The Ontario Securities Commission

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

The Ontario Securities Commission
Cadillac Fairview Tower
22nd Floor, Box 55
20 Queen Street West
Toronto, Ontario
M5H 3S8

416-593-8314 or Toll Free 1-877-785-1555

Contact Centre – Inquiries, Complaints:

Fax: 416-593-8122
TTY: 1-866-827-1295

Office of the Secretary:

Fax: 416-593-2318

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2075 Kennedy Road
Toronto, Ontario
M1T 3V4

Customer Relations
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Notices / News Releases

1.1 Notices

1.1.1 CSA Staff Notice 24-314 – Preparing for the Implementation of T+2 Settlement: Letter to Registered Firms

CSA Staff Notice 24-314
Preparing for the Implementation of T+2 Settlement:
Letter to Registered Firms

May 26, 2016

The purpose of this notice is to advise that Staff of the Canadian Securities Administrators (CSA Staff or we) recently sent a letter to Canadian head-quartered registered firms regarding the implementation of T + 2 settlement.

The letter encourages registrants to prepare for the transition on September 5, 2017, to a shorter standard settlement cycle of two days after the date of trade (T+2) from the current three days after the date of trade (T+3) and to raise any specific concerns related to the transition. The letter is a follow-up to CSA Staff Notice 24-312 *Preparing for the Implementation of T+2 Settlement* published on April 2, 2015, to highlight this industry-wide initiative.

Set forth in the attached Annex is the form of letter that was sent via email by the principal regulator to the Ultimate Designated Person and Chief Compliance Officer of each registered firm with its head office in its provincial or territorial jurisdiction.

Questions with respect to this Notice may be referred to:

Antoinette Leung
Manager, Market Regulation
Ontario Securities Commission
Tel: 416-593-8901
Email: aleung@osc.gov.on.ca

Aaron Ferguson
Clearing Specialist, Market Regulation
Ontario Securities Commission
Tel: 416-593-3676
Email: aferguson@osc.gov.on.ca

Maxime Paré
Senior Legal Counsel, Market Regulation
Ontario Securities Commission
Tel: 416-593-3650
Email: mpare@osc.gov.on.ca

Meg Tassie
Senior Advisor
British Columbia Securities Commission
Tel: 604-899-6819
Email: mtassie@bcsc.bc.ca

Bonnie Kuhn
Manager, Legal
Alberta Securities Commission
Tel: 403-355-3890
Email: Bonnie.kuhn@asc.ca

Paula White
Deputy Director, Compliance and Oversight
Manitoba Securities Commission
Tel: 204-945-5195
Email: paula.white@gov.mb.ca

Serge Boisvert
Senior Policy Advisor
Direction des Bourses et des OAR
Autorité des marchés financiers
Tel: 514-395-0337 ext. 4358
Toll-free: 1-877-525-0337
Email: serge.boisvert@lautorite.qc.ca

Martin Picard
Senior Policy Advisor, Clearing Houses
Autorité des marchés financiers
Tel: 514-395-0337, ext. 4347
Toll free: 1-877-525-0337
Email: martin.picard@lautorite.qc.ca

Jason Alcorn
Senior Legal Counsel, Securities
Financial and Consumer Services Commission (NB)
Tel: 506-643-7857
Email: jason.alcorn@fcnb.ca

H. Jane Anderson
Director, Policy and Market Regulation
Nova Scotia Securities Commission
Tel: 902-424-0179
Email: Jane.Anderson@novascotia.ca

Annex

May 24, 2016

Dear Sir/Madam:

Re: Canada's efforts to move to T+2 settlement cycle

As you may know, the securities industry in Canada is working to change the standard settlement cycle from the current period of three days after the date of a trade (T+3) to two days after the date of a trade (T+2) to coincide with the expected change to a T+2 settlement cycle in the securities markets of the United States on September 5, 2017.

Staff of the Canadian Securities Administrators (CSA) published CSA Staff Notice 24-312 – *Preparing for the Implementation of T+2 Settlement* on April 2, 2015, in order to increase awareness and summarize CSA Staff views with respect to a Canadian industry move to shorten the standard settlement cycle. In that Notice, CSA Staff strongly supported:

- the importance of the Canadian industry migrating to T+2 on the same timetable as the U.S., and
- the need for a broadly based industry body and working groups to co-ordinate industry T+2 efforts in Canada.

Many countries already operate under a shortened settlement cycle, or are moving to it. For example, most European markets successfully transitioned to a T+2 settlement cycle in 2014. Australia and New Zealand moved to T+2 for their equity markets in March 2016.

The Canadian Capital Markets Association (CCMA) is leading the Canadian securities industry's move to T+2. The mandate of the CCMA includes identifying operational improvements (system development, procedures and processes), gaining industry agreement on required standards, identifying rule changes, and planning industry-wide testing that will be needed to ensure overall industry readiness for the migration to T+2.

We are sending this letter to every Ultimate Designated Person and Chief Compliance Officer of [*province or territory-specific*]-based registered firms to raise awareness of

1. the Canadian industry's move to T+2,
2. the CCMA's initiatives to prepare for such a move, and
3. in particular, the September 5, 2017 transition date announced by the securities industry in the United States for implementing T+2.

Different organizations participating in the securities industry in Canada must work in a co-ordinated fashion to ensure a successful transition to a T+2 settlement cycle at the same time as the United States. Registrants and other capital market stakeholders will need to assess all of the potential impacts of a transition to a T+2 settlement cycle, including examining how their systems and processes for settling trades should be changed to support their clients, as well as their role in maintaining the integrity of the clearing and settlement system of Canada's capital markets.

We strongly encourage firms that are not already engaged in this process to consult the CCMA's website www.ccma-acmc.ca, which sets out information about CCMA committees, issues, tools, trade matching statistics, and events, as well as a regular newsletter. A CSA committee has been formed with a mandate, among other things, to recommend regulatory proposals in relation to T+2, possibly for publication this summer for consultation.

The [*specific CSA jurisdiction*] encourages registrants and other capital market stakeholders to raise any specific concern related to the transition and to engage in the T+2 initiative as soon as possible.

Should you have any comments or questions regarding the T+2 initiative, please do not hesitate to [*communicate with staff at specific CSA jurisdiction contact details*].

Yours sincerely,

[*specific CSA jurisdiction*]

1.5 Notices from the Office of the Secretary

1.5.1 Black Panther Trading Corporation and Charles Robert Goddard

FOR IMMEDIATE RELEASE
May 18, 2016

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

AND

IN THE MATTER OF
BLACK PANTHER TRADING CORPORATION AND
CHARLES ROBERT GODDARD

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

1. the Respondents make disclosure of their witness lists and summaries and indicate any intent to call an expert witness, and provide to Staff the name of the expert and state the issue on which the expert will be giving evidence, by June 30, 2016;

2. Staff and the Respondents shall deliver to each other copies of documents which they intend to produce or enter as evidence at the hearing on the merits in this matter (the "Hearing Briefs") by no later than September 9, 2016;

3. Staff and the Respondents shall file with the Registrar copies of indices to their Hearing Briefs by no later than September 13, 2016;

4. the final interlocutory appearance in this matter shall be held at the offices of the Commission located at 20 Queen Street West, 17th Floor, Toronto, Ontario, on September 19, 2016, at 10:00 a.m.; and

5. the hearing on the merits in this matter shall be held at the offices of the Commission located at 20 Queen Street West, 17th Floor, Toronto, Ontario, commencing on October 20, 2016, at 10:00 a.m. and continuing thereafter on October 21, 24, 25, 26, 27, and 28, 2016, and on such further dates as agreed to by the parties and set by the Office of the Secretary.

A copy of the Order dated May 11, 2016 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 Fernando Postrado

FOR IMMEDIATE RELEASE
May 19, 2016

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

AND

IN THE MATTER OF
FERNANDO POSTRADO

TORONTO – Following a hearing held today, the Commission issued an Order in the above named matter approving the Settlement Agreement reached between Staff of the Commission and Fernando Postrado

A copy of the Order dated May 19, 2016 and Settlement Agreement dated May 16, 2016 are 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
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1-877-785-1555 (Toll Free)

1.5.3 Bradon Technologies Ltd. et al.

FOR IMMEDIATE RELEASE
May 24, 2016

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

AND

IN THE MATTER OF
BRADON TECHNOLOGIES LTD.,
JOSEPH COMPTA,
ENSIGN CORPORATE COMMUNICATIONS INC.
and TIMOTHY GERMAN

TORONTO – The Commission issued its Reasons and Decision on Sanctions and Costs and an Order in the above noted matter.

A copy of the Reasons and Decision on Sanctions and Costs and the Order dated May 20, 2016 are 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 Vinci S.A.

Headnote

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

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 25, 53, 74.
National Instrument 45-106 Prospectus Exemptions, s. 2.24.
National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, s. 8.16.
National Instrument 45-102 Resale of Securities, s. 2.14.

TRANSLATION

May 10, 2016

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
QUÉBEC AND ONTARIO
(THE "FILING JURISDICTIONS")

AND

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

AND

IN THE MATTER OF
VINCI S.A.
(THE "FILER")

DECISION

Background

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

1. an exemption from the prospectus requirements of the Legislation (the "**Prospectus Relief**") so that such requirements do not apply to

   (a) trades in

(i) units (the "**Principal Classic Units**") of Castor International (the "**Principal Classic Fund**"), a *fonds commun de placement d'entreprise* or "FCPE", a form of collective shareholding vehicle commonly used in France for the conservation and custodianship of shares held by employee-investors; and

(ii) units (the "**Temporary Classic Units**" and, together with the Principal Classic Units, the "**Units**") of a temporary FCPE named Castor International Relais 2016 (the "**Temporary Classic Fund**") which will merge with the Principal Classic Fund following the completion of the Employee Share Offering (as defined below), such transaction being referred to as the "**Merger**", as further described below (the term "**Classic Fund**" used herein means, prior to the Merger, the Temporary Classic Fund and, following the Merger, the Principal Classic Fund);

made pursuant to the Employee Share Offering to or with Qualifying Employees (as defined below) resident in the Filing Jurisdictions and in British Columbia, Alberta and Saskatchewan (collectively, the "**Canadian Employees**") who elect to participate in the Employee Share Offering (such Canadian Employees who subscribe for the Units are referred to herein as the "**Canadian Participants**"); and

(b) trades in ordinary shares of the Filer (the "**Shares**") by the Classic Fund to or with Canadian Participants upon the redemption of Units as requested by Canadian Participants;

2. an exemption from the dealer registration requirements of the Legislation (the "**Registration Relief**") so that such requirements do not apply to the VINCI Group (as defined below), the Classic Fund and the Management Company (as defined below) in respect of:

(a) trades in Units made pursuant to the Employee Share Offering to or with Canadian Employees; and

(b) trades in Shares by the Classic Fund to or with Canadian Participants upon the redemption of Units as requested by Canadian Participants;

(the Prospectus Relief and the Registration Relief, collectively, the "Offering Relief").

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

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

(b) the Filer has provided notice that section 4.7(1) of *Regulation 11-102 respecting Passport System* ("**Regulation 11-102**") is intended to be relied upon in British Columbia, Alberta and Saskatchewan (the "**Other Offering Jurisdictions**" and, together with the Filing Jurisdictions, the "**Jurisdictions**"), and

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

Interpretation

Terms defined in *Regulation 14-101 respecting Definitions*, *Regulation 45-102 respecting Resale of Securities*, *Regulation 45-106 respecting Prospectus Exemptions* and Regulation 11-102 have the same meaning if used in this decision, unless otherwise defined.

Representations

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

1. The Filer is a corporation formed under the laws of France. It is not and has no current intention of becoming a reporting issuer under the Legislation or the securities legislation of the Other Offering Jurisdictions. The head office of the Filer is located in France and the Shares are listed on Euronext.

2. The Filer has established a global employee share offering (the "**Employee Share Offering**") for Qualifying Employees (as defined below) and its participating affiliates, including affiliates that employ Canadian Employees (collectively, the "**Canadian Affiliate**s" and, together with the Filer and other affiliates of the Filer, the "**VINCI Group**"), including B.A. Blacktop Ltd, Carmacks Enterprises Ltd, Construction DJL Inc, Agra Foundations Limited, Bermingham Construction Ltd, Freyssinet Canada Ltee, Geopac Inc, Reinforced Earth Company Ltd, Janin Atlas Inc, Asphalte Trudeau Ltee, Pavage Rolland Fortier Inc, Location Rolland Fortier Inc, Groupe Lechasseur, Eurovia Québec Grands projets, Eurovia Québec CSP, Eurovia Québec Construction, Freycan Major Projects Ltd, Lacbec Incorporate, Graviere St Francois (1990) Inc, Eurovia Canada Inc, Martens Asphalt Ltd, Coquitlam Ridge Constructors, Two Crossings Maintenance

Services Ltd, Carmacks Industrial Ltd, Carmacks Maintenance Services Ltd, Pico Envirotec Inc and Vinci Infrastructure Canada Ltd. Each of the Canadian Affiliates is a direct or indirect controlled subsidiary of the Filer and is not, and has no current intention of becoming, a reporting issuer under the Legislation or the securities legislation of the Other Offering Jurisdictions. The largest number of employees of the VINCI Group in Canada reside in Québec.

3. As of the date hereof and after giving effect to the Employee Share Offering, Canadian residents do not and will not beneficially own more than 10% of the Shares (which term, for the purposes of this paragraph, is deemed to include all Shares held by the Classic Fund on behalf of Canadian Participants) issued and outstanding, and do not and will not represent in number more than 10% of the total number of holders of Shares as shown on the books of the Filer.

