & s. 2.9(5.1) of NI 45-106 | s. 2.9(5) & s. 2.9(5.1) of NI 45-106 | s. 2.9(5) of NI 45-106 | s. 2.9(5) & s. 2.9(5.1) of NI 45-106 | s. 2.9(5) & s. 2.9(5.1) of NI 45-106 | s. 2.9(5) & s. 2.9(5.1) of NI 45-106 | s. 2.9(5) of NI 45-106 | s. 2.9(5) of NI 45-106 | s. 2.9(5) of NI 45-106 | s. 2.9(5) of NI 45-106 | s. 2.9(5) of NI 45-106 | s. 2.9(5) & s. 2.9(5.1) of NI 45-106 |
| Requirement to file offering memorandum within prescribed time | s. 2.9(14) of NI 45-106 | | | | | | | | | | | | |

3. This Instrument comes into force in Alberta, New Brunswick, Nova Scotia, Québec and Saskatchewan on April 30, 2016.

5.1.5 Changes to Companion Policy 45-106CP Prospectus Exemptions

The following reflects changes to Companion Policy 45-106CP *Prospectus Exemptions* that will take effect upon the coming into force of the amendments to National Instrument 45-106 *Prospectus Exemptions* related to the offering memorandum prospectus exemption. Additions are represented with underlined text and deletions are represented with strikethrough text.

PART 1 – INTRODUCTION

1.8 Persons created to use exemptions (“syndication”)

Sections 2.3(5), 2.4(1), 2.9(3), 2.9(3.0.1) and 2.10(2) of NI 45-106 specifically prohibit syndications. A distribution of securities to a person that had no pre-existing purpose and is created or used solely to purchase or hold securities under exemptions (a “syndicate”) may be considered a distribution of securities to the persons beneficially owning or controlling the syndicate.

For example, a newly formed company with 15 shareholders is set up with the intention of purchasing \$150 000 worth of securities under the minimum amount investment exemption. Each shareholder of the newly formed company contributes \$10 000. In this situation the shareholders of the newly formed company are indirectly investing \$10 000 when the exemption requires that they each invest \$150 000. Consequently, both the newly formed company and its shareholders may need to comply with the requirements of the minimum amount investment exemption, or find an alternative exemption to rely on.

Syndication related concerns should not ordinarily arise if the purchaser under the exemption is a corporation, syndicate, partnership or other form of entity that is pre-existing and has a bona fide purpose other than investing in the securities being sold. However, it is an inappropriate use of these exemptions to indirectly distribute securities when the exemption is not available to directly distribute securities to each person in the syndicate.

PART 3 – CAPITAL RAISING EXEMPTIONS

3.3 Advertising

NI 45-106 does not restrict the use of advertising to solicit or find purchasers. However, issuers and selling security holders should review other securities legislation and securities directions for guidelines, limitations and prohibitions on advertising intended to promote interest in an issuer or its securities. For example, any advertising or marketing communications must not contain a misrepresentation and should be consistent with the issuer’s public disclosure record.

3.3.1 Advertising and marketing materials under the offering memorandum exemption

In Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan, an offering memorandum prepared in accordance with the offering memorandum exemption in section 2.9(2.1) of NI 45-106 must incorporate by reference any marketing materials used in relation to a distribution under the offering memorandum exemption. Subsection 2.9(8) of NI 45-106 requires the issuer to sign a certificate that indicates that the offering memorandum does not contain a misrepresentation. As marketing materials are incorporated by reference into the offering memorandum, the issuer must also ensure that the information contained in marketing materials does not contain a misrepresentation.

In these jurisdictions, an issuer or registrant that uses marketing materials as part of an offering made in reliance on the offering memorandum exemption must review the marketing materials to confirm that they are consistent with the offering document and are fair, balanced and not misleading. In addition, these jurisdictions expect an issuer or registrant to determine whether any claims set out in marketing materials adequately refer to information to support these claims and representations. For example, if benchmarks are used for comparison purposes, the issuer or registrant should assess whether the benchmarks are relevant and comparable to the investment in question and confirm the marketing materials:

- (a) adequately explain differences between the benchmark and the investment,
- (b) make reference to the source of the benchmark and identify the date to which the information is current, and
- (c) where relevant, caution purchasers that historical performance is not necessarily indicative of future results.

Issuers that prepare offering memoranda in accordance with Form 45-106F2 *Offering Memorandum for Non-Qualifying Issuers*, are also required to comply with requirements relating to forward-looking information, which are described in Instructions A.12 and B.14 of Form 45-106F2. Issuers cannot disseminate material forward-looking information unless it is contained within the offering memorandum. Additionally, forward-looking information contained in an offering memorandum must comply with certain requirements in National Instrument 51-102 *Continuous Disclosure Obligations*. These requirements also extend to marketing materials that are used in connection with a distribution under the offering memorandum exemption.

In these jurisdictions, if an issuer or registrant intends to rely on marketing materials prepared by a third party, such as an analyst report that rates a security or compares a security with securities of other issuers, the issuer or registrant is expected to perform its own assessment of the marketing materials to confirm that they are fair, balanced and not misleading. For example, if the report has been paid for by the issuer, or if there are other relationships between the analyst and the issuer, it would be inappropriate to describe the report as being an "independent" report. The report should also prominently disclose the fees paid and relationships between the analyst and the issuer. An issuer or registrant should not rely on marketing materials prepared by a third party without independently reviewing the materials prior to use.

A registrant should be aware of other CSA guidance on the review and use of marketing materials and reliance on marketing materials prepared by third parties.

3.4 Restrictions on finder's fees or commissions

The following restrictions apply with respect to certain exemptions under NI 45-106:

- (1) no commissions or finder's fees may be paid to directors, officers, founders and control persons in connection with a distribution made under the private issuer exemption or the family, friends and business associates exemption, except in connection with a distribution of a security to an accredited investor under the private issuer exemption; and
- (2) in Northwest Territories, ~~and Nunavut and Saskatchewan~~, only a registered dealer may be paid a commission or finder's fee in connection with a distribution of a security to a purchaser in one of those jurisdictions under the offering memorandum exemption.

3.8 Offering memorandum

- (1) Eligibility criteria – ~~Alberta, Manitoba, Northwest Territories, Nunavut, and Prince Edward Island, Québec and Saskatchewan~~

~~Alberta, Manitoba, Northwest Territories, Nunavut, Prince Edward Island, Québec, Saskatchewan, and Yukon~~ impose eligibility criteria on persons investing under the offering memorandum exemption. In these jurisdictions, the purchaser must be an eligible investor if the purchaser's acquisition cost is more than \$10 000.

In determining the acquisition cost to a purchaser who is not an eligible investor, include any future payments that the purchaser will be required to make. Proceeds that may be obtained on exercise of warrants or other rights, or on conversion of convertible securities, are not considered to be part of the acquisition cost unless the purchaser is legally obligated to exercise or convert the securities. The \$10 000 maximum acquisition cost is calculated per distribution of security.

Nevertheless, concurrent and consecutive, closely-timed offerings to the same purchaser will usually constitute one distribution of a security. Consequently, when calculating the acquisition cost, all of these offerings by or on behalf of the issuer to the same purchaser who is not an eligible investor would be included. It would be inappropriate for an issuer to try to circumvent the \$10 000 threshold by dividing a subscription in excess of \$10 000 by one purchaser into a number of smaller subscriptions of \$10 000 or less that are made directly or indirectly by the same purchaser.

A purchaser can qualify as an eligible investor under various categories of the definition, including if the purchaser has and has had in prior years either \$75 000 pre-tax net income or profit or has \$400 000 worth of net assets. In calculating a purchaser's net assets, subtract the purchaser's total liabilities from the purchaser's total assets. The value attributed to assets should reasonably reflect their estimated fair value. Income tax should be considered a liability if the obligation to pay it is outstanding at the time of the distribution of a security.

Another way a purchaser can qualify as an eligible investor is to obtain advice from an eligibility adviser. An eligibility adviser is a person registered as an investment dealer (or in an equivalent category of unrestricted dealer in the purchaser's jurisdiction) that is authorized to give advice with respect to the type of security being distributed. In ~~Saskatchewan and Manitoba~~, certain lawyers and public accountants may also act as eligibility advisers.

A registered investment dealer providing advice to a purchaser in these circumstances is expected to comply with the "know your client" and suitability requirements under applicable securities legislation and SRO rules and policies. Some dealers have obtained exemptions from the "know your client" and suitability requirements because they do not provide advice. An assessment of suitability by these dealers is not sufficient to qualify a purchaser as an eligible investor.

(1.1) Eligibility criteria and investment limits – Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan

(a) Eligibility criteria

Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan impose eligibility criteria on persons investing under the offering memorandum exemption.

The qualification criteria for becoming an eligible investor are substantially the same as in the jurisdictions identified in subsection (1), above. Note, however, that in Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan, it is not possible to qualify as an eligible investor by receiving advice from an “eligibility advisor”.

A purchaser can qualify as an eligible investor under various categories of the definition, including if the purchaser has and has had in prior years either \$75 000 pre-tax net income or profit or has \$400 000 worth of net assets. In calculating a purchaser’s net assets, subtract the purchaser’s total liabilities from the purchaser’s total assets. The value attributed to assets should reasonably reflect their estimated fair value. Income tax should be considered a liability if the obligation to pay it is outstanding at the time of the distribution of a security.