4. The Employee Share Offering involves an offering of Shares to be subscribed through the Temporary Classic Fund, which Temporary Classic Fund will be merged with the Principal Classic Fund following completion of the Employee Share Offering (the "**Classic Plan**").

5. Only persons who are employees of a member of the VINCI Group during the subscription period for the Employee Share Offering and who meet other minimum employment criteria (the "**Qualifying Employees**") will be allowed to participate in the Employee Share Offering.

6. The Temporary Classic Fund and the Principal Classic Fund were established for the purpose of implementing employee share offerings of the Filer. There is no current intention for any of the Temporary Classic Fund or the Principal Classic Fund to become a reporting issuer under the Legislation or the securities legislation of the Other Offering Jurisdictions.

7. The Temporary Classic Fund and the Principal Classic Fund are French FCPEs. The Temporary Classic Fund and the Principal Classic Fund are registered with, and approved by, the Autorité des marchés financiers in France (the "**French AMF**").

8. Under the Employee Share Offering:

   (a) Canadian Participants will subscribe for Temporary Classic Units and the Temporary Classic Fund will subscribe for Shares, on behalf of the Canadian Participants and using their contribution, at a subscription price that is equal to the arithmetical average of the volume-weighted average Share price (expressed in Euros) on Euronext on the 20 trading days preceding the start of the subscription period (the "**Subscription Price**").

   (b) Initially, the Shares will be held in the Temporary Classic Fund and the Canadian Participants will receive Temporary Classic Units representing the subscription of Shares.

   (c) After completion of the Employee Share Offering, the Temporary Classic Fund will be merged with the Principal Classic Fund (subject to the approval of the supervisory board of the FCPEs and the French AMF). Temporary Classic Units held by Canadian Participants will be replaced with Principal Classic Units on a *pro rata* basis and the Shares subscribed for under the Classic Plan will be held in the Principal Classic Fund (such transaction being referred to as the "**Merger**").

   (d) The Units will be subject to a hold period of approximately three years (the "**Lock-Up Period**"), subject to certain exceptions prescribed by the rules of the International Group Share Ownership Plan of VINCI Group and adopted under the Employee Share Offering in Canada (such as a release on death, disability or termination of employment).

   (e) Any dividends paid on the Shares held in the Classic Fund will be contributed to the Classic Fund and used to purchase additional Shares. To reflect this reinvestment, the regulations of the Classic Fund provide that new Units (or fractions thereof) will be issued to the Canadian Participants.

   (f) At the end of the Lock-Up Period, a Canadian Participant may (i) request the redemption of his or her Units in the Classic Fund in consideration for the underlying Shares or a cash payment corresponding to the then market value of the Shares, or (ii) continue to hold his or her Units in the Classic Fund and request the redemption of those Units at a later date in consideration for the underlying Shares or a cash payment corresponding to the then market value of the Shares.

   (g) In the event of an early unwind resulting from the Canadian Participant exercising one of certain exceptions to the Lock-Up Period and meeting the applicable criteria, a Canadian Participant may request the redemption of Units in the Classic Fund in consideration for a cash payment corresponding to the then market value of the underlying Shares.

(h) In addition, the Employee Share Offering provides that the Filer will grant to Canadian Participants a conditional right to receive additional Shares at the end of the Lock-Up Period, free of charge ("Bonus Shares"). The number of Bonus Shares which a Canadian Participant is eligible to receive will be determined according to the following matching schedule:

Canadian Participant's Subscription	*Matching Ratio*
1-10 Shares	2 Bonus Shares for each Share subscribed
Next 30 Shares (i.e., the 11th to 40th Share subscribed for)	1 Bonus Share for each Share subscribed
Next 60 Shares (i.e., the 41st to 100th Share subscribed for)	1 Bonus Share for each 2 Shares subscribed
Any further Shares starting from the 101st Share subscribed for	No additional Bonus Shares

(i) Under the matching schedule, a Canadian Participant who subscribed for 100 or more Shares would receive a maximum of 80 Bonus Shares. The right to receive Bonus Shares is generally subject to the condition that the Canadian Participant is employed by a member of the VINCI Group at the end of the Lock-Up Period and holds Units until that time. If these conditions are satisfied, Bonus Shares will be delivered directly to the Canadian Participant or to the Classic Fund on behalf of the Canadian Participant (in which case, additional Units reflecting this will be issued to the Canadian Participant), or sold if requested by the Canadian Participant. If the vesting conditions are not met, the Canadian Participant will lose his or her entitlement to Bonus Shares. However, in certain good leaver events, the loss of entitlement to Bonus Shares is compensated by a cash payment.

9. Under French law, an FCPE is a limited liability entity. The portfolio of the Classic Fund will consist almost entirely of Shares and may also include cash in respect of dividends paid on the Shares which will be reinvested in Shares as discussed above and cash or cash equivalents pending investments in the Shares and for the purposes of Unit redemptions.

10. The manager of the Temporary Classic Fund and of the Principal Classic Fund, AMUNDI (the "**Management Company**"), is a portfolio management company governed by the laws of France. The Management Company is registered with the French AMF to manage investments and complies with the rules of the French AMF. The Management Company is not, and has no current intention of becoming, a reporting issuer under the Legislation or the securities legislation of the Other Offering Jurisdictions.

11. The Management Company's portfolio management activities in connection with the Employee Share Offering and the Classic Fund are limited to acquiring Shares and selling such Shares as necessary in order to fund redemption requests and investing available cash in cash equivalents.

12. The Management Company is also responsible for preparing accounting documents and publishing periodic informational documents of the Classic Fund. The Management Company is obliged to act exclusively in the best interests of the Canadian Participants and is liable to them, jointly and severally with the Depositary, for any violation of the rules and regulations governing FCPEs, any violation of the rules of the FCPE, or for any self-dealing or negligence. The Management Company's activities will not affect the underlying value of the Shares.

13. None of the entities forming part of VINCI Group, the Classic Fund or the Management Company or any of their respective directors, officers, employees, agents or representatives will provide investment advice to the Canadian Employees with respect to investments in the Shares or the Units or to the Canadian Participants with respect to the holding or redemption of their Units.

14. Shares issued pursuant to the Employee Share Offering will be deposited in the Classic Fund through CACEIS Bank France (the "**Depositary**"), a large French commercial bank subject to French banking legislation.

15. Under French law, the Depositary must be selected by the Management Company from a limited number of companies identified on a list maintained by the French Minister of the Economy and Finance and its appointment must be approved by the French AMF. The Depositary carries out orders to purchase, trade and sell assets in the portfolio and takes all necessary action to allow each of the Temporary Classic Fund and the Principal Classic Fund to exercise the rights relating to the assets held in their respective portfolios.

16. Participation in the Employee Share Offering is voluntary, and the Canadian Employees will not be induced to participate in the Employee Share Offering by expectation of employment or continued employment.

17. The total amount that may be invested by a Canadian Employee in the Employee Share Offering cannot exceed 25% of his or her estimated gross annual compensation for 2016. The value of Bonus Shares is not included in this calculation.

18. The Shares are not currently listed for trading on any stock exchange in Canada and the Filer has no intention to have the Shares so listed. As there is no market for the Shares in Canada, and as none is expected to develop, any first trades of Shares by Canadian Participants will be effected through the facilities of, and in accordance with, the rules and regulations of Euronext. The Units will not be listed for trading on any stock exchange.

19. Canadian Employees may request and Canadian Participants will receive an information package in the French or English language, according to their preference, which will include a summary of the terms of the Employee Share Offering and a description of Canadian income tax consequences of subscribing to and holding the Units and requesting the redemption of Units at the end of the Lock-Up Period. Canadian Employees will be advised that they may request copies of the Filer's *Document de Référence* filed with the French AMF in respect of the Shares and the regulations of the Temporary Classic Fund and the Principal Classic Fund through their human resources department, and can also access continuous disclosure materials relating to the Filer through the Filer's public internet site. Canadian Participants will receive an initial statement of their holdings under the Classic Plan together with an updated statement at least once per year.

20. There are approximately 2,330 Qualifying Employees resident in Canada, with the largest number residing in the Province of Québec. Less than 2% of Qualifying Employees reside in Canada.

21. None of the entities forming part of the VINCI Group or the Classic Fund are in default under the Legislation or the securities legislation of the Other Offering Jurisdictions. The Management Company is not in default of the Legislation or the securities legislation of the Other Offering Jurisdictions.

Decision

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

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

1. the issuer of the security

    (a) was not a reporting issuer in any jurisdiction of Canada at the distribution date, or

    (b) is not a reporting issuer in any jurisdiction of Canada at the date of the trade;

2. at the distribution date, after giving effect to the issue of the security and any other securities of the same class or series that were issued at the same time as or as part of the same distribution as the security, residents of Canada

    (a) did not own, directly or indirectly, more than 10 % of the outstanding securities of the class or series, and

    (b) did not represent in number more than 10 % of the total number of owners, directly or indirectly, of securities of the class or series; and

3. the first trade is made

    (a) through an exchange, or a market, outside of Canada, or

    (b) to a person or company outside of Canada.

"Lucie J. Roy"
Senior Director, Corporate Finance

2.1.2 Aston Hill Asset Management Inc. et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Approval of mutual fund merger – approval required because mergers do not meet the criteria for pre-approved reorganizations and transfers under National Instrument 81-102 Investment Funds – a reasonable person may not consider the merging funds and merging classes to have substantially similar investment objectives – mergers to otherwise comply with pre-approval criteria, including securityholder approval.

Applicable Legislative Provisions

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

May 17, 2016

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
ASTON HILL ASSET MANAGEMENT INC.
(the Filer)

AND

ASTON HILL GROWTH & INCOME FUND AND
ASTON HILL GLOBAL GROWTH & INCOME FUND
(the Terminating Funds)

AND

ASTON HILL GROWTH & INCOME CLASS AND
ASTON HILL GLOBAL GROWTH & INCOME CLASS
(the Terminating Classes)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Terminating Funds and the Terminating Classes for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) granting approval under paragraph 5.5(1)(b) of National Instrument 81-102 *Investment Funds* (**NI 81-102**) to merge (the **Mergers**): (a) the Terminating Funds into Aston Hill High Income Fund ("**HI Fund**"); and (b) the Terminating Classes into Aston Hill High Income Class (**HI Class**) (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 (**Principal Regulator**) for this application, and

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

Interpretation

Defined terms contained in NI 81-102, National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning in this decision unless they are defined in this decision.

Representations

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

The Filer

1. The Filer is a corporation governed by the laws of Ontario with its head office in Toronto, Ontario.

2. The Filer is registered under NI 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* as a portfolio manager and exempt market dealer in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario and Quebec, and as an investment fund manager in Newfoundland and Labrador, Ontario and Quebec.

3. The Filer is the manager and promoter of the Terminating Funds, the Terminating Classes, HI Fund and HI Class.

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

The Terminating Funds and the Terminating Classes

5. Each of the Terminating Funds has been established as a mutual fund trust under the laws of the Province of Ontario and is governed by a master declaration of trust dated June 30, 2011 (as amended from time to time, the **Declaration of Trust**) with the Filer acting as trustee (the **Trustee**).

6. Each of the Terminating Classes is a class of shares of Aston Hill Corporate Funds Inc., a mutual fund corporation.

7. Each of the Terminating Funds and Terminating Classes is a reporting issuer under applicable securities legislation of the Jurisdictions.

8. Each of the Terminating Funds and Terminating Classes were distributed under a simplified prospectus dated May 12, 2015, as amended by Amendment No. 1 dated October 19, 2015 and as further amended by Amendment No. 2 dated December 18, 2015.

9. The Terminating Funds and the Terminating Classes are not in default of securities legislation in the Jurisdictions.

The Continuing Funds

10. HI Fund has been established as a mutual fund trust under the laws of the Province of Ontario and is governed by the Declaration of Trust with the Filer acting as trustee. HI Class is a class of shares of Aston Hill Corporate Funds Inc.

11. HI Fund and HI Class are reporting issuers under applicable securities legislation of the Jurisdictions.

12. Each of HI Fund and HI Class are distributed under a simplified prospectus dated August 28, 2015, as amended by Amendment No. 1 dated October 9, 2015.

13. HI Fund and HI Class are not in default of securities legislation in the Jurisdictions.

The Proposed Mergers

14. The Filer intends to merge: (a) the Terminating Funds into HI Fund; and (b) the Terminating Classes into HI Class.

15. The Approval Sought is required because the Mergers satisfy the requirements for pre-approved reorganizations and transfers set out in subsection 5.6(1) of NI 81-102, except that a reasonable person would not consider (a) HI Fund to have substantially similar fundamental investment objectives as each Terminating Fund, or (b) HI Class to have substantially similar fundamental investment objectives as each Terminating Class.

16. As required by National Instrument 81-107 *Independent Review Committee for Investment Funds*, the Filer presented the terms of the Mergers which raise a conflict of interest for the purposes of NI 81-107 and the process proposed for completion of the Merger to the Independent Review Committee (**IRC**) for each Terminating Fund, each Terminating Class, HI Fund and HI Class on March 14, 2016 for its review and recommendation. The IRC reviewed the proposed transactions and determined that the proposed Mergers, if implemented, would achieve a fair and reasonable result for each of the Terminating Funds, Terminating Classes, HI Fund and HI Class.

17. The board of directors of the Filer approved and ratified the Mergers.

18. A press release, material change report and notice of meeting in respect of the proposed Mergers were filed on the system for electronic disclosure and retrieval (**SEDAR**) on March 14, 2016, March 15, 2016 and March 21, 2016 (as amended March 22, 2016) respectively.