(b) Investment limits for individual eligible and non-eligible investors

Both eligible investors and purchasers that do not qualify as eligible investors (non-eligible investors) who are individuals are subject to investment limits under the offering memorandum exemption. In these jurisdictions, non-eligible investors who are individuals are subject to an investment limit of \$10 000 and eligible investors who are individuals are subject to an investment limit of \$30 000. In both cases, the investment limits apply to all securities acquired by the purchaser under the offering memorandum exemption in the preceding 12 months.

However, an individual purchaser that qualifies as an eligible investor because the investor is an accredited investor or is a person described in the family, friends and business associates exemption, is not subject to an investment limit under the offering memorandum exemption.

The fact that investment limits have been established for eligible and non-eligible investors who are individuals does not mean that these amounts are suitable investments in all cases. If a registrant is involved in a transaction, the registrant must still conduct a suitability assessment to determine that the amount of the investment and the investment itself is suitable for the purchaser. This may result in a lower investment amount for a purchaser.

The \$30 000 investment limit may be exceeded by an eligible investor who receives advice from a portfolio manager, investment dealer or exempt market dealer that exceeding the investment limit of \$30 000 and the investment itself is suitable for the eligible investor. In this case, the investment limit for all securities acquired by the purchaser under the offering memorandum exemption in the preceding 12 months is \$100 000.

In determining the acquisition cost to a purchaser subject to investment limits, include any future payments that the purchaser will be required to make. Proceeds that may be obtained on exercise of warrants or other rights, or on conversion of convertible securities, are not considered to be part of the acquisition cost unless the purchaser is legally obligated to exercise or convert the securities.

“Individual” is defined in the securities legislation of certain jurisdictions to mean a natural person. The definition specifically excludes partnerships, unincorporated associations, unincorporated syndicates, unincorporated organizations and trusts. It also specifically excludes a natural person acting in the capacity of trustee, executor, administrator or personal or other legal representative.

(c) Circumstances when investment limits can be exceeded

The fact that higher investment limits apply to individual eligible investors than individual non-eligible investors does not mean these higher amounts will be suitable in all cases for eligible investors. It is a condition of the offering memorandum exemption that, in order to exceed the \$30 000 investment limit, a registrant must determine that an investment above the \$30,000 investment limit is suitable for the purchaser. Unless a registrant determines that exceeding the \$30 000 investment limit is suitable for the purchaser, the issuer cannot accept a subscription in excess of \$30 000 from the purchaser. In this case, the registrant could also not proceed to take instructions from the purchaser to exceed the \$30 000 investment limit.

(d) Investment limits apply over a 12-month period

The investment limits for both individual eligible and non-eligible investors apply to the aggregate of all investments made by a purchaser in distributions by different issuers (or multiple offerings by the same issuer) under the offering memorandum exemption during the preceding 12 months, which may or may not be a calendar year. For example, if a purchaser wishes to

acquire securities of an issuer under the offering memorandum exemption on January 15, the issuer must include in the calculation all investments made by the purchaser under the offering memorandum exemption beginning on January 16 of the prior year, up to and including the date of the proposed investment.

On each distribution, the issuer must confirm that the amount invested by a purchaser who is an individual does not exceed the applicable limit and should take reasonable steps to do so. This will require the issuer to first understand whether or not the purchaser is an eligible investor. As described above in section 1.9, the issuer should gather information that confirms the purchaser meets the criteria set out in the exemption. As part of this exercise, the issuer should also discuss with the purchaser the investment limits that apply to the purchaser.

In making a determination as to whether a purchaser is within the applicable investment limit, an issuer should obtain appropriate representations from the purchaser that confirm the purchaser has not exceeded the applicable investment limit over the relevant period. Note that we would have concerns if an issuer simply accepted standard representations from a purchaser without taking steps to verify the representations made by the purchaser. For instance, inquiries could be made with respect to other investments made under the offering memorandum exemption during the 12-month period preceding the current investment.

Notwithstanding the representations made by a purchaser in the schedules to the risk acknowledgement form, we expect an issuer to be able to explain what steps were taken to verify the representations made by the purchaser. We recognize that in many circumstances, a registrant may act as agent on behalf of an issuer for this process. In both cases, the guidance in section 1.9 above may also be instructive for this purpose.

(1.2) Role of registrant in providing suitability advice and conflicts of interest

A registrant involved in a distribution of securities pursuant to a prospectus exemption must not only establish that the prospectus exemption is available, it must also comply with its registrant obligations, including know-your-client, know-your-product and suitability. In assessing the level of investment that may be suitable for a purchaser under the offering memorandum exemption, registrants should take into consideration guidance published by the CSA on best practices for conducting a suitability assessment, which includes considering the level of concentration of investments in the client's portfolio.

NI 31-103 and the related companion policy provide a framework that requires registrants to identify and respond to material conflicts of interest that may affect their ability to meet their regulatory obligations, including suitability.

Where a registrant is providing suitability advice to a purchaser in respect of an offering by a related or connected issuer, we expect the registrant that is related or connected to the issuer to be aware of the material conflicts that arise in these circumstances, and to take appropriate steps to respond to the conflicts to ensure it is fulfilling its regulatory obligations. We expect a registrant to be able to demonstrate that it is addressing the conflicts by avoiding or managing and disclosing the conflicts of interest appropriately to ensure compliance with its obligation to deal fairly, honestly and in good faith with clients.

We expect all registrants to be aware of other CSA guidance on registrant obligations with respect to know-your-client, know-your-product and suitability, and identify and respond to conflicts of interest.

(5.1) Filing of marketing materials

In Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan, marketing materials used in the context of an offering made in reliance on the offering memorandum exemption must also be filed with the securities regulatory authority. Once the marketing materials have been filed, there is no need to file them again after subsequent closings, unless there is a change to the marketing materials.

(7) Types of securities that can be distributed under the exemption – Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan

In Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan, issuers are prohibited from distributing certain types of securities under the offering memorandum exemption, including specified derivatives and structured finance products. Note that this is in addition to the prohibition in subsection 2.9(3.1) against distributions of short-term securitized products under the offering memorandum exemption.

These types of securities have been excluded because the purpose of the exemption is for raising capital and it is not intended to be used to distribute complex or novel securities to purchasers. We would have concerns if issuers relied on the offering memorandum exemption to distribute novel or complex securities, even if they do not fall within the prohibited categories.

(8) Ongoing disclosure – Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan

In Alberta, New Brunswick, Ontario, Québec and Saskatchewan, non-reporting issuers that issue securities under the offering memorandum exemption are required, in respect of each financial year, to file or deliver (as applicable) to the securities regulatory authority and make available to purchasers, audited annual financial statements within 120 days from the issuer's financial year end. In Nova Scotia, issuers are not required to file or deliver these financial statements to the securities regulatory authority, but are only required to make them available to purchasers that acquired securities under the offering memorandum exemption.

The following table illustrates when the first audited annual financial statements of an issuer would be due, as required by subsections (17.4), (17.5) and (17.6), following an initial distribution of securities under the offering memorandum exemption. The examples in the table take into account the extension to the filing deadline provided by subsection (17.7).

The following examples assume the issuer's financial year end is December 31.

| <u>Date of formation</u> | <u>Date of first distribution under subsection 2.9(2.1)</u> | <u>Deadline for first annual financial statements under subsections 2.9(17.4), (17.5) and (17.6)</u> | <u>Financial periods included in annual financial statements</u> | <u>Notes</u> |
|--------------------------|---|--|--|--|
| <u>January 1, 20X3</u> | <u>April 15, 20X7</u> | <u>June 14, 20X7</u> | <u>December 31, 20X6 and December 31, 20X5</u> | <u>The issuer completes its first distribution under the offering memorandum exemption in subsection 2.9(2.1) before the filing deadline for annual financial statements, which would be April 30, 20X7. Since the distribution was completed so close to the filing deadline, the issuer can take advantage of the extension in subsection 2.9(17.7) and file the statements on June 14, 20X7.</u> |
| <u>January 1, 20X7</u> | <u>April 15, 20X7</u> | <u>April 30, 20X8</u> | <u>December 31, 20X7</u> | <u>The issuer completes its first distribution under the offering memorandum exemption in subsection 2.9(2.1) before the filing deadline for annual financial statements, which would be April 30, 20X7. However, since the issuer has not completed a financial year, the issuer would not be required to file annual financial statements until April 30, 20X8 for the financial year ended December 31, 20X7.</u> |

| <u>Date of formation</u> | <u>Date of first distribution under subsection 2.9(2.1)</u> | <u>Deadline for first annual financial statements under subsections 2.9(17.4), (17.5) and (17.6)</u> | <u>Financial periods included in annual financial statements</u> | <u>Notes</u> |
|--------------------------|---|--|--|---|
| <u>January 1, 20X3</u> | <u>June 15, 20X7</u> | <u>April 30, 20X8</u> | <u>December 31, 20X7 and December 31, 20X6</u> | <u>The issuer completes its first distribution under the offering memorandum exemption in subsection 2.9(2.1) after the filing deadline for annual financial statements in 20X7. The offering memorandum would already include audited annual financial statements for the year ended December 31, 20X6. The next audited annual financial statements of the issuer would be required to be filed by April 30, 20X8 for the year ended December 31, 20X7.</u> |

The requirement to file or deliver (as applicable) to the securities regulatory authority and make available to purchasers annual financial statements continues to apply each year after the initial distribution under subsection 2.9(2.1) until the earlier of (1) the date the issuer becomes a reporting issuer and (2) the date the issuer ceases to carry on business.

(9) Ongoing disclosure – notice of specified key events – New Brunswick, Nova Scotia and Ontario

In addition to audited annual financial statements and a notice of how the proceeds raised under the offering memorandum exemption have been used, non-reporting issuers that issue securities in reliance on the offering memorandum exemption in New Brunswick, Nova Scotia and Ontario must also make available to investors a notice of certain key events, within 10 days of the occurrence of the event. These events are considered to be significant changes in the business of the issuer of which purchasers should be notified. This requirement is in addition to any similar requirement under corporate law and also applies to non-reporting issuers with non-corporate structures, such as trusts or partnerships.

In making a determination as to whether an issuer’s industry has changed, issuers may consider whether they would identify a different industry category on Form 45-106F1 *Report of Exempt Distribution* than the category previously identified.

A non-reporting issuer must continue to provide notice of the specified events, if applicable, until the earlier of (i) the date the issuer becomes a reporting issuer or (ii) the date the issuer ceases to carry on business.

(10) Meaning of “make reasonably available”

In Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan, disclosure documents will be considered to have been made reasonably available to each holder of a security acquired under the offering memorandum exemption if the documents are mailed to security holders, or if security holders receive notice that the disclosure documents can be viewed on a public website of the issuer or a website accessible by all holders of securities acquired under subsection 2.9(2.1) of the issuer (such as a password protected website). Issuers should take reasonable steps to enable purchasers to receive or access these documents promptly.

PART 5 – FORMS

5.2 Forms required under the offering memorandum exemption

NI 45-106 designates two forms of offering memorandum. The first, Form 45-106F2, is for non-qualifying issuers and the second, Form 45-106F3, can only be used by qualifying issuers (as defined in NI 45-106).

The required form of risk acknowledgment under sections 2.9(1), ~~and 2.9(2)~~ and 2.9(2.1) of NI 45-106 is Form 45-106F4.

Rules and Policies

In Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan, Form 45-106F4, required under subsection 2.9(2.1), includes Schedule 1 *Classification of Investors Under the Offering Memorandum Exemption*, with respect to eligibility of individual investors, and Schedule 2 *Investment Limits for Investors Under the Offering Memorandum Exemption*, with respect to investment limits of individual investors.

5.1.6 Changes to NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions

The following reflects changes to National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* that will take effect upon the coming into force of the amendments to National Instrument 45-106 *Prospectus Exemptions* related to the offering memorandum prospectus exemption. Additions are represented with underlined text.

3.8 – General guidelines

(4) The regulators are not prepared to extend the availability of a non-harmonized exemption set out in National Instrument 45-106 *Prospectus Exemptions* (NI 45-106) to a non-principal jurisdiction where the non-harmonized exemption is not available under that rule. If a filer makes a passport application or a dual application that would have that effect, the principal regulator will request that the filer provide a representation that no person or company will rely on the exemption in that non-principal jurisdiction. For example, jurisdictions have adopted different types of offering memorandum exemptions under NI 45-106. A principal regulator would not grant an exemption that would have the effect of allowing the use of a type of offering memorandum exemption that is not available under NI 45-106 in a non-principal jurisdiction, unless the filer gave a representation that no person or company would offer the securities relying on that type of offering memorandum exemption in the non-principal jurisdiction.

5.1.7 Amendments to OSC Rule 11-501 Electronic Delivery of Documents to the Ontario Securities Commission

**AMENDMENTS TO
ONTARIO SECURITIES COMMISSION RULE 11-501
ELECTRONIC DELIVERY OF DOCUMENTS TO THE ONTARIO SECURITIES COMMISSION**

1. *Ontario Securities Commission Rule 11-501 Electronic Delivery of Documents to the Ontario Securities Commission is amended by this Instrument.*
2. *Appendix A is amended by adding the following rows to the table immediately following the row "45-106F1":*

| | |
|----------------------|---|
| 45-106F2 | Form 45-106F2 <i>Offering Memorandum for Non-Qualifying Issuers</i> or any amendment to a previously filed Form 45-106F2 |
| 45-106F3 | Form 45-106F3 <i>Offering Memorandum for Qualifying Issuers</i> or any amendment to a previously filed Form 45-106F3 |
| 45-106 s. 2.9(17.1) | Filing of marketing materials pursuant to subsection 2.9(17.1) of National Instrument 45-106 <i>Prospectus Exemptions</i> |
| 45-106F16 | Form 45-106F16 <i>Notice of Use of Proceeds</i> |
| 45-106 s. 2.9(17.13) | Delivery of a notice of change in financial year end pursuant to subsection 2.9(17.13) of National Instrument 45-106 <i>Prospectus Exemptions</i> |
| 45-106 s. 2.9(17.5) | Delivery of annual financial statements pursuant to subsection 2.9 (17.5) of National Instrument 45-106 <i>Prospectus Exemptions</i> |

3. This Instrument comes into force on January 13, 2016.

5.1.8 Amendments to OSC Rule 13-502 Fees

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

1. *Ontario Securities Commission Rule 13-502 Fees is amended by this Instrument.*
2. *The table at Appendix C is amended in part B. Fees relating to exempt distributions under OSC Rule 45-501 Ontario Prospectus and Registration Exemptions and NI 45-106*

(a) *by replacing*

| | | |
|----|--|-------|
| B2 | Filing of a Form 45-501F1 or Form 45-106F1 for a distribution of securities of an issuer | \$500 |
|----|--|-------|

with

| | | |
|------|--|---|
| B2 | Filing of a Form 45-501F1 or Form 45-106F1 for a distribution of securities of an issuer under an exemption from the prospectus requirement other than section 2.9 [<i>Offering memorandum</i>] of NI 45-106 | \$500 |
| B2.1 | Filing of a Form 45-106F1 for a distribution of securities of an issuer under section 2.9 [<i>Offering memorandum</i>] of NI 45-106 | Greater of (i) \$500 or (ii) 0.025% of the gross proceeds realized by the issuer from the distribution in Ontario |

3. This Instrument comes into force on January 13, 2016.

5.1.9 Amendments to OSC Rule 45-501 Ontario Prospectus and Registration Exemptions

**AMENDMENTS TO
ONTARIO SECURITIES COMMISSION RULE 45-501
ONTARIO PROSPECTUS AND REGISTRATION EXEMPTIONS**

1. ***Ontario Securities Commission Rule 45-501 Ontario Prospectus and Registration Exemptions is amended by this Instrument.***
2. ***Section 5.1 is amended by adding the following paragraph:***

(d.1) section 2.9 of NI 45-106 [*Offering Memorandum*],.
3. ***Section 5.4 is amended by renumbering it as subsection 5.4(1) and by adding the following subsection:***

“(2) The requirement in subsection (1) does not apply to an offering memorandum prepared and filed with the Commission in accordance with section 2.9 of NI 45-106.”
4. This Instrument comes into force on January 13, 2016.

5.1.10 Amendments to NI 45-102 Resale of Securities

**AMENDMENTS TO
NATIONAL INSTRUMENT 45-102 RESALE OF SECURITIES**

1. *National Instrument 45-102 Resale of Securities is amended by this Instrument.*
2. *Appendix D is amended by renumbering the second paragraph (a.1) as paragraph (a.2).*
3. This instrument comes into force on January 13, 2016.

5.1.11 Changes to Companion Policy 45-501CP to Ontario Securities Commission Rule 45-501 Ontario Prospectus and Registration Exemptions

CHANGES TO COMPANION POLICY 45-501CP – TO ONTARIO SECURITIES COMMISSION RULE 45-501 ONTARIO PROSPECTUS AND REGISTRATION EXEMPTIONS

The following reflects changes to Companion Policy 45-501CP – *To Ontario Securities Commission Rule 45-501 Ontario Prospectus and Registration Exemptions* that will take effect upon the coming into force of the amendments to National Instrument 45-106 *Prospectus Exemptions* related to the offering memorandum prospectus exemption. Additions are represented with underlined text and deletions are represented with strikethrough text.

5.3 Right of action for damages and right of rescission – (1) Part 5 of the Rule provides for the application of the rights referred to in section 130.1 of the Act if an offering memorandum is delivered to a prospective purchaser in connection with a distribution made in reliance on a prospectus exemption in:

- (a) section 73.3 of the Act or a predecessor exemption to section 73.3 of the Act (subject to the provisions of subsection 6.2(2) of the Rule) [*Accredited investor*],
- (b) section 73.4 of the Act or a predecessor exemption to section 73.4 of the Act [*Private issuer*],
- (b.1) section 2.5 of NI 45-106 [*Family, friends and business associates*],
- (c) [Repealed.]
- (d) section 2.8 of NI 45-106 [*Affiliates*],
- (d.1) section 2.9 of NI 45-106 [*Offering memorandum*],
- (e) section 2.10 of NI 45-106 [*Minimum amount investment*],
- (f) section 2.19 of NI 45-106 [*Additional investment in investment funds*], or
- (g) section 73.5 of the Act or a predecessor exemption to section 73.5 of the Act [*Government incentive security*].

The rights apply when the offering memorandum is delivered mandatorily in connection with a distribution made in reliance on the exemption in section 73.5 of the Act or a predecessor exemption to section 73.5 of the Act, in accordance with the requirements of section 2.9 of NI 45-106 [*Offering memorandum*], or voluntarily in connection with a distribution made in reliance on a prospectus exemption in section 73.3 of the Act or a predecessor exemption to section 73.3 of the Act, section 73.4 of the Act or a predecessor exemption to section 73.4 of the Act, 2.5, ~~2.7~~, 2.8, 2.10 or 2.19 of NI 45-106.

(2) A document delivered in connection with a distribution in a security made otherwise than in reliance on the prospectus exemptions referred to in subsection (1) does not give rise to the rights referred to in section 130.1 of the Act or subject the selling security holder to the requirements of Part 5 of the Rule.