19. The Filer has determined that the Mergers will be a material change for HI Fund and HI Class.

20. In connection with the meetings of securityholders for each of the Terminating Funds, Terminating Classes, HI Fund and HI Class (each a **Meeting**), a notice of meeting and a management information circular dated April 5, 2016 and a related form of proxy (the **Meeting Materials**) were mailed to securityholders of each Fund on April 14, 2016 and were filed on SEDAR on April 18, 2016.

21. On May 9, 2016, securityholders of the Terminating Funds, the Terminating Classes, HI Fund and HI Class approved the Mergers and certain related matters as set out in the Circular. Subject to receiving the necessary approvals, it is expected that the Mergers will take place on or about May 18, 2016 (the **Merger Date**).

22. The Meeting Materials provided securityholders of the Terminating Funds and the Terminating Classes with information about, among other things, the differences between the Terminating Funds and HI Fund and between the Terminating Classes and HI Class, the management fees of HI Fund and HI Class and the tax consequences of the Mergers. The Meeting Materials also described the various ways in which securityholders could obtain a copy of various documents in respect of each of the Terminating Funds, the Terminating Classes, HI Fund and HI Class at no cost. Accordingly, securityholders of the Terminating Funds and the Terminating Classes have had an opportunity to consider this information prior to voting on the Mergers.

23. A summary of the IRC's recommendation was included in the Meeting Materials sent to securityholders of the Terminating Funds, the Terminating Classes, HI Fund and HI Class as required by section 5.1(2) of NI 81-107.

24. If the necessary approvals are obtained, the following steps will be carried out to effect the Mergers:

Merger resulting in HI Fund as the continuing fund

(a) Each Terminating Fund will transfer all of its assets and liabilities to HI Fund for an amount equal to the net value of the assets transferred.

(b) HI Fund will issue units to each Terminating Fund having a net asset value equal to the net value of the assets transferred by the Terminating Fund determined based on an exchange ratio established as of the close of trading on the business day immediately preceding the Merger Date.

(c) The exchange ratio will be calculated based on the relative net asset value of each of the Terminating Fund's units and HI Fund's units. Immediately following the transfer of the assets of each Terminating Fund to HI Fund and the issuance of HI Fund units to each Terminating Fund, all units of the Terminating Funds will be automatically redeemed and each Terminating Fund unitholder participating in the Merger will receive such number of HI Fund units as is equal to the number of units of each of the Terminating Funds held multiplied by the exchange ratio. The Terminating Funds will redeem their outstanding units and pay the redemption price for these units by distributing units of HI Fund to the Terminating Funds' unitholders.

(d) Holders of series A units, series F units, series I units, series UA units and series UF units of the Terminating Funds will become unitholders of the corresponding series of units of HI Fund. Holders of series X units of Aston Hill Growth & Income Fund will become unitholders of series X units of HI Fund.

(e) Any cash acquired by HI Fund in connection with the Mergers will be invested in accordance with the investment objectives, strategies, and restrictions of HI Fund.

(f) Units of HI Fund received by the unitholders of the Terminating Funds will have an aggregate net asset value equal to the aggregate net asset value of the units of the Terminating Funds being redeemed.

(g) Following the Mergers, each of the Terminating Funds will be wound up as soon as reasonably practicable.

Merger resulting in HI Class as continuing class

(a) On the Merger Date, the shares of each series of the Terminating Classes will be converted to shares of the relevant series of HI Class. Holders of series A shares, series F shares, series I shares, series TA6 shares or series TF6 shares of the Terminating Classes will become shareholders of the corresponding series of shares of HI Class.

(b) Each Terminating Class will transfer all of its assets and liabilities to HI Class for an amount equal to the net asset value of the assets transferred.

(c) Any cash acquired by HI Class in connection with the Mergers will be invested in accordance with the investment objectives, strategies, and restrictions of HI Class.

(d) Shares of HI Fund received by the shareholders of the Terminating Classes will have an aggregate net asset value equal to the aggregate net asset value of the shares of the Terminating Classes.

(e) The Terminating Classes will be effectively terminated as the Manager will cease to offer these classes of shares.

25. The Filer will pay all costs and expenses relating to the solicitation of proxies and holding the Meetings in connection with the Mergers as well as the costs of implementing the Mergers, including any brokerage fees.

26. No sales charges will be payable in connection with the acquisition by HI Fund and HI Class of any of the investment portfolios of the Terminating Funds and the Terminating Classes, respectively.

27. The Mergers will be a "qualifying exchange" within the meaning of section 132.2 of the *Income Tax Act* (the **Tax Act**) or will be a tax-deferred transaction under subsection 86(1) of the Tax Act.

28. The Filer will not receive any compensation in respect of the acquisition, sale or redemptions of the securities of the Terminating Funds, Terminating Classes, HI Fund or HI Class.

29. The Terminating Funds, the Terminating Classes, HI Fund and HI Class have the same valuation procedures.

30. HI Fund and HI Class will have a lower fee structure than those of the Terminating Funds and Terminating Classes, respectively.

31. The risk profile of HI Fund and HI Class are the same as those of the Terminating Funds and Terminating Classes.

32. The portfolios and other assets of the Terminating Funds and the Terminating Classes to be acquired by HI Fund and HI Class, respectively, as a result of the Mergers are currently, or will be, acceptable to the portfolio advisors of HI Fund and HI Class, respectively, prior to the effective date of the Mergers.

33. The Terminating Funds and HI Fund are, and are expected to continue to be at all material times, mutual fund trusts under the Tax Act and, accordingly, units of both the Terminating Funds and HI Fund are "qualified investments" under the Tax Act for registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax free savings accounts.

34. The Filer believes that the Mergers will be beneficial to securityholders of the Terminating Funds, the Terminating Classes, HI Fund and HI Class for the following reasons:

    (a) Securityholders will have exposure to actively managed portfolios with broader investment objectives.

    (b) Upon completion of the Mergers, HI Fund and HI Class will each have a greater level of assets which may result in economies of scale for operating expenses.

    (c) HI Fund and HI Class are expected to have greater level of liquidity than each Terminating Fund, Terminating Class, HI Fund or HI Class separately.

    (d) The management fee for the securityholders of the Terminating Funds and Terminating Classes will decrease or remain the same as a result of the Mergers. The series A, series UA and/or series TA6 securities of HI Fund and HI Class each pay a management fee of up to 1.90% per annum compared to 2.00% per annum for series A, series UA and/or series TA6 securities of the Terminating Funds and Terminating Classes. Similarly, series F, series UF and/or series TF6 securities of HI Fund and HI Class each pay a management fee of up to 0.90% per annum compared to 1.00% per annum for series F, series UF and/or series TF6 securities of the Terminating Funds and Terminating Classes. The management fee for Series X units remain the same.

35. The foregoing reasons for the Mergers were set out in the Meeting Materials along with certain prospectus-level disclosure concerning HI Fund and HI Class, including information regarding investment objectives and strategies, the portfolio manager and risk factors applicable to an investment in HI Fund and/or HI Class.

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.

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

2.1.3 Northern Sun Mining Corp. – s. 1(10)(a)(ii)

Headnote

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

Applicable Legislative Provisions

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

May 20, 2016

Northern Sun Mining Corp.
130 Adelaide Street West, Suite 3420
Toronto, Ontario M5H 3P5

Dear Sirs/Mesdames:

Re: Northern Sun Mining Corp. (the Applicant) – Application for a decision under the securities legislation of Alberta and Ontario (the Jurisdictions) that the Applicant is not a reporting issuer

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

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

The Applicant has represented to the Decision Makers that:

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

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

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

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

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

Yours truly,

"Sonny Randhawa"
Manager, Corporate Finance
Ontario Securities Commission

2.2 Orders

2.2.1 Black Panther Trading Corporation and Charles Robert Goddard – ss. 127, 127.1

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

AND

IN THE MATTER OF
BLACK PANTHER TRADING CORPORATION AND
CHARLES ROBERT GODDARD

ORDER
(Sections 127 and 127.1 of the Securities Act)

WHEREAS:

1. on October 24, 2015:

   (a) Staff of the Ontario Securities Commission ("Staff") filed a Statement of Allegations, in which Staff sought an order against Charles Robert Goddard ("Goddard") and Black Panther Trading Corporation ("Black Panther") (collectively, the "Respondents") pursuant to subsection 127(1) and section 127.1 of the *Securities Act* (the "Act"); and

   (b) the Ontario Securities Commission (the "Commission") issued a Notice of Hearing in respect of that Statement of Allegations, setting a hearing in this matter for November 24, 2015;

2. on November 24, 2015, Staff and the Respondents appeared before the Commission and made submissions and the Commission ordered that:

   (a) Staff provide disclosure to the Respondents by December 24, 2015, of documents and things in the possession or control of Staff that are relevant to the proceeding;

   (b) the proceeding be adjourned to a hearing to be held at the offices of the Commission on March 16, 2016;

   (c) any motions for disclosure by the Respondents be set out in a Notice of Motion filed no later than March 4, 2016, and be heard or scheduled for a sub-sequent date at the March 16 hearing; and

   (d) Staff make disclosure of its preliminary witness list and statements and indicate any intent to call an expert witness, and provide the Respondents the name of the expert and state the issue on which the expert would be giving evidence, by March 11, 2016;

3. on March 16, 2016, Staff and the Respondents appeared before the Commission and made submissions and the Commission ordered that the Respondents make disclosure of their witness lists and summaries and indicate any intent to call an expert witness, and provide to Staff the name of the expert and state the issue on which the expert will be giving evidence, by April 11, 2016;

4. on May 11, 2016, Staff and counsel for the Respondents appeared before the Commission and made submissions; and

5. the Commission is of the opinion that it is in the public interest to make this order;

IT IS ORDERED that:

1. the Respondents make disclosure of their witness lists and summaries and indicate any intent to call an expert witness, and provide to Staff the name of the expert and state the issue on which the expert will be giving evidence, by June 30, 2016;

2. Staff and the Respondents shall deliver to each other copies of documents which they intend to produce or enter as evidence at the hearing on the merits in this matter (the "Hearing Briefs") by no later than September 9, 2016;

3. Staff and the Respondents shall file with the Registrar copies of indices to their Hearing Briefs by no later than September 13, 2016;

4. the final interlocutory appearance in this matter shall be held at the offices of the Commission located at 20 Queen Street West, 17th Floor, Toronto, Ontario, on September 19, 2016, at 10:00 a.m.; and

5. the hearing on the merits in this matter shall be held at the offices of the Commission located at 20 Queen Street West, 17th Floor, Toronto, Ontario, commencing on October 20, 2016, at 10:00 a.m. and continuing thereafter on October 21, 24, 25, 26, 27, and 28, 2016, and on such further dates as agreed to by the parties and set by the Office of the Secretary.

DATED at Toronto this 11th day of May, 2016.

"Timothy Moseley"

2.2.2 Red Ore Gold Inc. – s. 144

Headnote

Section 144 of the Securities Act (Ontario) – application for partial revocation of a cease trade order – issuer cease traded due to failure to file interim financial statements and audited annual financial statements with the Commission – issuer applied for partial revocation of the cease trade order to permit the issuer to proceed with a private placement with accredited investors (as such term is defined in National Instrument 45-106 Prospectus and Registration Requirements) and under the Family, Friends and Business Associates exemption (as such term is defined in National Instrument 45-106 Prospectus and Registration Requirements) resident in British Columbia – issuer will use proceeds from private placement to prepare and file continuous disclosure documents and pay related fees – partial revocation granted subject to conditions.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 127, 144.

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

AND

IN THE MATTER OF
RED ORE GOLD INC.

ORDER
(Section 144)

WHEREAS the securities of Red Ore Gold Inc. (the **Filer**) are subject to a temporary cease trade order made by the Director dated September 11, 2014 under paragraph 2 of subsection 127(1) and subsection 127(5) of the Act and a further cease trade order issued by the Director on September 23, 2014 pursuant to subsection 127(1) of the Act (together, the **OSC CTO**) directing that trading in the securities of the Filer cease until the OSC CTO is revoked;

AND WHEREAS the Filer has applied to the Ontario Securities Commission (the **Commission**) pursuant to section 144(1) of the Act for a partial revocation of the OSC CTO (the **Application**);

AND WHEREAS the Filer has represented to the Commission that:

1. The Filer was incorporated under the *Business Corporations Act* (British Columbia) on January 13, 2011.

2. The head office of the Filer is located at #206-2290 Marine Drive, West Vancouver, B.C. V7V 1K4.

3. The authorized capital of the Filer consists of an unlimited number of common shares of which 21,740,227 are issued and outstanding and an unlimited number of preference shares of which none are issued and outstanding.

4. The Filer is a reporting issuer under the securities legislation of the provinces of British Columbia, Alberta and Ontario.

5. The Filer's securities are not listed on any stock exchange or quotation system.

6. The OSC CTO was issued as a result of the Filer's failure to file its annual audited financial statements, annual management's discussion and analysis (**MD&A**), and certification of annual filings for its fiscal year ending April 30, 2014 (the **Unfiled Documents**);

7. The Unfiled Documents were not filed in a timely manner as a result of financial difficulties.

8. Subsequent to the failure to file the Unfiled Documents, the Filer also failed to file the following documents:

   (a) annual audited financial statements for the year ended April 30, 2015;

   (b) interim unaudited financial statements for the interim periods ended July 31, 2014, October 31, 2014, January 31, 2015, July 31, 2015, and October 31, 2015;

   (c) MD&A relating to the financial statements referred to in paragraphs (a) and (b) above; and

(d) certificates required to be filed in respect of the financial statements referred to in paragraphs (a) and (b) above under National Instrument 52-109 *Certification of Disclosure in Filers' Annual and Interim Filings*.