5.4 Content of offering memorandum – (1) Other than in the case of an offering memorandum delivered in connection with a distribution made in reliance on the exemption in section 73.5 of the Act or a predecessor exemption to section 73.5 of the Act and section 2.9 of NI 45-106 [*Offering memorandum*], and subject to subsection (2), Ontario securities legislation generally does not prescribe the content of an offering memorandum. The decision relating to the appropriate disclosure in an offering memorandum generally rests with the issuer, the selling security holder and their advisors.

(2) Under section 5.3 of the Rule, the rights referred to in section 130.1 of the Act must be described in an offering memorandum delivered in connection with a distribution to which the rights apply.

5.5 Review of offering memorandum ~~Failure to disclose material information in offering memorandum~~ – (1) Staff may review the form and content of an offering memorandum filed in connection with a distribution made in reliance on the exemption in section 2.9 of NI 45-106 [*Offering memorandum*], or delivered in connection with a distribution made in reliance on another exemption referred to in Part 5 of the Rule, for the purpose of determining whether the issuer has complied with the requirements, conditions and restrictions of the exemption relied on for the distribution.

(2) If Commission staff becomes aware that an offering memorandum contains a misrepresentation, fails to disclose material information relating to a security that is the subject of a distribution, or the distribution otherwise fails to comply with Ontario securities law, staff may recommend remedial action or, in appropriate circumstances, enforcement action.

5.6 Preliminary offering material – (1) The Commission cautions against the practice of providing preliminary offering material to a prospective purchaser before furnishing a “final” offering memorandum unless the offering material contains a description of the rights referred to in section 130.1 of the Act in situations when the rights apply.

(2) The only material delivered to a prospective purchaser in connection with a distribution made in reliance on a prospectus exemption referred to in section 5.1 of the Rule should be:

- (a) a “term sheet” (representing a skeletal outline of the features of a distribution without dealing extensively with the business or affairs of the issuer of the securities being distributed) or in the case of a distribution made in reliance on the exemption in section 2.9 of NI 45-106 [Offering memorandum] an “OM standard term sheet”, as that term is defined in NI 45-106, and
- (b) an offering memorandum describing the rights referred to in section 130.1 of the Act available to purchasers and complying in all other respects with Ontario securities legislation, and
- (c) in the case of an offering memorandum prepared in accordance with section 2.9 of NI 45-106, OM marketing materials, as that term is defined in NI 45-106.

5.7 Availability of offering memorandum – Subject to *Freedom of Information and Protection of Privacy Act* requests, it is the Commission’s policy that an offering memorandum delivered to the Commission under section 5.4 of the Rule will not be made available to the public.

5.1.12 Changes to Companion Policy 45-106CP Prospectus Exemptions

CHANGES TO COMPANION POLICY 45-106CP PROSPECTUS EXEMPTIONS

The following reflects changes to Companion Policy 45-106CP *Prospectus Exemptions* that will take effect upon the coming into force of the amendments to National Instrument 45-106 *Prospectus Exemptions* related to the offering memorandum prospectus exemption. Additions are represented with underlined text and deletions are represented with strikethrough text.

3.6 Private issuer –

(5) Ceasing to be a private issuer – The term “private issuer” is defined in section 2.4(1) of NI 45-106. A private issuer can distribute securities only to the persons listed in section 2.4(2) of NI 45-106. If a private issuer distributes securities to a person not listed in section 2.4(2), even under another exemption, it will no longer be a private issuer and will not be able to continue to use the private issuer prospectus exemption in section 2.4(2). For example, if a private issuer distributes securities under the offering memorandum exemption, it will no longer be a private issuer.

Issuers that cease to be private issuers do not automatically become “reporting issuers”. They are simply no longer able to rely on the private issuer exemption in section 2.4(1). Such issuers would still be able to use other exemptions to distribute their securities. For example, such issuers could rely on the family, friends and business associates prospectus exemption (~~except in Ontario~~) or the accredited investor prospectus exemption. However, issuers that rely on these prospectus exemptions must file a report of exempt distribution with the securities regulatory authority or regulator in each jurisdiction in which the distribution took place.

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 9

Legislation

9.1.1 Bill 91, Building Ontario Up Act (Budget Measures), 2015

BILL 91, BUILDING ONTARIO UP ACT (BUDGET MEASURES), 2015

Schedule 6 of the *Building Ontario Up Act (Budget Measures), 2015* (Bill 91) contained one amendment to the *Commodity Futures Act*. Schedule 39 of the *Building Ontario Up Act (Budget Measures), 2015* (Bill 91) contained a number of amendments to the *Securities Act*. Bill 91 received Royal Assent on June 4, 2015 and has become chapter 20, Statutes of Ontario, 2015.

Schedules 6 and 39 may be viewed on the Ontario Legislative Assembly's website at www.ontla.on.ca. The text of Schedules 6 and 39 are also reflected in the consolidated versions of the *Commodity Futures Act* and the *Securities Act*, respectively, available on the Ontario e-laws site at www.e-laws.gov.on.ca.

SCHEDULE 6 COMMODITY FUTURES ACT

Subsection 14 (1) of the *Commodity Futures Act* is re-enacted to include a requirement that market participants keep such books, records and other documents as may reasonably be required to demonstrate compliance with Ontario commodity futures law.

[Note: Schedule 6 amendments came into force on June 4, 2015.]

SCHEDULE 39 SECURITIES ACT

The *Securities Act* amendments include:

Subsection 19 (1) of the *Securities Act* is re-enacted to include a requirement that market participants keep such books, records and other documents as may reasonably be required to demonstrate compliance with Ontario securities law.

Sections 76 and 134 are amended to extend the application of the insider trading provisions from reporting issuers to issuers.

Section 127 is amended to allow cease trade orders to be made without giving the person or company that is subject to the order an opportunity to be heard if the person or company fails to file a record as required under the Act.

A reference to the *Securities Act* in the Schedule to the *Limitations Act, 2002* is corrected.

[Note: Schedule 39 amendments came into force on June 4, 2015.]

9.1.2 Bill 144, Budget Measures Act, 2015

BILL 144, BUDGET MEASURES ACT, 2015

Schedule 18 of the *Budget Measures Act, 2015* (Bill 144) contained a number of amendments to the *Securities Act*. Bill 144 received Royal Assent on December 10, 2015 and has become chapter 38, Statutes of Ontario, 2015.

Schedule 18 may be viewed on the Ontario Legislative Assembly's website at www.ontla.on.ca. The text of Schedule 18 is also reflected in the consolidated version of the *Securities Act*, available on the Ontario e-laws site at www.e-laws.gov.on.ca.

**SCHEDULE 18
SECURITIES ACT**

The Schedule amends the *Securities Act*. It expands the powers of the Ontario Securities Commission to regulate take-over bids and issuer bids, and repeals many of the specific provisions that currently govern take-over bids and issuer bids, replacing them with more general provisions (the new sections 89 to 91 of the Act). It gives the Director of the Commission the right to participate in proceedings in which it is alleged that someone has not complied with the rules governing take-over bids and issuer bids (the changes to sections 104 and 105 of the Act). It also fixes an error in the French version of section 104 of the Act.

Currently, the Ontario government and the other governments of Canada are exempt from some of the rules governing derivatives trading in Ontario. The Schedule grants them further exemptions from the derivatives trading rules and permits the Ontario government to exempt one or more Crown agents or servants from some or all of the rules that the Ontario government is exempt from (the changes to section 142 of the Act).

[Note: Schedule 18 amendments came into force on December 10, 2015 except the amendments related to take-over bids, which come into force on a day to be named by proclamation of the Lieutenant Governor.]

Chapter 11

IPOs, New Issues and Secondary Financings

**THIS ISSUE CONTAINS TWO REPORTS OF IPOs,
NEW ISSUES AND SECONDARY FINANCINGS.**

**THE REPORT BELOW IS FOR THE WEEK ENDING
JANUARY 1, 2016.**

Issuer Name:

B2Gold Corp.

Principal Regulator - British Columbia

Type and Date:

Amendment dated December 23, 2015 to Preliminary Shelf

Prospectus dated December 11, 2015

NP 11-202 Receipt dated December 23, 2015

Offering Price and Description:

US\$300,000,000.00 - Debt Securities, Warrants,
Subscription Receipts, Units, Common Shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2428812

Issuer Name:

BMO Low Volatility Emerging Markets Equity ETF

BMO Low Volatility International Equity Hedged to CAD
ETF

BMO Low Volatility US Equity Hedged to CAD ETF

Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated December 23,
2015

NP 11-202 Receipt dated December 24, 2015

Offering Price and Description:

CAD Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

BMO Asset Management Inc.

Project #2432296

Issuer Name:

Brookfield Business Partners L.P.

Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated December 21,
2015

NP 11-202 Receipt dated December 22, 2015

Offering Price and Description:

21,000,000 Limited Partnership Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

Brookfield Asset Management Inc.

Project #2431416

Issuer Name:

First Trust Advantaged Short Duration High Yield Bond
Fund

Principal Regulator - Ontario

Type and Date:

Amended and Restated Preliminary Long Form Prospectus
dated December 23, 2015

NP 11-202 Receipt dated December 24, 2015

Offering Price and Description:

Common Units and Advisor Class Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

FT Portfolios Canada Co.

Project #2401969

Issuer Name:

MAG Silver Corp.