(together with the Unfiled Documents, the **Unfiled Continuous Disclosure**).

9. The Filer is also subject to cease trade orders issued by the British Columbia Securities Commission on September 8, 2014 and the Alberta Securities Commission on December 9, 2014, for failure to file required filings under applicable securities laws (the **Other CTOs**). An application for partial revocation has been filed with the B.C. Securities Commission as principal regulator.

10. The Filer is seeking a partial revocation of the OSC CTO to be able to complete a private placement (the **Placement**) of up to 5,000,000 units at a price of $0.025 per unit for aggregate gross proceeds of $125,000. Each unit will be comprised of one common share and one share purchase warrant (a **warrant**), each warrant entitling the holder to purchase one additional common share for a period of two years from the date of issuance at a price of $0.033 per share.

11. The Filer intends to prepare and file the Unfiled Continuous Disclosure within a reasonable period of time following the completion of the Placement.

12. Other than the failure to file the Unfiled Continuous Disclosure, the Filer is not in default of any of the requirements of the Act or the rules and regulations made pursuant thereto. The Filer's SEDAR and SEDI profiles are up to date.

13. After the completion of the Placement, the Filer intends to file the Unfiled Continuous Disclosure and pay all outstanding fees. The Filer also intends to apply to the applicable securities regulators to have the OSC CTO and the Other CTOs fully revoked.

14. The Filer intends to allocate the proceeds from the Placement as follows:

Description	Cost
Fees and penalties for late filing of financial disclosures and expenses for the revocation of the cease trade order	$45,000
Costs associated with preparation and filing of outstanding continuous disclosure records, including audit fees	$50,000
Past due audit fees	$7,500
Outstanding transfer agent fees	$4,500
Working capital and general and administrative expenses	$18,000
Total	$125,000

15. The Filer reasonably believes that the Placement will be sufficient to bring its continuous disclosure obligations up to date and pay all related outstanding fees and provide it with sufficient working capital to advance its business.

16. As the Placement would involve a trade of securities and acts in furtherance of trades, the Placement cannot be completed without a partial revocation of the OSC CTO.

17. The Placement will be completed in accordance with all applicable laws.

18. Prior to the completion of the Placement, the Filer will:

(a) provide any subscriber to the Placement with:

(i) a copy of the OSC CTO;

(ii) a copy of the partial revocation order for which this Application has been made; and

(b) obtain from the subscriber a signed and dated acknowledgement which clearly states that all of the Filer's securities, including the securities issued in connection with the Placement, will remain subject to the OSC

CTO and the Other CTOs, and that the issuance of a partial revocation order does not guarantee the issuance of a full revocation order in the future.

19. Upon issuance of this order, the Filer will issue a press release announcing the order and the intention to complete the Placement. Upon completion of the Placement, the Filer will issue a press release and file a material change report. As other material events transpire, the Filer will issue appropriate press releases and file material change reports as applicable.

AND UPON considering the application and the recommendations of staff of the Commission;

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

IT IS ORDERED, pursuant to s.144 of the Act, that the OSC CTO is partially revoked solely to permit trades in securities of the Filer (including for greater certainty, acts in furtherance of trades in securities of the Filer) that are necessary for and are in connection with the Placement, provided that:

(a) prior to the completion of the Placement, the Filer will:

(i) provide to each subscriber under the Placement a copy of the OSC CTO;

(ii) provide to each subscriber under the Placement a copy of this partial revocation order; and

(iii) obtain from each subscriber under the Placement a signed and dated acknowledgement, which clearly states that all of the Filer's securities, including the securities issued in connection with the Placement, will remain subject to the OSC CTO, and the Other CTOs, and that the issuance of a partial revocation order does not guarantee the issuance of a full revocation order in the future.

(b) The Filer will make available a copy of the written acknowledgement referred to in paragraph (a)(iii) to staff of the Commission on request; and

(c) This order will terminate on the earlier of the closing of the Placement and 60 days from the date hereof.

DATED this 11th day of March, 2016.

"Sonny Randhawa"
Manager,
Corporate Finance
Ontario Securities Commission

2.2.3 FCF Capital Inc. – s. 1(11)(b)

Headnote

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

Statutes Cited

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

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

AND

IN THE MATTER OF
FCF CAPITAL INC.

ORDER
(Subsection 1(11)(b))

UPON the application of FCF Capital Inc. (the **Issuer**) to the Ontario Securities Commission (the **Commission**) for a designation order pursuant to subsection 1(11)(b) of the Act deeming the Issuer to be a reporting issuer for the purposes of Ontario securities law (the **Order**);

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

AND UPON the Issuer representing to the Commission as follows:

1. The Issuer was incorporated in Alberta on October 1, 1998 as "Brilliant Mining Corp." The Issuer's name was changed to "Brilliant Resources Inc." on November 23, 2011 and to "FCF Capital Inc." on June 25, 2015.

2. The Issuer's head office is located at 2 Bloor Street East, Suite 3500, Toronto, Ontario, M4W 1A8.

3. The Issuer's Class "A" common shares (the **Common Shares**) are listed and posted for trading on the TSX Venture Exchange (the **Exchange**). The current trading symbol is "FCF".

4. The Issuer is a reporting issuer under the *Securities Act* (British Columbia) (the **BC Act**) and the *Securities Act* (Alberta) (the **Alberta Act**) and has been since January 9, 2002.

5. The Issuer is not currently a reporting issuer in any jurisdiction in Canada other than British Columbia and Alberta.

6. The Issuer is not on the lists of defaulting reporting issuers maintained by the Alberta Securities Commission and the British Columbia Securities Commission, and the Issuer is not in default of any of the rules, regulations or policies of the Exchange. The Issuer has not been the subject of any enforcement actions by the Alberta or British Columbia securities commissions or by the Exchange, and the Issuer is not in default of any requirement of the Act, the BC Act, or the Alberta Act.

7. The continuous disclosure requirements of the BC Act and the Alberta Act are substantially the same as the requirements under the Act.

8. The continuous disclosure materials filed by the Issuer under the BC Act and the Alberta Act are available on the System for Electronic Document Analysis Retrieval (**SEDAR**).

9. The authorized share capital of the Issuer is an unlimited number of Common Shares and an unlimited number of Class "B" preferred shares, of which 145,751,065 Common Shares and no preferred shares are issued and outstanding as of June 2, 2015.

10. Pursuant to the policies of the Exchange, a listed issuer which is not otherwise a reporting issuer in Ontario must assess whether it has a "Significant Connection to Ontario" (as defined in Policy 1.1 of the Exchange) and, upon becoming aware that it has a "Significant Connection to Ontario", promptly make a bona fide application to the Commission to be designated a reporting issuer in Ontario.

11. The Issuer has determined that it has a "Significant Connection to Ontario" in that (i) as at May 21, 2015, approximately 18.43% of its beneficial shareholders holding approximately 22.15% of the outstanding Common Shares are Ontario residents and (ii) the Issuer's mind and management is principally located in Ontario, as three out of five of its directors are located in Ontario.

12. Neither the Issuer nor any of its officers or directors, nor, to the knowledge of the Issuer and its officers and directors, any of the shareholders holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, has:

    a. been the subject of any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority;

    b. entered into a settlement agreement with a Canadian securities regulatory authority; or

    c. been subject to any penalties or sanction imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

13. Neither the Issuer nor any of its officers or directors, nor, to the knowledge of the Issuer and its officers and directors, any of the shareholders holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, is or has been subject to:

    a. any known ongoing or concluded investigations by:

        i. a Canadian securities regulatory authority, or

        ii. a court or regulatory body, other than a Canadian securities regulatory authority, that would be likely to be considered important to a reasonable investor making an investment decision; or

    b. any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver-manager or trustee, within the preceding 10 years.

14. None of the officers or directors of the Issuer, nor, to the knowledge of the Issuer and its officers and directors, any of the shareholders holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, is or has been at the time of such event an officer or director of any other issuer which is or has been subject to any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver-manager or trustee, within the preceding 10 years.

15. Upon the granting of the Order, Ontario will be the principal regulator of the Issuer and the Issuer will amend its SEDAR profile to indicate that Ontario is its principal regulator.

16. The Issuer will remit all participation fees due and payable by it pursuant to Commission Rule 13-502 *Fees* no later than two business days from the date hereof.

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

IT IS HEREBY ORDERED pursuant to subsection 1(11)(b) of the Act that the Issuer is deemed to be a reporting issuer for the purposes of Ontario securities law.

DATED at Toronto on this 17th day of July, 2015.

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

2.2.4 Red Ore Gold Inc. – s. 144

Headnote

Section 144 – Application by an issuer for a full revocation of a cease trade order issued by the Commission – cease trade order issued because the issuer had failed to file certain continuous disclosure materials required by Ontario securities law – defaults subsequently remedied by bringing continuous disclosure filings up-to-date – cease trade order revoked.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 127, 144.

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

AND

IN THE MATTER OF
RED ORE GOLD INC.

ORDER
(Section 144 of the Act)

WHEREAS the securities of Red Ore Gold Inc. (the **Applicant**) are subject to a temporary cease trade order dated September 11, 2014 issued by the Director of the Ontario Securities Commission (the **Commission**) pursuant to paragraph 2 of subsection 127(1) and sub-section 127(5) of the Act, as extended by a further cease trade order dated September 23, 2014 made by the Director, pursuant to paragraph 2 of subsection 127(1) of the Act (collectively, the **Ontario Cease Trade Order**), ordering that all trading in the securities of the Applicant, whether direct or indirect, cease until the Ontario Cease Trade Order is revoked by the Director;

AND WHEREAS the Ontario Cease Trade Order was made on the basis that the Applicant was in default of certain filing requirements under Ontario securities law as described in the Ontario Cease Trade Order;

AND WHEREAS the Commission issued a partial revocation of the Ontario Cease Trade Order on March 11, 2016 solely to permit trades in securities of the Applicant in connection with a private placement and all other acts in furtherance of that private placement (the **Partial Revocation**);

AND WHEREAS the Applicant has applied to the Commission pursuant to section 144 of the Act for a full revocation the Ontario Cease Trade Order;

AND UPON the Applicant having represented to the Commission that:

1. The Applicant was incorporated under the *Business Corporations Act* (British Columbia) on January 13, 2011.

2. The head office of the Applicant is located at #206-2290 Marine Drive, West Vancouver, B.C. V7V 1K4. The Applicant's principal regulator is the British Columbia Securities Commission (**BCSC**).

3. The Applicant is an exploration stage junior mining company.

4. The Applicant's authorized share capital consists of an unlimited number of common shares of which 26,180,227 are issued and outstanding and an unlimited number of preference shares of which none are issued and outstanding. The Applicant has 4,350,000 common share purchase warrants exercisable at a price of $0.033 per common share until May 9, 2018.

5. The Applicant has no other securities, including debt securities, issued and outstanding.

6. The Applicant's securities are not listed on any stock exchange or quotation system.

7. The Applicant is a reporting issuer under the securities legislation of the provinces of British Columbia, Alberta and Ontario (collectively, the **Reporting Jurisdictions**). The Applicant is not a reporting issuer or the equivalent in any other jurisdiction in Canada.

8. The Ontario Cease Trade Order was issued as a result of the Applicant's failure to file its audited annual financial statements, as well as the corresponding management's discussion and analysis (**MD&A**) and certifications of such annual filings as required by National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings* (**NI 52-109**) for the fiscal year ended April 30, 2014 (collectively, the **Annual Filings**). The Annual Filings were not filed in a timely manner as a result of the Applicant's financial difficulties.

9. The Applicant is also subject to (i) a cease trade order dated September 8, 2014 (the **BC Cease Trade Order**) issued by the BCSC as a result of its failure to file its audited annual financial statements and the corresponding MD&A for the fiscal year ended April 30, 2014, and (ii) a cease trade order dated December 9, 2014 (the **Alberta Cease Trade Order**) issued by the Alberta Securities Commission (the **ASC**) for failure to file the Annual Filings and its interim unaudited financial statements, the related MD&A and certifications of interim filings as required by NI 52-109 for the period ended July 31, 2014. The Applicant has concurrently applied to the BCSC and the ASC for a full revocation of the BC Cease Trade Order and the Alberta Cease Trade Order.

10. In connection with the Partial Revocation of the Ontario Cease Trade Order and similar orders that were issued by the BCSC and the ASC on March 11, 2016 respectively, the Applicant completed a non-brokered private placement of units pursuant to which an aggregate of 4,350,000 were sold at a price of $0.025 per unit for aggregate gross proceeds of $108,750 (the **Offering**).

11. Since the issuance of the Ontario Cease Trade Order, the Applicant has filed the following continuous disclosure documents on May 3, 2016:

    (i) Form 13-502F2 – *Class 2 Reporting Issuer – Participation Fee* for the years ended April 30, 2014 and April 30, 2015;

    (ii) the Annual Filings;

    (iii) audited annual consolidated financial statements, MD&A and NI 52-109 certificates of the Applicant for the fiscal year ending April 30, 2015;

    (iv) the unaudited interim financial statements, MD&A and NI 52-109 certificates of the Applicant for the period ended July 31, 2015;

    (v) the unaudited interim financial statements, MD&A and NI 52-109 certificates of the Applicant for the period ended October 31, 2015; and

    (vi) the unaudited interim financial statements, MD&A and NI 52-109 certificates of the Applicant for the period ended January 31, 2016.