Principal Regulator - British Columbia

Type and Date:

Preliminary Shelf Prospectus dated December 23, 2015

NP 11-202 Receipt dated December 23, 2015

Offering Price and Description:

U.S.\$75,000,000.00 - Common Shares, Preferred Shares,
Debt Securities, Subscription Receipts, Units, Warrants

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2432349

Issuer Name:

Marquest 2016-1 Mining Super Flow-Through Limited
Partnership - National Class
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated December 23, 2015

NP 11-202 Receipt dated December 24, 2015

Offering Price and Description:

Maximum Offering: \$20,000,000.00 - 2,000,000 Marquest 2016-I National Class Units

Minimum Offering: \$2,500,000.00 - 250,000 Marquest 2016-I National Class Units (subject to a minimum of 250,000 Québec Class Units being sold)

Price: \$10.00 per Marquest 2016-I National Class Unit

Minimum Subscription: \$2,500 (250 National Class Units or 250 Quebec Class Units)

Underwriter(s) or Distributor(s):

National Bank Financial Inc.

CIBC World Markets Inc.

Scotia Capital Inc.

BMO Nesbitt Burns Inc.

TD Securities Inc.

Desjardins Securities Inc.

Canaccord Genuity Corp.

GMP Securities L.P.

Raymond James Ltd.

Industrial Alliance Securities Inc.

Manulife Securities Incorporated

Burgeonvest Bick Securities Limited

Dundee Securities Ltd.

Laurentian Bank Securities Inc.

Mackie Research Capital Corporation

Promoter(s):

Marquest Asset Management Inc.

Project #2432321

Issuer Name:

Marquest 2016-1 Mining Super Flow-Through Limited
Partnership - Québec Class
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated December 23, 2015

NP 11-202 Receipt dated December 24, 2015

Offering Price and Description:

Maximum Offering: \$20,000,000.00 - 2,000,000 Marquest 2016-I Quebec Class Units

Minimum Offering: \$2,500,000.00 - 250,000 Marquest 2016-I Quebec Class Units (subject to a minimum of 250,000 National Class Units being sold)

Price: \$10.00 per Marquest 2016-I Quebec Class Unit

Minimum Subscription: \$2,500 (250 National Class Units or 250 Quebec Class Units)

Underwriter(s) or Distributor(s):

National Bank Financial Inc.

CIBC World Markets Inc.

Scotia Capital Inc.

BMO Nesbitt Burns Inc.

TD Securities Inc.

Desjardins Securities Inc.

Canaccord Genuity Corp.

GMP Securities L.P.

Raymond James Ltd.

Industrial Alliance Securities Inc.

Manulife Securities Incorporated

Burgeonvest Bick Securities Limited

Dundee Securities Ltd.

Laurentian Bank Securities Inc.

Mackie Research Capital Corporation

Promoter(s):

Marquest Asset Management Inc.

Project #2432318

Issuer Name:

MEG Energy Corp.

Principal Regulator - Alberta

Type and Date:

Preliminary Shelf Prospectus dated December 22, 2015

NP 11-202 Receipt dated December 22, 2015

Offering Price and Description:

Cdn. \$350,000,000.00 - * Common Shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2431903

Issuer Name:

MRF 2016 Resource Limited Partnership
Principal Regulator - Alberta

Type and Date:

Preliminary Long Form Prospectus dated December 22, 2015

NP 11-202 Receipt dated December 22, 2015

Offering Price and Description:

Maximum Offering: \$30,000,000.00 - 1,200,000 Units

Minimum Offering: \$5,000,000.00 - 200,000 Units

Price: \$25.00 Per Unit

Minimum Subscription: \$2,500

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.

RBC Dominion Securities Inc.

Scotia Capital Inc.

BMO Nesbitt Burns Inc.

National Bank Financial Inc.

TD Securities Inc.

GMP Securities L.P.

Manulife Securities Incorporated

Canaccord Genuity Corp.

Middlefield Capital Corporation

Industrial Alliance Securities Inc.

Raymond James Ltd.

Promoter(s):

Middlefield Resource Corporation

Project #2431751

Issuer Name:

Value Line® Timeliness 100 Fund

Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated December 23, 2015

NP 11-202 Receipt dated December 23, 2015

Offering Price and Description:

Maximum Offering: \$* - * Class A Units and/or Class T Units

Minimum Offering: \$10,000,000.00 - 1,000,000 Units

Price: \$10.00 per Class A Unit or Class T Unit

Minimum purchase: 100 Class A Units or Class T Units

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.

CIBC World Markets Inc.

National Bank Financial Inc.

Scotia Capital 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 Incorporated

PI Financial Corp.

Promoter(s):

BMO Nesbitt Burns Inc.

Project #2432152

Issuer Name:

Xenon Pharmaceuticals Inc.

Principal Regulator - British Columbia

Type and Date:

Preliminary Shelf Prospectus dated December 22, 2015

NP 11-202 Receipt dated December 22, 2015

Offering Price and Description:

US\$150,000,000.00 - Common Shares, Preferred Shares, Warrants, Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2431682

Issuer Name:

CI Financial Corp.
Principal Regulator - Ontario

Type and Date:

Final Shelf Prospectus dated December 21, 2015
NP 11-202 Receipt dated December 22, 2015

Offering Price and Description:

\$1,500,000,000.00 - Debt Securities (unsecured),
Subscription Receipts, Preference Shares, Common
Shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2429398

Issuer Name:

Dynamic Alternative Investments Private Pool Class
Principal Regulator - Ontario

Type and Date:

Amendment #4 dated December 16, 2015 to Final
Simplified Prospectus dated May 15, 2015
NP 11-202 Receipt dated December 22, 2015

Offering Price and Description:

Series F, FH, FT and O shares

Underwriter(s) or Distributor(s):

1832 Asset Management L.P.

Promoter(s):

1832 ASSET MANAGEMENT L.P.,

Project #2333961

Issuer Name:

Dynamic Blue Chip Balanced Fund (formerly Dynamic
Focus+ Balanced Fund)

Dynamic Blue Chip Equity Fund (formerly Dynamic Focus+
Equity Fund)

Dynamic Blue Chip U.S. Balanced Class (formerly Dynamic
Blue Chip Balanced Class)

Dynamic Power Balanced Class

Dynamic Power Balanced Fund

Dynamic Power Canadian Growth Class

Dynamic Power Canadian Growth Fund

Dynamic Power Global Navigator Class

Dynamic Power Managed Growth Class

Dynamic Power Small Cap Fund

Principal Regulator - Ontario

Type and Date:

Amendment #1 dated December 16, 2015 to Final
Simplified Prospectus dated November 18, 2015
NP 11-202 Receipt dated December 22, 2015

Offering Price and Description:

Series A, E, F, FT, G, I, IP, IT, O, OP and T

Underwriter(s) or Distributor(s):

1832 Asset Management L.P.

GCIC Ltd.

1832 Asset Management L. P.

1832 AssetManagement L.P.

Promoter(s):

-

Project #2405037

Issuer Name:

ESSA Pharma Inc.

Principal Regulator - British Columbia

Type and Date:

Final Shelf Prospectus dated December 22, 2015
NP 11-202 Receipt dated December 22, 2015

Offering Price and Description:

\$US 100,000,000.00 – Common Shares, Warrants, Units,
Subscriptions Receipts, Debt Securities

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2429485

Issuer Name:

Fidelity American Balanced Fund
 Fidelity American Disciplined Equity Currency Neutral Fund
 Fidelity American Disciplined Equity Fund
 Fidelity American Equity Fund
 Fidelity American High Yield Currency Neutral Fund
 Fidelity American High Yield Fund
 Fidelity American Opportunities Fund
 Fidelity AsiaStar Fund
 Fidelity Balanced Portfolio
 Fidelity Canadian Asset Allocation Fund
 Fidelity Canadian Balanced Fund
 Fidelity Canadian Bond Fund
 Fidelity Canadian Disciplined Equity Fund
 Fidelity Canadian Focused Equity Investment Trust
 Fidelity Canadian Growth Company Fund
 Fidelity Canadian Large Cap Fund
 Fidelity Canadian Money Market Fund
 Fidelity Canadian Opportunities Fund
 Fidelity Canadian Short Term Bond Fund
 Fidelity China Fund
 Fidelity ClearPath 2005 Portfolio
 Fidelity ClearPath 2010 Portfolio
 Fidelity ClearPath 2015 Portfolio
 Fidelity ClearPath 2020 Portfolio
 Fidelity ClearPath 2025 Portfolio
 Fidelity ClearPath 2030 Portfolio
 Fidelity ClearPath 2035 Portfolio
 Fidelity ClearPath 2040 Portfolio
 Fidelity ClearPath 2045 Portfolio
 Fidelity ClearPath 2050 Portfolio
 Fidelity ClearPath 2055 Portfolio
 Fidelity ClearPath Income Portfolio
 Fidelity Conservative Income Fund
 Fidelity Corporate Bond Fund
 Fidelity Dividend Fund
 Fidelity Dividend Plus Fund (formerly Fidelity Income Trust Fund)
 Fidelity Emerging Markets Fund
 Fidelity Europe Fund
 Fidelity Event Driven Opportunities Fund
 Fidelity Far East Fund
 Fidelity Floating Rate High Income Currency Neutral Fund
 Fidelity Floating Rate High Income Fund
 Fidelity Global Asset Allocation Fund
 Fidelity Global Balanced Portfolio
 Fidelity Global Bond Currency Neutral Fund
 Fidelity Global Bond Fund
 Fidelity Global Concentrated Equity Fund (formerly Fidelity Global Opportunities Fund)
 Fidelity Global Consumer Industries Fund
 Fidelity Global Disciplined Equity Currency Neutral Fund
 Fidelity Global Disciplined Equity Fund
 Fidelity Global Dividend Fund
 Fidelity Global Dividend Investment Trust
 Fidelity Global Financial Services Fund
 Fidelity Global Fund
 Fidelity Global Growth Portfolio
 Fidelity Global Health Care Fund
 Fidelity Global Income Portfolio
 Fidelity Global Intrinsic Value Investment Trust
 Fidelity Global Large Cap Fund
 Fidelity Global Monthly Income Fund