12. The Applicant has not filed interim unaudited financial statements, corresponding MD&A and NI 52-109 certificates for the periods ending July 31, 2014, October 31, 2014 and January 31, 2015 (collectively, the **Outstanding Filings**).

13. The Applicant has requested that the Commission exercise its discretion in accordance with subsection 3.1(2) of National Policy 12-202 *Revocation of a Compliance-related Cease Trade Order* and elect not to require the Applicant to file the Outstanding Filings.

14. Except for the failure to file the Outstanding Filings, the Applicant is not in default of any requirements under applicable securities legislation or the rules and regulations made pursuant thereto in any of the Reporting Jurisdictions, except for the existence of the Ontario Cease Trade Order, the BC Cease Trade Order and the Alberta Cease Trade Order (collectively, the **Cease Trade Orders**).

15. As of the date hereof, the Applicant has paid all outstanding activity, participation and late filing fees that are required to be paid.

16. Since the issuance of the Cease Trade Orders, there have been no material changes in the business, operations or affairs of the Applicant which have not been disclosed by the Applicant via news release and/or material change report and filed on SEDAR.

17. Except for the failure to file the Outstanding Filings, the Applicant has filed all outstanding continuous disclosure documents that are required to be filed in the Reporting Jurisdictions and is up-to-date with all of its continuous disclosure obligations.

18. Other than the Cease Trade Orders, the Applicant has not previously been subject to a cease trade order issued by any securities regulatory authority.

19. The Applicant is not considering, nor is it involved in any discussions relating to a reverse take-over, merger, amalgamation or other form of combination or transaction similar to any of the foregoing.

20. The Applicant intends to hold an annual meeting of shareholders within 90 days of the revocation of the Cease Trade Orders and will prepare a management information circular which will be mailed to shareholders and filed on SEDAR in accordance with Form 51-102F5.

21. The Applicant's SEDAR issuer profile and SEDI issuer profile supplement are current and accurate.

22. Upon the revocation of the Cease Trade Orders, the Applicant will issue a news release and concurrently file a material change report on SEDAR announcing the revocation of the Cease Trade Orders and to outline the Applicant's future plans.

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

AND UPON the Director being satisfied that it would not be prejudicial to the public interest to revoke the Ontario Cease Trade Order;

IT IS ORDERED pursuant to section 144 of the Act that the Ontario Cease Trade Order is revoked.

DATED at Toronto this 17th day of May, 2016.

"Sonny Randhawa"
Manager, Corporate Finance
Ontario Securities Commission

2.2.5 Secretary to the Commission – ss. 3.5(3), 7(3)

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

AND

IN THE MATTER OF
THE SECRETARY TO THE COMMISSION

ORDER
(Subsections 3.5(3) and 7(3))

WHEREAS a quorum of the Ontario Securities Commission (the "Commission") may, pursuant to subsection 3.5(3) of the Act, in writing authorize any member of the Commission to exercise any of the powers and perform any of the duties of the Commission;

AND WHEREAS the Secretary to the Commission may from time to time be absent from the Commission and unable to exercise the powers vested in the Secretary under the Act;

AND WHEREAS the Commission may designate another individual to act in the capacity of Secretary and the individual designated has all the powers and duties of the Secretary pursuant to subsection 7(3) of the Act;

AND WHEREAS by order made on June 10, 2005, pursuant to subsection 7(3) of the Act ("2005 Order") the Commission designated Josée Turcotte, Christos Grivas and Daisy Aranha to act in the capacity of Secretary in the absence of the Secretary.

NOW, THEREFORE, IT IS ORDERED that the 2005 Order is hereby revoked; and

THE COMMISSION HEREBY AUTHORIZES, pursuant to subsection 3.5(3) and subsection 7(3) of the Act, that any one of Robert E. Blair, Christos Grivas, Daisy Aranha, and Carolyn Slon is hereby designated to act in the capacity of Secretary and may alone, in the absence of the Secretary, exercise the powers vested in the Secretary under the Act or the Regulation thereto.

DATED at Toronto, this 20th day of May, 2016.

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

"Mary G. Condon"
Mary G. Condon, Commissioner

2.2.6 Bradon Technologies Ltd. et al. – ss. 127, 127.1

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

AND

IN THE MATTER OF
BRADON TECHNOLOGIES LTD.,
JOSEPH COMPTA,
ENSIGN CORPORATE COMMUNICATIONS INC.
and TIMOTHY GERMAN

ORDER
(Sections 127 and 127.1 of the Securities Act)

WHEREAS:

1. On October 3, 2013, the Ontario Securities Commission (the "**Commission**") issued a Notice of Hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "**Act**"), in relation to the Statement of Allegations, dated October 3, 2013, filed by Staff of the Commission ("**Staff**") with respect to Bradon Technologies Ltd. ("**Bradon**"), Joseph Compta ("**Compta**"), Ensign Corporate Communications Inc. ("**Ensign**") and Timothy German ("**German**") (collectively, the "**Respondents**");

2. The Commission conducted the hearing on the merits in this matter on December 1, 5, 8, 9, 10, 11 and 12, 2014 and on February 11 and 24, 2015;

3. On July 21, 2015, the Commission issued its Reasons and Decision on the merits in this matter (*Re Bradon Technologies Ltd.* (2015), 38 O.S.C.B. 6763 (the "**Merits Decision**"));

4. The Commission is satisfied that the Respondents have not complied with Ontario securities law and have acted contrary to the public interest, as outlined in the Merits Decision;

5. On February 25, 2016, the Commission conducted a hearing with respect to the sanctions and costs to be imposed in this matter (the "**Sanctions and Costs Hearing**"); and

6. The Commission is of the opinion that it is in the public interest to issue this Order;

IT IS HEREBY ORDERED that:

1. Pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities by each of the Respondents shall cease permanently;

2. Pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any

securities by each of the Respondents is prohibited permanently;

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

4. Pursuant to paragraph 6 of subsection 127(1) of the Act, each of the Respondents is reprimanded;

5. Pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act, each of German and Compta shall resign any positions each holds as a director or officer of an issuer, registrant or investment fund manager;

6. Pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the Act, each of German and Compta is prohibited permanently from becoming or acting as a director or officer of any issuer, registrant or investment fund manager;

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

8. Pursuant to paragraph 9 of subsection 127(1) of the Act, German shall pay an administrative penalty of $500,000, which amount shall be designated in accordance with paragraphs (b)(i) or (ii) of subsection 3.4(2) of the Act;

9. Pursuant to paragraph 9 of subsection 127(1) of the Act, Compta shall pay an administrative penalty of $300,000, which amount shall be designated in accordance with paragraphs (b)(i) or (ii) of subsection 3.4(2) of the Act;

10. Pursuant to paragraph 10 of subsection 127(1) of the Act, the Respondents shall disgorge to the Commission $263,000, on a joint and several basis, which amount shall be designated in accordance with paragraphs (b)(i) or (ii) of subsection 3.4(2) of the Act;

11. Pursuant to paragraph 10 of subsection 127(1) of the Act, German and Ensign shall disgorge to the Commission $1,367,505.68, on a joint and several basis, which amount shall be designated in accordance with paragraphs (b)(i) or (ii) of subsection 3.4(2) of the Act;

12. Pursuant to section 127.1 of the Act, German and Ensign shall pay, on a joint and several basis, $196,870 for the costs of the investigation and hearing; and

13. Pursuant to section 127.1 of the Act, Compta and Bradon shall pay, on a joint and several basis, $84,373.11 for the costs of the investigation and hearing.

DATED at Toronto this 20th day of May, 2016.

"Christopher Portner"

2.3 Orders with Related Settlement Agreements

2.3.1 Fernando Postrado – ss. 127, 127.1 of the Act and Rule 12 of the OSC Rules of Procedure

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

AND

IN THE MATTER OF
FERNANDO POSTRADO

ORDER
(Pursuant to subsection 127(1) and section 127.1 of the Securities Act and Rule 12 of the Commission's Rules of Procedure)

WHEREAS:

1. On May 17, 2016, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing (the "Notice of Hearing") pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") and Staff of the Commission ("Staff") filed a Statement of Allegations dated May 17, 2016 (the "Statement of Allegations") in respect of Fernando Postrado (the "Respondent");

2. The Respondent and Staff entered into a Settlement Agreement dated May 16, 2016 (the "Settlement Agreement") in which they agreed to a settlement in relation to the matters set out in the Notice of Hearing and the Statement of Allegations subject to the approval of the Commission;

3. The Commission has reviewed the Notice of Hearing, the Statement of Allegations and the Settlement Agreement and has heard submissions from counsel for Staff and counsel for the Respondent;

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

IT IS ORDERED that:

(a) the Settlement Agreement is approved;

(b) pursuant to subsection 127(1)2 of the Act, trading in any securities by the Respondent shall cease for five years;

(c) pursuant to subsection 127(1)2.1 of the Act, the acquisition of any securities by the Respondent is prohibited for five years;

(d) pursuant to subsection 127(1)3 of the Act, any exemptions contained in Ontario securities law do not apply to the Respondent for five years;

(e) pursuant to subsection 127(1)6 of the Act, the Respondent is reprimanded;

(f) pursuant to subsection 127(1)7 of the Act, the Respondent resign any position he holds as a director or as an officer of any issuer;

(g) pursuant to subsection 127(1)8 of the Act, the Respondent is prohibited from becoming or acting as a director or as an officer of any issuer for five years;

(h) pursuant to subsection 127(1)8.1 of the Act, the Respondent resign any position he holds as a director or as an officer of a registrant;

(i) pursuant to subsection 127(1)8.2 of the Act, the Respondent is prohibited from becoming or acting as a director or as an officer of a registrant for five years;

(j) pursuant to subsection 127(1)8.3 of the Act, the Respondent resign any position he holds as a director or as an officer of an investment fund manager for five years;

(k) pursuant to subsection 127(1)8.4 of the Act, the Respondent is prohibited from becoming or acting as a director or as an officer of an investment fund manager for five years;

(l) pursuant to subsection 127(1)8.5 of the Act, the Respondent is prohibited from becoming or acting as a registrant, investment fund manager or promoter for five years;

(m) pursuant to subsection 127(1)9 of the Act, the Respondent pay an administrative penalty of $10,000, of which $4,000 is payable forthwith, which amount is designated for allocation or use by the Commission in accordance with paragraphs b(i) or (ii) of subsection 3.4(2) of the Act;

(n) pursuant to subsection 127(1)10 of the Act, the Respondent disgorge to the Commission forthwith the amount of $109,200, which amount is designated for allocation or use by the Commission in accordance with paragraphs b(1) or (ii) of subsection 3.4(2)) of the Act;

(o) pursuant to subsection 127.1(1) of the Act, the Respondent pay forthwith the costs of the Commission's investigation in the amount of $4,250;

(p) after the balance of the payment set out in paragraph (m) above, is made in full, as an exception to the provisions of paragraphs (b), (c) and (d) of this Order, Fernando is permitted to trade or acquire in mutual fund, exchange-traded fund or index fund securities for the account of any registered retirement savings plans, tax-free savings accounts and self-directed retirement savings plans (as defined in the *Income Tax Act* (Canada)) of which the Respondent has a sole legal and beneficial ownership, and such trading is carried out through a registered dealer in Canada to whom he must give a copy of this Order at the time he opens or modifies these accounts; and

(q) with respect to the monetary order made in sub-paragraph (m), the Respondent shall pay any outstanding balance owing within three years of the making of this order.

DATED at Toronto this 19th day of May, 2016.

"Christopher Portner"

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

AND

IN THE MATTER OF
FERNANDO POSTRADO

SETTLEMENT AGREEMENT BETWEEN
STAFF OF THE ONTARIO SECURITIES COMMISSION AND
FERNANDO POSTRADO

PART I – INTRODUCTION

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

PART II – JOINT SETTLEMENT RECOMMENDATION

2. Staff of the Commission ("Staff") agree to recommend settlement of the proceeding to be commenced by the Notice of Hearing and a Statement of Allegations to be filed by Staff (the "Proceeding") against Fernando according to the terms and conditions set out in Part VI of this Settlement Agreement. Fernando agrees to the making of an order in the form attached as Schedule "A", based on the facts set out below.

PART III – AGREED FACTS

3. For the Proceeding, and any other regulatory proceeding commenced by a securities regulatory authority, Fernando agrees with the facts set out in this Part of this Settlement Agreement.

(a) Overview

4. Between July 10, 2015 and September 2, 2015, Fernando engaged in insider trading contrary to subsection 76(1) of the Act.

5. Fernando was tipped by his son, Andrei Miguel Postrado ("Andrei"). Andrei was employed in the real estate and construction tax department at KPMG LLP (Canada) ("KPMG"). Andrei obtained confidential undisclosed material information at KPMG respecting two reporting issuers: Company "A" and Company "B" (the "Reporting Issuers").

6. The undisclosed material information respecting the Reporting Issuers was that each of the Reporting Issuers was going to be bought by another entity.

7. Andrei was a person in a special relationship with the Reporting Issuers as a result of his employment with KPMG.

8. Andrei conveyed the undisclosed material information to Fernando. Fernando purchased securities of the Reporting Issuers while possessed of the undisclosed material information respecting the Reporting Issuers.