Fidelity Global Natural Resources Fund
 Fidelity Global Real Estate Fund
 Fidelity Global Small Cap Fund
 Fidelity Global Technology Fund
 Fidelity Global Telecommunications Fund
 Fidelity Greater Canada Fund
 Fidelity Growth Portfolio
 Fidelity Income Allocation Fund
 Fidelity Income Portfolio
 Fidelity Income Replacement 2017 Portfolio
 Fidelity Income Replacement 2019 Portfolio
 Fidelity Income Replacement 2021 Portfolio
 Fidelity Income Replacement 2023 Portfolio
 Fidelity Income Replacement 2025 Portfolio
 Fidelity Income Replacement 2027 Portfolio
 Fidelity Income Replacement 2029 Portfolio
 Fidelity Income Replacement 2031 Portfolio
 Fidelity Income Replacement 2033 Portfolio
 Fidelity Income Replacement 2035 Portfolio
 Fidelity Income Replacement 2037 Portfolio
 Fidelity International Disciplined Equity Currency Neutral Fund
 Fidelity International Disciplined Equity Fund
 Fidelity International Growth Fund (formerly Fidelity Overseas Fund)
 Fidelity International Value Fund
 Fidelity Japan Fund
 Fidelity Latin America Fund
 Fidelity Monthly Income Fund
 Fidelity NorthStar Balanced Currency Neutral Fund
 Fidelity NorthStar Balanced Fund
 Fidelity NorthStar Fund
 Fidelity Small Cap America Fund
 Fidelity Special Situations Fund
 Fidelity Strategic Income Fund
 Fidelity Tactical Fixed Income Fund
 Fidelity Tactical High Income Currency Neutral Fund
 Fidelity Tactical High Income Fund
 Fidelity Tactical Strategies Fund
 Fidelity True North Fund
 Fidelity U.S. All Cap Fund
 Fidelity U.S. Dividend Currency Neutral Fund
 Fidelity U.S. Dividend Fund
 Fidelity U.S. Dividend Investment Trust
 Fidelity U.S. Dividend Registered Fund
 Fidelity U.S. Focused Stock Fund (formerly Fidelity Growth America Fund)
 Fidelity U.S. Money Market Fund
 Fidelity U.S. Monthly Income Currency Neutral Fund
 Fidelity U.S. Monthly Income Fund
 Principal Regulator - Ontario

Type and Date:

Amendment dated December 16, 2015 to Final Simplified Prospectus dated October 29, 2015
 NP 11-202 Receipt dated December 22, 2015

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Fidelity Investments Canada ULC
 Fidelity Investments Canadaz ULC
 Fidelity Investments Canada Limited
 Fidelity Investments Canada ULC

Promoter(s):

FIDELITY INVESTMENTS CANADA ULC
Project #2399033

Issuer Name:

Fidelity American Disciplined Equity Class
Fidelity American Disciplined Equity Currency Neutral Class
Fidelity American Equity Class
Fidelity American Equity Currency Neutral Class
Fidelity American Opportunities Class
Fidelity AsiaStar Class
Fidelity Balanced Class Portfolio
Fidelity Canadian Asset Allocation Class
Fidelity Canadian Balanced Class
Fidelity Canadian Disciplined Equity Class
Fidelity Canadian Growth Company Class
Fidelity Canadian Large Cap Class
Fidelity Canadian Opportunities Class
Fidelity Canadian Short Term Income Class
Fidelity China Class
Fidelity Corporate Bond Class
Fidelity Dividend Class
Fidelity Dividend Plus Class
Fidelity Emerging Markets Class
Fidelity Europe Class
Fidelity Event Driven Opportunities Class
Fidelity Far East Class
Fidelity Global Balanced Class Portfolio
Fidelity Global Class
Fidelity Global Concentrated Equity Class
Fidelity Global Consumer Industries Class
Fidelity Global Disciplined Equity Class
Fidelity Global Disciplined Equity Currency Neutral Class
Fidelity Global Dividend Class
Fidelity Global Financial Services Class
Fidelity Global Growth Class Portfolio
Fidelity Global Health Care Class
Fidelity Global Income Class Portfolio
Fidelity Global Large Cap Class
Fidelity Global Large Cap Currency Neutral Class
Fidelity Global Natural Resources Class
Fidelity Global Real Estate Class
Fidelity Global Small Cap Class
Fidelity Global Technology Class
Fidelity Global Telecommunications Class
Fidelity Greater Canada Class
Fidelity Growth Class Portfolio
Fidelity Income Class Portfolio
Fidelity International Disciplined Equity Class
Fidelity International Disciplined Equity Currency Neutral Class
Fidelity International Growth Class
Fidelity Japan Class
Fidelity Monthly Income Class
Fidelity NorthStar Class
Fidelity NorthStar Currency Neutral Class
Fidelity Small Cap America Class
Fidelity Small Cap America Currency Neutral Class
Fidelity Special Situations Class
Fidelity True North Class
Fidelity U.S. All Cap Class
Fidelity U.S. All Cap Currency Neutral Class

Fidelity U.S. Focused Stock Class (formerly Fidelity Growth America Class)
Fidelity U.S. Focused Stock Currency Neutral Class
Principal Regulator - Ontario

Type and Date:

Amendment dated December 16, 2015 to Final Simplified Prospectus dated October 29, 2015
NP 11-202 Receipt dated December 22, 2015

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

Fidelity Investments Canada ULC
Project #2308295

Issuer Name:

Fidelity Balanced Income Private Pool
Fidelity Balanced Income Currency Neutral Private Pool
Fidelity Balanced Currency Neutral Private Pool
Fidelity Balanced Private Pool
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated December 16, 2015 to Final Simplified Prospectus dated September 29, 2015
NP 11-202 Receipt dated December 22, 2015

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Fidelity Investments Canada ULC

Promoter(s):

Fidelity Investments Canada ULC
Project #2383714

Issuer Name:

First Trust AlphaDEX Canadian Dividend ETF
First Trust AlphaDEX Emerging Market Dividend ETF (CAD-Hedged)
First Trust AlphaDEX U.S. Dividend ETF (CAD-Hedged)
First Trust Senior Loan ETF (CAD-Hedged)
Principal Regulator - Ontario

Type and Date:

Amendment #2 dated December 21, 2015 to Final Long Form Prospectus dated April 28, 2015
NP 11-202 Receipt dated December 23, 2015

Offering Price and Description:

Exchange traded securities at net asset value

Underwriter(s) or Distributor(s):

-

Promoter(s):

FT PORTFOLIOS CANADA CO.
Project #2323582

Issuer Name:

Horizons BetaPro S&P 500 VIX Short-Term Futures Bull Plus ETF

Horizons BetaPro S&P 500 VIX Short-Term Futures ETF
Horizons BetaPro S&P 500 VIX Short-Term Futures Inverse ETF

Principal Regulator - Ontario

Type and Date:

Final Long Form Prospectus dated December 22, 2015
NP 11-202 Receipt dated December 23, 2015

Offering Price and Description:

Class A Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2419198

Issuer Name:

Scotia Private International Equity Pool
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated December 17, 2015 to Final Simplified Prospectus dated November 12, 2015
NP 11-202 Receipt dated December 22, 2015

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Scotia Capital Inc.(for Pinnacle Class and Class F units only)

Scotia Capital Inc. (for Pinnacle Class and Class F units only)

Scotia Capital Inc. (for Pinnacle Class and Class F units only)

Scotia Capital Inc. (for Pinnacle Class only)

Scotia Capital Inc. (for Pinnacle Class and Class F units)

Scotia Capital Inc. (for Pinnacle Class and Class F units only)

Scotia Capital Inc. (for Class A and F units only)

Promoter(s):

1832 Asset Management L.P.

Project #2398761

Issuer Name:

Smart Real Estate Investment Trust (formerly, Calloway REIT)

Principal Regulator - Ontario

Type and Date:

Final Shelf Prospectus dated December 22, 2015
NP 11-202 Receipt dated December 23, 2015

Offering Price and Description:

\$2,000,000,000.00 - Variable Voting Units, Subscription Receipts, Warrants, Debt Securities

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2428563

Issuer Name:

TransCanada Corporation
Principal Regulator - Alberta

Type and Date:

Final Shelf Prospectus dated December 23, 2015
NP 11-202 Receipt dated December 23, 2015

Offering Price and Description:

\$2,000,000,000.00 - Common Shares, First Preferred Shares, Second Preferred Shares, Subscription Receipts

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2429893

Issuer Name:

Vanguard FTSE Developed All Cap ex U.S. Index ETF (formerly, Vanguard FTSE Developed ex North America Index ETF)

Vanguard FTSE Developed All Cap ex U.S. Index ETF (CAD-hedged) (formerly, Vanguard FTSE Developed ex North America Index)

Principal Regulator - Ontario

Type and Date:

Amendment #4 dated December 21, 2015 to Final Long Form Prospectus dated June 25, 2015
NP 11-202 Receipt dated December 23, 2015

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

VANGUARD INVESTMENTS CANADA INC.