9. Fernando purchased securities of the Reporting Issuers in advance of the public announcement of certain merger and acquisition ("M&A") transactions respecting the Reporting Issuers in online discount brokerage accounts with BMO InvestorLine ("BMO"), Questrade Inc. ("Questrade") and HSBC Securities Canada Inc. ("HSBC"). After the public announcement of the M&A transactions, Fernando sold the securities of the Reporting Issuers in his accounts to earn a profit of CAD $101,776.96 and USD $4,605.

10. Fernando was a person in a special relationship with the Reporting Issuers as he learned of the undisclosed material information from Andrei, a person who he ought reasonably to have known was in a special relationship with the Reporting Issuers.

(b) The Respondent

11. Fernando is 58 years of age. He lives in Toronto with Andrei.

12. Andrei was hired by KPMG in August 2014 in the real estate and construction industry tax department. He started at the entry-level position referred to as the technician level. His responsibilities were to prepare the simplest of tax returns for corporate clients.

(c) Trading in Reporting Issuers

(i) Trading in Company A

13. On July 10, 2015, Fernando opened his Questrade account. On July 13, 2015, Fernando opened his BMO account.

14. On July 20, 2015, Fernando bought a total of 10,190 Company A units through his BMO account, his Questrade account and his HSBC account at a total cost of $81,800. On August 5 and August 7, 2015, Fernando purchased 3,450 additional units in his BMO account for approximately $26,600. All units purchased in his BMO and Questrade account were purchased on margin.

15. Shortly after Fernando purchased the units of Company A, Company A announced that it had entered into an arrangement to be acquired. Prior to the public announcement that Company A was being acquired, it was trading at approximately $7.75. On the day of the announcement, Company A was trading at approximately $8.05.

16. Following the announcement that Company A was being acquired, Fernando sold his entire position in both his HSBC account and his BMO account. He sold the 355 shares of Company A in his Questrade account on August 31, 2015. Fernando earned an estimated profit of $1,200.

(ii) Trading in Company B

17. Between August 10, 2015 and September 1, 2015, Fernando acquired 10,800 Company B shares for approximately $91,775 at average share prices between $8.30 and $8.82. These purchases were made in his Questrade, HSBC and BMO accounts. The shares in his Questrade and BMO account were purchased on margin.

18. Shortly after Fernando purchased the shares of Company B, Company B announced that it had agreed to be acquired at more than $18 per share. Company B's share price rose from approximately $9 to approximately $19 per share, following the takeover announcement.

19. On September 2, 2015, Fernando sold his position of Company B for approximately $200,000. His estimated profit was approximately $108,000.

(d) Andrei tipped Fernando

20. In or about July 2015, Andrei conveyed the information he had obtained about the Reporting Issuers to Fernando. He told Fernando that he believed that the Reporting Issuers would be good investments because he heard that they were about to be acquired. Fernando knew that Andrei worked in the tax department and that Andrei had the opportunity to know certain information about mergers and acquisitions.

(e) Fernando committed insider trading

21. Fernando purchased securities of the Reporting Issuers while possessed of the undisclosed material information that the Reporting Issuers were about to be acquired which Andrei had conveyed to him.

PART IV – RESPONDENT'S POSITION

22. At the time that Andrei conveyed the information to Fernando, Fernando took the information provided to him and followed up by researching and analyzing the financial performance and fundamentals of the Reporting Issuers and considered them to be good and worthwhile investments.

23. Fernando has accepted full responsibility for his conduct and is remorseful. He has fully cooperated with Staff's investigation. He has extremely limited resources and no assets in his name.

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

24. By purchasing securities of the Reporting Issuers while possessed with knowledge of undisclosed material information respecting the Reporting Issuers while in a special relationship with the Reporting Issuers, Fernando engaged in insider trading contrary to subsection 76(1) of the Act. By engaging in insider trading, Fernando acted contrary to the public interest.

PART VI – TERMS OF SETTLEMENT

25. The Respondent agrees to the terms of settlement listed below.

26. The Commission will make an order pursuant to section 127(1) and section 127.1 of the Act (the "Order") that:

(a) the Settlement Agreement is approved;

(b) trading in any securities by the Respondent shall cease for five years;

(c) the acquisition of any securities by the Respondent is prohibited for five years,

(d) any exemptions contained in Ontario securities law do not apply to the Respondent for five years,;

(e) the Respondent is reprimanded;

(f) the Respondent resign any position he holds as a director or officer of any issuer;

(g) the Respondent is prohibited from becoming or acting as a director or officer of any issuer for five years;

(h) the Respondent resign any position he holds as a director of a registrant;

(i) the Respondent is prohibited from becoming or acting as a director of a registrant for five years;

(j) the Respondent resign any position he holds as a director or officer of an investment fund manager;

(k) the Respondent is prohibited from becoming or acting as a director or officer of an investment fund manager for five years;

(l) the Respondent is prohibited from becoming or acting as a registrant, investment fund manager or promoter for five years;

(m) the Respondent pay an administrative penalty of $10,000, of which $4,000 is payable forthwith, which amount is designated for allocation or use by the Commission in accordance with paragraphs b(i) or (ii) of subsection 3.4(2) of the Act;

(n) the Respondent disgorge to the Commission forthwith the amount of $109,200, which amount is designated for allocation or use by the Commission in accordance with paragraphs b(i) or (ii) of subsection 3.4(2) of the Act;

(o) the Respondent pay forthwith the costs of the Commission's investigation in the amount of $4,250;

(p) after the balance of the payment set out in sub-paragraph (m) above, is made in full, as an exception to the provisions of sub-paragraphs (b), (c), and (d) above, Fernando is permitted to trade or acquire in mutual fund, exchange-traded fund or index fund securities for the account of any registered retirement savings plans, tax-free savings accounts and self-directed retirement savings plans (as defined in the *Income Tax Act* (Canada)) of which Fernando has sole legal and beneficial ownership, and such trading is carried out through a registered dealer in Canada to whom Fernando must give a copy of the Order at the time he opens or modifies these accounts; and

(q) with respect to the monetary order made in sub-paragraph (m) above, the Respondent shall pay in full the entire amount ordered in that subparagraph within three years of the making of the order.

27. The Respondent undertakes to consent to a regulatory Order made by any provincial or territorial securities regulatory authority in Canada containing any or all of the prohibitions set out in sub-paragraphs 26(b) to (d) and (f) to (l) above. These prohibitions may be modified to reflect the provisions of the relevant provincial or territorial securities law.

PART VII – STAFF COMMITMENT

28. If the Commission approves this Settlement Agreement, Staff will not commence any proceeding under Ontario securities law in relation to the facts set out in Part III of this Settlement Agreement, subject to the provisions of paragraph 29 below.

29. If the Commission approves this Settlement Agreement and the Respondent fails to comply with any of the terms of this Settlement Agreement, Staff may bring proceedings under Ontario securities law against the Respondent. These proceedings may be based on, but are not limited to, the facts set out in Part III of this Settlement Agreement as well as the breach of this Settlement Agreement.

PART VIII – PROCEDURE FOR APPROVAL OF SETTLEMENT

30. The parties will seek approval of this Settlement Agreement at a public hearing before the Commission to be scheduled on a date agreed to by Staff and the Respondent, according to the procedures set out in this Settlement Agreement and the Commission's *Rules of Procedure*.

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

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

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

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

PART IX – DISCLOSURE OF SETTLEMENT AGREEMENT

35. If the Commission does not approve this Settlement Agreement or does not make the order attached as Schedule “A” to this Settlement Agreement:

(a) this Settlement Agreement and all discussions and negotiations between Staff and the Respondent before the settlement hearing takes place will be without prejudice to Staff and the Respondent; and

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

36. Both parties will keep the terms of this Settlement Agreement confidential until the Commission approves this Settlement Agreement. At that time, the parties will no longer have to maintain confidentiality. If the Commission does not approve this Settlement Agreement, both parties must continue to keep the terms of this Settlement Agreement confidential, unless they agree in writing not to do so or are required by law to disclose the terms.

PART X – EXECUTION OF SETTLEMENT AGREEMENT

37. The parties may sign separate copies of this agreement. Together, these signed copies will form a binding agreement.

38. A fax copy of any signature will be treated as an original signature.

Dated this 16th day of May, 2016

“Fernando Postrado”
Fernando Postrado

“Janice Wright”
Witness-Janice Wright
Wright Temelini LLP

Dated this 16th day of May, 2016

“James Sinclair”
Director
Enforcement Branch

Schedule "A"

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

AND

IN THE MATTER OF
FERNANDO POSTRADO

ORDER
(Pursuant to subsection 127(1) and section 127.1 of the Securities Act and Rule 12 of the Commission's Rules of Procedure)

WHEREAS:

1. On X, 2016, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing (the "Notice of Hearing") pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") and Staff of the Commission ("Staff") filed a Statement of Allegations dated X, 2016 (the "Statement of Allegations") in respect of Fernando Postrado (the "Respondent");

2. The Respondent and Staff entered into a Settlement Agreement dated May XX, 2016 (the "Settlement Agreement") in which they agreed to a settlement in relation to the matters set out in the Notice of Hearing and the Statement of Allegations subject to the approval of the Commission;

3. The Commission has reviewed the Notice of Hearing, the Statement of Allegations and the Settlement Agreement and has heard submissions from counsel for Staff and counsel for the Respondent;

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

IT IS ORDERED that:

(a) the Settlement Agreement is approved;

(b) pursuant to subsection 127(1)2 of the Act, trading in any securities by the Respondent shall cease for five years;

(c) pursuant to subsection 127(1)2.1 of the Act, the acquisition of any securities by the Respondent is prohibited for five years;

(d) pursuant to subsection 127(1)3 of the Act, any exemptions contained in Ontario securities law do not apply to the Respondent for five years,;

(e) pursuant to subsection 127(1)6 of the Act, the Respondent is reprimanded;

(f) pursuant to subsection 127(1)7 of the Act, the Respondent resign any position he holds as a director or as an officer of any issuer;

(g) pursuant to subsection 127(1)8 of the Act, the Respondent is prohibited from becoming or acting as a director or as an officer of any issuer for five years;

(h) pursuant to subsection 127(1)8.1 of the Act, the Respondent resign any position he holds as a director or as an officer of a registrant;

(i) pursuant to subsection 127(1)8.2 of the Act, the Respondent is prohibited from becoming or acting as a director or as an officer of a registrant for five years;

(j) pursuant to subsection 127(1)8.3 of the Act, the Respondent resign any position he holds as a director or as an officer of an investment fund manager for five years;

(k) pursuant to subsection 127(1)8.4 of the Act, the Respondent is prohibited from becoming or acting as a director or as an officer of an investment fund manager for five years;

(l) pursuant to subsection 127(1)8.5 of the Act, the Respondent is prohibited from becoming or acting as a registrant, investment fund manager or promoter for five years;

(m) pursuant to subsection 127(1)9 of the Act, the Respondent pay an administrative penalty of $10,000, of which $4,000 is payable forthwith, which amount is designated for allocation or use by the Commission in accordance with paragraphs b(i) or (ii) of subsection 3.4(2) of the Act;

(n) pursuant to subsection 127(1)10 of the Act, the Respondent disgorge to the Commission forthwith the amount of $109,200, which amount is designated for allocation or use by the Commission in accordance with paragraphs b(1) or (ii) of subsection 3.4(2)) of the Act;

(o) pursuant to subsection 127.1(1) of the Act, the Respondent pay forthwith the costs of the Commission's investigation in the amount of $4,250;

(p) after the balance of the payment set out in paragraph (m) above, is made in full, as an exception to the provisions of paragraphs (b), (c) and (d) of this Order, Fernando is permitted to trade or acquire in mutual fund, exchange-traded fund or index fund securities for the account of any registered retirement savings plans, tax-free savings accounts and self-directed retirement savings plans (as defined in the *Income Tax Act* (Canada)) of which the Respondent has a sole legal and beneficial ownership, and such trading is carried out through a registered dealer in Canada to whom he must give a copy of this Order at the time he opens or modifies these accounts; and

(q) with respect to the monetary order made in sub-paragraph (m), the Respondent shall pay any outstanding balance owing within three years of the making of this order.

DATED at Toronto this ____ day of _____, 2016.

_____

Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions

3.1.1 Bradon Technologies Ltd. – ss. 127. 127.1

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

AND

IN THE MATTER OF
BRADON TECHNOLOGIES LTD.,
JOSEPH COMPTA,
ENSIGN CORPORATE COMMUNICATIONS INC. and
TIMOTHY GERMAN

REASONS AND DECISION ON SANCTIONS AND COSTS
(Sections 127 and 127.1 of the Securities Act)

Hearing:	February 25, 2016		
Decision:	May 20, 2016		
Panel:	Christopher Portner	–	Commissioner
Appearances:	Catherine Weiler	–	For Staff of the Commission
	Pathik Baxi	–	For Joseph Compta and Bradon Technologies Ltd.
	Timothy German	–	Represented himself and Ensign Corporate Communications Inc.

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REASONS AND DECISION ON SACTIONS AND COSTS

I. BACKGROUND

[1] This was a sanctions and costs hearing (the "**Sanctions Hearing**") before the Ontario Securities Commission (the "**Commission**") pursuant to sections 127 and 127.1 of the *Securities Act,* R.S.O. 1990, c. S.5, as amended (the "**Act**") to consider whether it is in the public interest to make an order with respect to sanctions and costs against Bradon Technologies Ltd. ("**Bradon**"), Joseph Compta ("**Compta**"), Ensign Corporate Communications Inc. ("**Ensign**") and Timothy German ("**German**" and, collectively with Bradon, Compta and Ensign, the "**Respondents**").

[2] By Statement of Allegations filed by Staff of the Commission ("**Staff**") on October 3, 2013, Staff alleged that, during the period from December 28, 2007 to April 20, 2011 (the "**Material Time**"), German and Ensign breached (i) subsection 25(1)(a) of the Act (in force before September 28, 2009) and subsection 25(1) of the Act (in force on and after September 28, 2009) (trading without registration); (ii) subsection 38(1)(a) of the Act (prohibited representations); and (iii) subsection 53(1) of the Act (illegal distribution of securities), and that each of the Respondents committed fraud thereby breaching section 126.1(b) of the Act[1] and acted contrary to the public interest. Staff also alleged that, as directors and officers of Bradon and Ensign, respectively, Compta and German are deemed to have also contravened Ontario securities law pursuant to section 129.2 of the Act.

[3] Following a hearing to consider the merits of Staff's allegations (the "**Merits Hearing**"), the Commission issued its Reasons and Decision on the merits on July 21, 2015 (the "**Merits Decision**")[2]. In the Merits Decision, the Commission found as follows:

(a) During the Material Time, German and Ensign traded in securities in Ontario for a business purpose within the meaning of the Act. Neither German nor Ensign was registered in any capacity with the Commission and there were no registration exemptions available in connection with such trades. Each of German and Ensign thereby repeatedly breached subsection 25(1)(a) of the Act, as in force prior to September 28, 2009, and subsection 25(1) of the Act, as in force on and after that date.

(b) German and Ensign engaged in trades and acts in furtherance of trades in Bradon shares as defined in the Act. The first trade by German of his Bradon shares to investors constituted a distribution of Bradon shares within the meaning of subsection 53(1) of the Act. As no preliminary prospectus or prospectus was filed in connection with those distributions to investors and no prospectus exemptions were available, the purported sale by German of his Bradon shares to investors during the Material Time repeatedly breached subsection 53(1) of the Act.

(c) German and Ensign repeatedly breached subsection 38(1)(a) of the Act by making a prohibited representation to investors with the intention of effecting sales by German of his Bradon shares to those investors.

(d) German and Ensign perpetrated fraud in his purported sale of Bradon shares to investors and knowingly engaged in multiple acts, practices or courses of conduct that perpetrated that fraud. German and Ensign thereby repeatedly breached section 126.1(b) of the Act during the Material Time.

(e) Each of Compta and Bradon:

(i) committed fraud and thereby breached section 126.1(b) of the Act in their direct dealings with two investors, PB and WC, as described in the Merits Decision; and

(ii) knew or ought to have known by no later than November 23, 2009, that German was committing fraud and thereby also breached section 126.1(b) of the Act; and

(f) Each of the Respondents also acted contrary to the public interest within the meaning of section 127 of the Act.[3]

[4] At the Sanctions Hearing, Compta and Bradon were represented by counsel and German represented himself and Ensign.

[5] I was provided with the following by Staff:

1 Now subsection 126.1(1)(b) of the Act.
2 *Re Bradon Technologies Ltd.* (2015), 38 O.S.C.B. 676.
3 Merits Decision at paras. 125, 139, 148, 185, 186, 230, 236, 237, 244 and 245.

(a) The Affidavit of Michael Ho, sworn December 8, 2015, with attached exhibits relating to the funds received and disbursed by the Respondents;

(b) The Affidavit of Michelle Spain, sworn December 8, 2015, relating to costs; and

(c) The Affidavit of Louisa Fiorini, sworn January 22, 2016, relating to the freeze directions issued by the Commission with respect to certain assets owned by Compta and Bradon (the "**Fiorini Affidavit**").

[6] Compta provided me with his Affidavit, sworn January 14, 2016, in which he asserted his and Bradon's inability to advance any funds or borrow money to pay any costs and/or financial sanctions. Compta was cross-examined on his Affidavit by Staff during the Sanctions Hearing.

[7] Although German attended the Sanctions Hearing in person, he did not present evidence or file written submissions, and when asked by me whether he wished to make oral submissions, he declined to do so.

II. GERMAN AND ENSIGN'S ADJOURNMENT MOTION

[8] At the commencement of the Sanctions Hearing on February 25, 2016, German and Ensign requested an adjournment on the grounds that their recently retained counsel required additional time to prepare (the "**Adjournment Motion**").

[9] Staff, but not counsel for Compta and Bradon, opposed the Adjournment Motion.

[10] I considered the oral submissions of German and Staff in the context of Rule 9 of the Commission's *Rules of Procedure*[4] and, for the following reasons, dismissed the Adjournment Motion:

(a) At a pre-hearing conference held on November 11, 2015, I specifically asked the parties if the proposed date for the Sanctions Hearing, namely, February 25, 2016, was convenient for them and all parties, including German (who had proposed the date to Staff prior to pre-hearing conference), advised me that it was;

(b) Staff's written submissions on sanctions and costs were served on German and Ensign on December 9, 2015 and Staff's reply submissions were served on German and Ensign on January 22, 2016, more than a month before the date of the Sanctions Hearing;

(c) Although Staff had previously advised German of the existence of the Commission's Litigation Assistance Program, German did not seek the assistance of counsel under the Program;

(d) German and Ensign notified Staff on the day before the commencement of the Sanctions Hearing of their intention to retain counsel but did not provide any evidence that counsel had actually been retained;

(e) The investors, including those in attendance at the Sanctions Hearing, had been waiting for a lengthy period of time for this matter to be concluded;

(f) German had not made any demonstrable effort to avoid the need for an adjournment and made the Adjournment Motion at the last possible moment; and

(g) Staff opposed the Adjournment Motion.

[11] I advised German that the dismissal of the Adjournment Motion did not preclude his right to be heard and, if he wished to do so, he could provide evidence and testify under oath at the Sanctions Hearing and make submissions with respect to the sanctions and costs sought by Staff. German did not testify and did not make any submissions with respect to sanctions and costs.

III. SANCTIONS ANALYSIS

A. Sanctions Requested by Staff

[12] Staff submits that the following sanctions in respect of each of the Respondents are appropriate and in the public interest, namely, that:

(a) Pursuant to clause 2 of subsection 127(1) of the Act, trading in any securities by each of the Respondents shall cease permanently;

[4] (2014), 37 O.S.C.B. 4168.

(b) Pursuant to clause 2.1 of subsection 127(1) of the Act, the acquisition of any securities by each of the Respondents is prohibited permanently;

(c) Pursuant to clause 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to each of the Respondents permanently;

(d) Pursuant to clause 6 of subsection 127(1) of the Act, each of the Respondents be reprimanded;

(e) Pursuant to clause 7, 8.1 and 8.3 of subsection 127(1) of the Act, each of German and Compta resign any positions he holds as a director or officer of an issuer, registrant or investment fund manager;

(f) Pursuant to clauses 8, 8.2 and 8.4 of subsection 127(1) of the Act, each of German and Compta is prohibited permanently from becoming or acting as a director or officer of any issuer, registrant or investment fund manager;

(g) Pursuant to clause 8.5 of subsection 127(1) of the Act, each of the Respondents is prohibited permanently from becoming or acting as a registrant, as an investment fund manager or as a promoter;

(h) Pursuant to clause 9 of subsection 127(1) of the Act, German pay an administrative penalty of $500,000, to be allocated to or for the benefit of third parties in accordance with paragraph 3.4(2)(b) of the Act;

(i) Pursuant to clause 10 of subsection 127(1) of the Act, German and Ensign jointly and severally disgorge to the Commission $1,655,505.68, to be allocated to or for the benefit of third parties in accordance with paragraph 3.4(2)(b) of the Act, and subject to the joint and several obligation with Compta and Bradon as described below;

(j) Pursuant to section 127.1, German and Ensign shall pay $196,870 for the costs of the investigation and hearing, for which they are jointly and severally liable;

(k) Pursuant to clause 9 of subsection 127(1) of the Act, Compta shall pay an administrative penalty of $300,000, to be allocated to or for the benefit of third parties in accordance with paragraph 3.4(2)(b) of the Act;

(l) Pursuant to clause 10 of subsection 127(1) of the Act, Compta and Bradon jointly and severally disgorge to the Commission $263,000, to be allocated to or for the benefit of third parties in accordance with paragraph 3.4(2)(b) of the Act, which shall be a joint and several obligation with German and Ensign, as described above; and

(m) Pursuant to section 127.1 of the Act, Compta and Bradon shall pay $84,373.11 for the costs of the investigation and hearing, for which they are jointly and severally liable.

[13] Staff submits that the sanctions it is requesting are proportionate to the Respondents' conduct and are in the public interest. Staff further submits that the proposed sanctions are justified by the gravity of the actions of the Respondents and the findings made by this Commission and should deter the Respondents and others from engaging in the same or similar conduct in the future.

[14] Staff submits that the Respondents' conduct was egregious and caused the investors both emotional and financial harm. The investors have all suffered a complete loss of their respective investments and are not likely to obtain redress, despite bringing civil proceedings against the Respondents.

[15] Staff also submits that fraud is one of the most serious securities law violations which decreases the confidence in the fairness and efficiency of Ontario's capital markets.

B. Compta and Bradon's Submissions

[16] Compta and Bradon submit that the sanctions and costs requested by Staff are highly punitive and seek to punish or remedy past conduct contrary to the purpose of section 127 of the Act.

[17] Compta and Bradon submit that the following sanctions and costs in respect of each of Compta and Bradon would be appropriate and in the public interest, namely, that:

(a) Compta and Bradon be prohibited for a period of five years from becoming or acting as a registrant, investment fund manager or promoter;

(b) Compta be prohibited for a period of five years from trading securities, subject to a carve-out for personal trading;

(c) Compta not be permitted to become a director of an issuer, registrant or investment fund manager for a period of five years but is permitted to continue to act as a director of Bradon;

(d) In the event that there are any distributions to Bradon shareholders as a result of the sale of Bradon or its technology, Bradon be required to hold any amounts that would otherwise be paid to German as a Bradon shareholder in trust for the investors; and

(e) Compta and Bradon be jointly and severally liable to pay $10,000 in costs.

[18] Compta submits that he is insolvent and has no funds to pay an administrative penalty and that an administrative penalty of $300,000 is beyond his means.

[19] Compta and Bradon submit that the disgorgement order that Staff seeks against them is inappropriate and that they should not be subject to any disgorgement order. They argue that the $263,000 was not obtained fraudulently and were funds that Compta and Bradon received from German to purchase shares of Bradon.

[20] Compta and Bradon submit that a majority of the investors have already obtained redress against Compta and Bradon through a default judgement against them in the Ontario Superior Court of Justice in the amount of $888,610.50, plus costs.

[21] Compta submits that he did not incorporate Bradon for the purposes of defrauding potential investors and that Bradon was established as a legitimate company in which Compta invested his life savings to develop a high quality product.

[22] Compta and Bradon also submit that the prohibitions sought by Staff are not necessary to protect the public from future harm nor are they necessary to provide general and specific deterrence. Compta submits that, given the unique facts of this case, there is no risk of him committing any future improper actions and that he does not pose a threat to Ontario's capital markets.

C. German and Ensign's Submissions

[23] German and Ensign did not file written submissions or make oral submissions. (See also paragraphs [7] and [11] above.)

D. The Law

[24] When exercising its public interest jurisdiction under section 127 of the Act, the Commission must consider the purposes of the Act which, as set out in section 1.1 of the Act, are to (i) provide protection to investors from unfair, improper or fraudulent practices; and (ii) foster fair and efficient capital markets and confidence in the capital markets.

[25] Subsection 2.1(2) of the Act requires that, in pursuing the purposes of the Act, the Commission have regard for a number of fundamental principles including the following primary means for achieving the purposes of the Act:

i. requirements for timely, accurate and efficient disclosure of information,

ii. restrictions on fraudulent and unfair market practices and procedures, and

iii. requirements for the maintenance of high standards of fitness and business conduct to ensure honest and responsible conduct by market participants.

[26] The sanctions imposed by the Commission must be protective and preventive to maintain high standards of behavior and to preserve the integrity of Ontario's capital markets. The role of the Commission is to impose sanctions that will protect investors and the capital markets from exposure to similar conduct in the future. As stated by the Commission in *Re Mithras Management Inc.*, *(*1990), 13 O.S.C.B. 1600 ("***Mithras***"):

> … the role of this Commission is to protect the public interest by removing from the capital markets – wholly or partially, permanently or temporarily, as the circumstances may warrant – those whose conduct in the past leads us to conclude that their conduct in the future may well be detrimental to the integrity of those capital markets. We are not here to punish past conduct; that is the role of the courts, particularly under section 118 [now 122] of the Act. We are here to restrain, as best we can, future conduct that is likely to be prejudicial to the public interest in having capital markets that are

> both fair and efficient. In so doing we must, of necessity, look to past conduct as a guide to what we believe a person's future conduct might reasonably be expected to be; we are not prescient, after all.[5] [Emphasis added.]

[27] As stated by the Supreme Court of Canada in *Committee for Equal Treatment of Asbestos Minority Shareholders v. Ontario Securities Commission,* [2001] 2 S.C.R. 132 ("***Asbestos***"), the Commission's public interest mandate is neither remedial nor punitive; instead, it is protective and preventive and is intended to prevent future harm to Ontario's capital markets.[6] The Court also stated that "[t]he role of the OSC under s. 127 is to protect the public interest by removing from the capital markets those whose past conduct is so abusive as to warrant apprehension of future conduct detrimental to the integrity of the capital markets."[7]

[28] The sanctions imposed must be appropriate and proportionate to the circumstances of the case and the conduct of each respondent. The Commission has enumerated a number of factors that it considers in determining sanctions including, the seriousness of the allegations that have been proved, the respondent's experience in the marketplace, the level of a respondent's activity in the marketplace, whether or not there has been any recognition by the respondent of the seriousness of the improprieties, whether there are any mitigating factors that should be considered, whether or not the sanctions may deter the respondents and other like-minded individuals from engaging in similar abuses of the capital markets in the future and the size of any profit (or loss avoided) from the illegal conduct.[8] In exercising its discretion, the Commission should consider the protection of investors and the efficiency of, and public confidence in, the capital markets generally.