Project #2347862

Issuer Name:

Winston Gold Mining Corp.
Principal Regulator - Manitoba

Type and Date:

Final Long Form Prospectus dated December 23, 2015
NP 11-202 Receipt dated December 24, 2015

Offering Price and Description:

Minimum Offering: \$550,000.00 (5,500,000 Class A Common Shares)

Maximum Offering: \$700,000.00 (7,000,000 Class A Common Shares)

Price: \$0.10 per Common Share

Underwriter(s) or Distributor(s):

Mackie Research Capital Corporation

Promoter(s):

Murray Nye

Max Polinsky

Project #2390900

**THIS ISSUE CONTAINS TWO REPORTS OF IPOs,
NEW ISSUES AND SECONDARY FINANCINGS.**

**THE REPORT BELOW IS FOR THE WEEK ENDING
JANUARY 8, 2016.**

Issuer Name:

AEterna Zentaris Inc.
Principal Regulator - Quebec

Type and Date:

Preliminary Shelf Prospectus dated December 29, 2015
NP 11-202 Receipt dated December 30, 2015

Offering Price and Description:

US\$150,000,000.00 - Common Shares, Preferred Shares,
Debt Securities, Subscription Receipts, Warrants, Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2432817

Issuer Name:

CI Income Fund (formerly CI Income Advantage Fund and
Select Income Advantage Managed Fund)
Select 70i30e Managed Portfolio Corporate Class
Select 80i20e Managed Portfolio Corporate Class
Select Income Managed Corporate Class (formerly Select
Income Advantage Managed Corporate Class)
Signature High Income Corporate Class
Signature High Income Fund
Principal Regulator - Ontario

Type and Date:

Amendment #4 dated December 24, 2015 to Final
Simplified Prospectus dated July 29, 2015
NP 11-202 Receipt dated December 30, 2015

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

CI Investments Inc.
Project #2359507

Issuer Name:

RBC Global Dividend Growth Fund
RBC International Dividend Growth Fund
RBC Monthly Income High Yield Bond Fund
RBC QUBE Low Volatility Canadian Equity Fund
RBC QUBE Low Volatility Global Equity Fund
RBC QUBE Low Volatility U.S. Equity Fund
Principal Regulator - Ontario

Type and Date:

Amendment #3 dated December 15, 2015 to Final
Simplified Prospectus dated June 24, 2015
NP 11-202 Receipt dated December 29, 2015

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

RBC Global Asset Management Inc.
Royal Mutual Funds Inc.
Royal Mutual Funds Inc./RBC Direct Investing Inc.
RBC Global Asset Management Inc.
RBC Dominion Securities Inc.
Royal Mutual Funds Inc.
Royal Mutual Funds Inc./RBD Direct Investing Inc.
The Royal Trust Company

Promoter(s):

RBC Global Asset Management Inc.
Project #2350116

Issuer Name:

BNP Paribas Global Equity Exposure Fund
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated December 18, 2015 the Simplified
Prospectus dated April 10, 2015
NP 11-202 Receipt dated December 29, 2015

Offering Price and Description:

units

Underwriter(s) or Distributor(s):

BNP Paribas Investment Partners Canada Ltd.

Promoter(s):

BNP Paribas Investment Partners Canada Ltd.
Project #2315828

Issuer Name:

Horizons Active Diversified Income ETF (formerly Horizons
Active Balanced ETF)
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated December 23, 2015 to Final Long
Form Prospectus dated January 29, 2015
NP 11-202 Receipt dated December 29, 2015

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

ALPHAPRO MANAGEMENT INC.
Project #2296171

Issuer Name:

Lysander-Canso Balanced Fund (formerly, Lysander Balanced Fund)
Lysander-Canso Bond Fund (formerly, Lysander Bond Fund)
Lysander-Canso Corporate Value Bond Fund (formerly, Lysander Corporate Value Bond Fund)
Lysander-Canso Equity Fund (formerly, Lysander Equity Fund)
Lysander-Canso Short Term and Floating Rate Fund (formerly, Lysander Short Term and Floating Rate Fund)
Lysander-Canso U.S. Credit Fund (formerly, Lysander U.S. Credit Fund)
Lysander-18 Asset Management Canadian Equity Fund (formerly, 18 Asset Management All-Cap Canadian Equity Fund)
Lysander-Crusader Equity Income Fund (formerly, Crusader Equity Income Fund)
Lysander-Roundtable Low Volatility Equity Fund
Lysander-Seamark Balanced Fund
Lysander-Seamark Total Equity Fund
Lysander-Slater Preferred Share Dividend Fund
Lysander-Triasima All Country Equity Fund
Lysander-Triasima Balanced Income Fund
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus dated December 31, 2015
NP 11-202 Receipt dated December 31, 2015

Offering Price and Description:

Series A, Series F and Series O, Series A5 and Series F5
Units @ net asset value

Underwriter(s) or Distributor(s):

-

Promoter(s):

Lysander Funds Limited
Project #2420257

Issuer Name:

Mackenzie Canadian Money Market Class
Mackenzie Cundill Value Fund
Mackenzie Emerging Markets Opportunities Class
Mackenzie Global Small Cap Growth Class
Mackenzie Global Small Cap Growth Fund
Mackenzie Gold Bullion Class
Mackenzie Growth Fund
Symmetry Conservative Portfolio
Symmetry Conservative Portfolio Class
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated December 21, 2015 to Final Simplified Prospectus dated September 29, 2015
NP 11-202 Receipt dated December 30, 2015

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Quadrus Investment Services Ltd.
LBC Financial Services Inc
LBC Financial Services Inc.

Promoter(s):

Mackenzie Financial Corporation
Project #2380257

Issuer Name:

Xenon Pharmaceuticals Inc.
Principal Regulator - British Columbia

Type and Date:

Final Shelf Prospectus dated December 30, 2015
NP 11-202 Receipt dated December 30, 2015

Offering Price and Description:

US\$150,000,000.00 - Common Shares, Preferred Shares, Warrants, Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2431682

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Chapter 12

Registrations

12.1.1 Registrants

| Type | Company | Category of Registration | Effective Date |
|--|--|---|-------------------|
| Voluntary Surrender | Litchfield Capital Advisors Ltd. | Exempt Market Dealer | December 18, 2015 |
| Suspension Pursuant to Section 29(1) of the Securities Act | Evangeline Securities Limited | Mutual Fund Dealer | December 21, 2015 |
| Consent to Suspension (Pending Surrender) | RM & Associates Limited | Exempt Market Dealer | December 23, 2015 |
| Change in Registration Category | Industrielle Alliance Gestion de Placements Inc. / Industrial Alliance, Investment Management Inc. | From: Investment Fund Manager, Portfolio Manager, Commodity Trading Counsel and Commodity Trading Manager To: Portfolio Manager, Commodity Trading Counsel and Commodity Trading Manager | December 23, 2015 |
| Consent to Suspension (Pending Surrender) | Precipice Capital Corporation Inc. | Exempt Market Dealer | December 24, 2015 |
| Voluntary Surrender | Edgecrest Capital Corporation | Investment Dealer | December 24, 2015 |
| Change in Registration Category | Lowenberg Investment Counsel, Inc. | From Exempt Market Dealer and Portfolio Manager To: Portfolio Manager | December 29, 2015 |
| Change in Registration Category | OceanRock Investments Inc. | From: Exempt Market Dealer, Portfolio Manager and Investment Fund Manager To: Portfolio Manager and Investment Fund Manager | December 30, 2015 |
| New Registration | Eventus Capital Corp | Exempt Market Dealer | January 4, 2016 |
| New Registration | Justwealth Financial Inc. | Portfolio Manager | January 4, 2016 |

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Chapter 13

SROs, Marketplaces, Clearing Agencies and Trade Repositories

13.2 Marketplaces

13.2.1 Aequitas Neo Exchange Inc. – Appeal Procedures – Notice of Approval

AEQUITAS NEO EXCHANGE INC.

NOTICE OF APPROVAL

APPEAL PROCEDURES

In accordance with section 13(a) of the OSC Recognition Order recognizing Aequitas Neo Exchange Inc. (NEO Exchange) as an exchange (Recognition Order), NEO Exchange filed, and the OSC approved, written procedural requirements governing the process for appeals or review of decisions made by NEO Exchange (Appeal Procedures). Section 13(c) of the Recognition Order indicates that the Appeal Procedures will be considered to be Rules of the exchange and subject to the *Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits Thereto*.

The Appeal Procedures were published for comment on October 24, 2015 for 30 days. No public comments were received.

13.2.2 Aequitas NEO Exchange Inc. – Proposed Amendments to NEO Exchange Trading Policies – OSC Staff Notice of Proposed Changes and Request for Comment

AEQUITAS NEO EXCHANGE INC.

OSC STAFF NOTICE OF PROPOSED CHANGES AND REQUEST FOR COMMENT

Aequitas Neo Exchange Inc. (Neo Exchange) is publishing proposed amendments to the NEO Exchange trading policies in accordance with the *Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits Thereto*.

The changes relate to:

- Revisions to closing call functionality;
- The addition of the odd lot trader concept;
- Revisions to the definition of Latency Sensitive Trader;
- Addition of a definition of Opening Call;
- Revisions to price band description; and
- Clarification of mid-point functionality availability.

A copy of the Neo Exchange notice including the proposed changes is published on our website at www.osc.gov.on.ca.

13.3 Clearing Agencies

13.3.1 CDS – Material Amendments to CDS Rules Concerning Enhancements to CNS (Dedicated Own Resources) and Related Change to Fee Schedule – Notice of Commission Approval

CDS CLEARING AND DEPOSITORY SERVICES INC.

**MATERIAL AMENDMENTS TO CDS RULES CONCERNING ENHANCEMENTS TO
CNS (DEDICATED OWN RESOURCES) AND RELATED CHANGE TO FEE SCHEDULE**

NOTICE OF COMMISSION APPROVAL

In accordance with the Rule Protocol between the Ontario Securities Commission (Commission) and CDS Clearing and Depository Services Inc. (CDS), the Commission approved on December 18, 2015, Material Amendments to CDS Rules Concerning Enhancements to CNS (Dedicated Own Resources) and Related Change to Fee Schedule.

A copy of the CDS notice was published for comment on October 8, 2015 on the Commission's website at: <http://www.osc.gov.on.ca>. No comments were received.

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Chapter 25

Other Information

25.1 Approvals

25.1.1 I.G. Investment Management, Ltd. – s. 213(3)(b) of the LTCA

Headnote

Clause 213(3)(b) of the Loan and Trust Corporations Act – application by manager, with prior track record acting as trustee, for approval to act as trustee of pooled funds and future pooled funds to be established and managed by the applicant and offered pursuant to a prospectus exemption.

Statutes Cited

Loan and Trust Corporations Act, R.S.O. 1990, c. L.25, as am., s. 213(3)(b).

December 15, 2015

Osler, Hoskin & Harcourt LLP
Box 50, 1 First Canadian Place
Toronto, ON M5X 1B8

Attention: Shawn Cymbalisty

Dear Sirs/Mesdames:

Re: I.G. Investment Management, Ltd. (the “Applicant”)

Application pursuant to clause 213(3)(b) of the *Loan and Trust Corporations Act* (Ontario) for approval to act as trustee

Application No. 2015/0680

Further to your application dated October 9, 2015 (the “Application”) filed on behalf of the Applicant, and based on the facts set out in the Application and the representation by the Applicant that the assets of Investors Risk Parity Private Pool, and any other future mutual fund trusts that the Applicant may establish and manage from time to time, will be held in the custody of a trust company incorporated and licensed or registered under the laws of Canada or a jurisdiction, or a bank listed in Schedule I, II or III of the *Bank Act* (Canada), or a qualified affiliate of such bank or trust company, the Ontario Securities Commission (the “Commission”) makes the following order:

Pursuant to the authority conferred on the Commission in clause 213(3)(b) of the *Loan and Trust Corporations Act* (Ontario), the Commission approves the proposal that the Applicant act as trustee of Investors Risk Parity Private Pool and any other future mutual fund trusts which may be established and managed by the Applicant from time to time, the securities of which will be offered pursuant to prospectus exemptions.

Yours truly,

“Sarah B. Kavanagh”
Commissioner

“AnneMarie Ryan”
Commissioner

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Index

| | | | |
|--|-----|--|-----|
| 1832 Asset Management L.P. | | Building Ontario Up Act (Budget Measures), 2015, S.O. 2015, c. 20 | |
| Decision | 48 | Notice | 7 |
| Aequitas Neo Exchange Inc. | | Legislation | 201 |
| Marketplaces – Appeal Procedures – Notice of Approval | 215 | Canadian National Railway Company | |
| Marketplaces – Proposed Amendments to NEO Exchange Trading Policies – OSC Staff Notice of Proposed Changes and Request for Comment | 216 | Order – s. 104(2)(c) | 54 |
| Altitude Resources Inc. | | CDS | |
| Cease Trading Order | 65 | Clearing Agencies – Material Amendments to CDS Rules Concerning Enhancements to CNS (Dedicated Own Resources) and Related Change to Fee Schedule – Notice of Commission Approval.... | 217 |
| Aquinox Pharmaceuticals, Inc. | | Commodity Futures Act, R.S.O. 1990, c. C.20 | |
| Decision | 30 | Notice | 7 |
| Argosy Securities Inc. | | Legislation | 201 |
| Notice of Hearing – s. 8 | 22 | Companion Policy 45-106CP Prospectus Exemptions | |
| Notice from the Office of the Secretary | 22 | Notice of Ministerial Approval | 9 |
| Arrow Capital Management Inc. | | Rules and Policies | 84 |
| Decision | 32 | Rules and Policies | 98 |
| Bill 144 (Budget Measures Act, 2015) | | Companion Policy 45-501CP Ontario Prospectus and Registration Exemptions | |
| Notice | 8 | Notice of Ministerial Approval | 9 |
| Legislation | 202 | Rules and Policies | 96 |
| Bill 91 (Building Ontario Up Act (Budget Measures), 2015) | | Craig Wireless Systems Ltd. | |
| Notice | 7 | Cease Trading Order | 65 |
| Legislation | 201 | CSA Staff Notice 21-316 – Information Processor for Corporate Debt Securities | |
| BitRush Corp. | | Notice | 1 |
| Cease Trading Order | 66 | Edgecrest Capital Corporation | |
| Bloom Income & Growth Canadian Fund | | Voluntary Surrender | 213 |
| Decision | 50 | Enerdynamic Hybrid Technologies Corp. | |
| Bloom Investment Counsel, Inc. | | Cease Trading Order | 66 |
| Decision | 50 | Enesco Energy Services Corp. | |
| Bloom Select Income Fund | | Cease Trading Order | 65 |
| Decision | 50 | Evangeline Securities Limited | |
| Boyuan Construction Group, Inc. | | Suspension Pursuant to Section 29(1) of the Securities Act..... | 213 |
| Cease Trading Order | 65 | Eventus Capital Corp. | |
| Cease Trading Order | 66 | New Registration | 213 |
| Buck Consultants Limited | | Exemplar Yield Fund | |
| Decision | 37 | Decision | 32 |
| Budget Measures Act, 2015, S.O. 2015, c. 38 | | | |
| Notice | 8 | | |
| Legislation | 202 | | |

| | | | |
|--|-----|--|-----|
| FPS Pharma Inc. | | NI 52-107 Acceptable Accounting Principles and Auditing Standards | |
| Cease Trading Order | 65 | Notice of Ministerial Approval | 9 |
| Front Street Capital 2004 | | Rules and Policies | 81 |
| Decision | 25 | Nobilis Health Corp. | |
| Front Street MLP and Infrastructure Income Class | | Cease Trading Order | 66 |
| Decision | 25 | Notice of Memorandum of Understanding Concerning Monitoring of the Ongoing Compliance with Recognition Conditions by CCPs Established in Canada | |
| Front Street U.S. MLP Income Fund Ltd. | | Notice | 11 |
| Decision | 25 | NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions | |
| Hi Ho Silver Resources Inc. | | Notice of Ministerial Approval | 9 |
| Cease Trading Order | 65 | Rules and Policies | 91 |
| I.G. Investment Management, Ltd. | | Nuvolt Corporation Inc. / Corporation Nuvolt Inc. | |
| Approval – s. 213(3)(b) of the LTCA | 219 | Cease Trading Order | 65 |
| Industrielle Alliance Gestion de Placements Inc. / Industrial Alliance, Investment Management Inc. | | OceanRock Investments Inc. | |
| Change in Registration Category | 213 | Change in Registration Category | 213 |
| Justwealth Financial Inc. | | OSC Rule 11-501 Electronic Delivery of Documents to the Ontario Securities Commission | |
| New Registration | 213 | Notice of Ministerial Approval | 9 |
| Keybase Financial Group Inc. | | Rules and Policies | 92 |
| Notice of Hearing – s. 8 | 22 | OSC Rule 13-502 Fees | |
| Notice from the Office of the Secretary | 22 | Notice of Ministerial Approval | 9 |
| Kicking Horse Energy Inc. | | Rules and Policies | 93 |
| Decision | 44 | OSC Rule 45-501 Ontario Prospectus and Registration Exemptions | |
| Litchfield Capital Advisors Ltd. | | Notice of Ministerial Approval | 9 |
| Voluntary Surrender | 213 | Rules and Policies | 94 |
| Lowenberg Investment Counsel, Inc. | | OSC Staff Notice 11-742 (Revised) – Securities Advisory Committee | |
| Change in Registration Category | 213 | Notice | 10 |
| MarketAxess Canada Limited | | PC Gold Inc. | |
| Decision – s. 15.1 of NI 21-101 Marketplace Operation | 46 | Decision | 43 |
| Memorandum of Understanding Concerning Monitoring of the Ongoing Compliance with Recognition Conditions by CCPs Established in Canada | | Order – s. 1(6) of the OBCA | 62 |
| Notice | 11 | PDC Biological Health Group Corporation | |
| MI 11-102 Passport System | | Cease Trading Order | 65 |
| Notice of Ministerial Approval | 9 | Precipice Capital Corporation Inc. | |
| Rules and Policies | 83 | Consent to Suspension (Pending Surrender) | 213 |
| Newnote Financial Corp. | | Regal Resources Inc. | |
| Cease Trading Order | 65 | Cease Trading Order | 65 |
| NI 45-102 Resale of Securities | | RM & Associates Limited | |
| Notice of Ministerial Approval | 9 | Consent to Suspension (Pending Surrender) | 213 |
| Rules and Policies | 82 | | |
| Rules and Policies | 95 | | |
| NI 45-106 Prospectus Exemptions | | | |
| Notice of Ministerial Approval | 9 | | |
| Rules and Policies | 67 | | |

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

Notice 7
Notice 8
Legislation 201
Legislation 202

Starrex International Ltd.

Cease Trading Order 65
Cease Trading Order 66

Tang, Weizhen

Notice from the Office of the Secretary 23
Order – ss. 127(1), 127(10) 59

West Red Lake Gold Mines Inc.

Cease Trading Order 65
Cease Trading Order 66

ZaZa Energy Corporation

Cease Trading Order 65

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