E. Application of the Sanctioning Factors

[29] Having regard to the factors referred to in paragraph [28] above, I consider the following to be of particular relevance in this matter:

1. The seriousness of the allegations

[30] The breaches of the Act by the Respondents involve serious misconduct relating to unregistered trading, illegal distributions, prohibited representations and fraud.

[31] Registration requirements are an essential element of the securities regulatory regime and are intended to protect investors from unfair, improper or fraudulent practices (*Re Limelight Entertainment Inc. et al.* (2008), 31 O.S.C.B. 1727 at para. 135). The Commission found that neither German nor Ensign was registered with the Commission in any capacity and there were no registration exemptions available in connection with their trades in securities in Ontario for a business purpose.[9]

[32] The prospectus requirement set out in subsection 53(1) of the Act ensures that investors have sufficient information to properly assess the risks of an investment in a security and make informed decisions. The Commission did not find any prospectus exemption that would have been available to German in connection with the resale of his Bradon shares to investors.[10]

[33] The purpose behind subsection 38(1) of the Act, which prohibits a representation as to the resale or repurchase of securities, is to prevent investors from being misled as to the risk associated with the purchase of a security. The Commission found clear evidence that "German made repeated representations to investors with the intention of selling his Bradon shares that he or Ensign would, at the election of the investor, repurchase the Bradon shares sold to the investor at the price paid for them".[11]

[34] The Commission also found that German and Ensign "directly, intentionally and repeatedly defrauded the investors in Bradon shares … their conduct in the circumstances was the most egregious and directly caused the substantial harm suffered by investors."[12] With the exception of five investors who each received $25,000 back from Ensign and German, the Commission found that "investors have not received back from German or Ensign any of the funds paid by them for Bradon shares. It appears that investors have all suffered a complete loss of their investment. Some of

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5 *Mithras* at 1610 and 1611.
6 *Asbestos* at para. 42.
7 *Asbestos* at para. 43.
8 For a non-exhaustive list of sanctioning factors that the Commission may consider, see *Re Belteco Holdings Inc.* (1998), 21 O.S.C.B. 7743 at 7746 and *Re M.C.J.C. Holdings Inc.* (2002), 25 O.S.C.B. 1133 at 1136.
9 Merits Decision at para. 125.
10 Merits Decision at para. 138.
11 Merits Decision at para. 145.
12 Merits Decision at para. 238.

them have lost their life savings."[13] A number of investors testified during the Merits Hearing and it is evident from their testimony that German and Ensign's conduct has had a significant and adverse financial and emotional effect on them.

[35] The Commission found that Compta "committed two acts of fraud in his direct dealings with PB and WC by his failure to disclose the facts … and that, by no later than November 23, 2009, he knew or ought to have known that German was committing fraud. In each case, Compta thereby contravened section 126.1(b) of the Act."[14]

[36] Compta and Bradon submit that they were not the architects of the fraud and that Compta only had limited contact with two investors. Compta and Bradon also submit that they did not directly benefit from the funds that German and Ensign obtained from investors.

[37] Although the Commission found that Bradon and Compta's conduct was less egregious than that of German and Ensign, the Commission nevertheless found that "no fraud could have been committed by German but for Compta's actions or inactions".[15] In fact, the Commission found that, based on Compta's direct dealings with investors PB and WC, Compta "engaged in an act, practice or course of conduct relating to securities that perpetrated fraud".[16] Compta and Bradon benefited substantially from their own and German's fraudulent conduct given their receipt of $808,000 paid by German in connection with his subscription for shares of Bradon.[17]

2. Whether the violations were isolated or recurrent

[38] German and Ensign engaged in fraud through an intentional, ongoing and extended course of conduct of deceit and falsehoods that caused substantial harm and deprivation to investors, the majority of whom lost the full amount of their investments. German purported to sell Bradon shares to at least 46 investors for an aggregate purchase price of $1,755,505.68.

[39] Compta and Bradon submit that they do not have any prior history of improper conduct and that this is the first time they have been the subject of Commission proceedings.

[40] The Commission found that Compta knew or ought to have known that German was committing fraud by no later than November 23, 2009, from which it would follow that Compta had knowledge of German's and Ensign's activities for approximately 18 months. While Compta's actions may have been less egregious than German's, it is relevant that the Commission found that "no fraud could have been committed by German but for Compta's actions or inactions described in" the Merits Decision.[18]

3. The Respondents' experience in the marketplace

[41] No evidence was provided with respect to German's experience in the marketplace.

[42] Bradon and Compta submit that they had limited activity and experience in the marketplace. Compta was the President, a director and shareholder of Bradon. Bradon was not, however, a publicly-traded company and its shares were sold pursuant to the private issuer exemption. Compta understood that the private issuer exemption limited Bradon to issuing shares to a maximum of fifty individuals.

4. Profit made or loss avoided from illegal conduct

[43] Of the $1,755,505.68 obtained by German and Ensign from the purported sale of German's Bradon shares to investors, only five investors received $25,000 each in partial reimbursement of their respective investments. Bradon received $808,000 from German and Ensign for the sale of Bradon shares and the balance of $822,505.68 was retained by Ensign.[19]

5. Recognition of the seriousness of the improprieties

[44] During the Merits Hearing, German made some apologies on the record when cross-examining investor witnesses. Apart from these apologies, there is no evidence that German recognizes or acknowledges, or has any insight with respect to, the fraud which he perpetrated or the serious harm that he caused to investors as the result of his misconduct.

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13 Merits Decision at para. 47.
14 Merits Decision at para. 239.
15 Merits Decision at para. 239.
16 Merits Decision at para. 230.
17 Merits Decision at para. 229.
18 Merits Decision at para. 239.
19 Merits Decision at para. 183.

[45] Compta and Bradon submit that they are extremely remorseful that the trust they had placed in German was betrayed and that the investors were duped by German. They do not, however, recognize or acknowledge the fraud which they committed or their participation in the fraudulent scheme operated by German and Ensign, both of which caused serious harm to the investors.

6. Specific and general deterrence

[46] Both general and specific deterrence are important considerations when imposing sanctions. General deterrence requires the imposition of sanctions that will send a strong message to any other like-minded individuals that the misconduct engaged in by the Respondents is unacceptable and will not be tolerated by the Commission. Specific deterrence requires the imposition of sanctions that will discourage the Respondents from engaging in further misconduct in the future.

[47] In *Re Cartaway Resources Corp.*, [2004] 1 S.C.R. 672 ("***Cartaway***"), the Supreme Court stated that deterrence is "… an appropriate, and perhaps necessary, consideration in making orders that are both protective and preventive".[20] The Supreme Court also emphasized that deterrence may be specific to the respondent or general so as to deter the public at large:

> Deterrent penalties work on two levels. They may target society generally, including potential wrongdoers, in an effort to demonstrate the negative consequences of wrongdoing. They may also target the individual wrongdoer in an attempt to show the unprofitability of repeated wrongdoing. The first is general deterrence; the second is specific or individual deterrence: see C. C. Ruby, *Sentencing* (5th ed. 1999). In both cases deterrence is prospective in orientation and aims at preventing future conduct.[21]

7. Any mitigating factors

[48] Compta submits that he did not solicit or take any funds from any of the investors and that he is a businessman and entrepreneur. Bradon was established as a legitimate company in which Compta invested his life savings for the purpose of developing a high quality product.

[49] Compta and Bradon submit that they contributed to the efficiency and expediency of the proceedings by signing an Agreed Statement of Facts. In Staff's view, the Agreed Statement of Facts did not materially shorten the Merits Hearing.

[50] According to Staff, German and Ensign cooperated with Staff in connection with its investigation in only a very limited way.

F. Previous Sanctions Decisions

[51] Staff submits that, in determining the appropriate and proportionate sanctions in this matter, I should give particular consideration to the Commission decisions described in paragraphs [52] to [61] below.

[52] In *Re Al-Tar Energy Corp.* (2011), 34 O.S.C.B. 447 ("***Al-Tar***"), the Commission found that the respondents illegally traded and distributed securities, engaged in fraud and acted contrary to the public interest. The respondents raised a total of $658,109.03 from approximately 125 investors over 18 months.

[53] The Commission issued a permanent cease trading and acquisition order against all of the respondents in *Al-Tar*, and permanently denied their reliance on any exemptions contained in Ontario securities law. The Commission also denied any exception or carve-out that would permit the individual respondents to trade in their respective registered retirement savings plans.

[54] The individual respondents in *Al-Tar* were ordered to pay administrative penalties ranging from $200,000 to $750,000.

[55] In *Re Lyndz Pharmaceuticals Inc.* (2012), 35 O.S.C.B. 7357 ("***Lyndz***"), the Commission found that the respondents engaged in an illegal distribution and fraud, raising approximately $1.7 million from more than 70 investors. The respondents used the investor funds for personal purposes.

[56] The individual respondents in *Lyndz* were ordered to pay administrative penalties of $500,000 and $600,000 and to disgorge the total amount raised from investors. Although the respondents sought a personal trading carve-out, the

[20] *Cartaway* at para. 60.
[21] *Cartaway* at para. 52.

Commission did not agree that they could be safely trusted to participate in the capital markets and ordered that they be permanently banned from the capital markets.

[57] In *Re Moncasa Capital Corp.* (2014), 37 O.S.C.B. 229, the Commission found that the respondents illegally traded and distributed securities, engaged in fraud and acted contrary to the public interest. The Commission ordered that the respondents, having been found to have raised approximately $1.2 million from 57 investors, be permanently banned from the market, disgorge the amount illegally raised and pay an administrative penalty of $400,000 on a joint and several basis.

[58] In *Re Rezwealth Financial Services Inc.* (2014), 37 O.S.C.B. 6731 ("***Rezwealth***"), the Commission found that a Ponzi scheme operated by two of the respondents raised $3,018,649 from at least 56 investors over a period of three years. A second fraudulent scheme perpetrated by three other respondents raised $2,910,305 from at least 45 investors over a period of two years.

[59] The Commission in *Rezwealth* imposed permanent trading and acquisition bans without carve-outs on four of the respondents as they could not be trusted to participate in the capital markets, even in a limited capacity. The Commission also ordered administrative penalties ranging from $150,000 to $500,000 against the respondents based on their respective levels of participation in the fraudulent schemes.

[60] In *Re Portfolio Capital Corp.* (2015), 38 O.S.C.B. 7357 ("***Portfolio Capital***"), the Commission found that the corporate respondent was involved in a fraudulent scheme in which approximately 200 investors were defrauded of at least $1.7 million. The Commission ordered that the individual respondents continued to represent a risk to Ontario's capital markets and should be subject to permanent trading and acquisition bans.

[61] The Commission imposed administrative penalties in *Portfolio Capital* of $500,000 on the principal respondent and $150,000 on the second respondent who played a less active role in the fraud perpetrated on investors. The Commission found that the respondents should only be permitted to trade in RRSPs once the disgorgement, administrative penalties and costs ordered against them have been paid in full.

[62] Both Compta and Bradon rely on the Alberta Court of Appeal's decision in *Walton v. Alberta (Securities Commission*), 2014 A.B.C.A. 273 ("***Walton***"), in which the Court stated that "[a] monetary penalty that is beyond the capacity of the individual offender cannot be justified on the basis that it will deter others who are in a better financial condition." [22]

[63] However, the Court in *Walton* also recognized that "if the maximum financial consequence of [a breach of the Act] was a disgorgement of the profits realized, there would be no true deterrent".[23] The Court did not indicate what the appropriate financial sanctions should be and, instead, found that it was not able to undertake a reasonable review of the sanctions ordered by the Alberta Securities Commission as its decision lacked the requirements of justification, transparency and intelligibility. As a result, the Court directed the Alberta Securities Commission to reconsider the issue of sanctions.

G. Analysis and Findings

1. Trading and other prohibitions

[64] Staff submits that, based on their conduct, the Respondents should be subject to permanent trading, acquisition and exemption bans, without any carve-outs.

[65] Compta and Bradon submit that the trading and acquisition bans sought by Staff are inappropriate as (i) Compta and Bradon were not the architects of the fraud; (ii) Compta only had limited contact with two investors; (iii) Compta did not solicit or take any funds from the investors; (iv) the majority of the funds that German received from the investors were obtained before the date the Commission deemed Compta to have been aware, or ought to have been aware, of German's fraud; (v) Compta and Bradon have been devastated by German's fraud and by the Commission's finding that they acted improperly; and (vi) section 127 of the Act is a regulatory provision and, as such, is protective and preventative and not remedial or punitive and is intended to prevent likely future harm to Ontario's capital markets.

[66] Compta and Bradon also submit that the imposition of lifetime bans sought by Staff would be unduly punitive. In their view, a trading ban of five years with a carve-out to permit Compta to conduct personal trading would be appropriate to achieve the objectives of section 127 of the Act.

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22 *Walton* at para. 154.
23 *Walton* at para. 156.

[67] In *Erikson v. Ontario (Securities Commission),* (2003), 120 A.C.W.S. (3d) 144 ("***Erikson***'), the Divisional Court stated that "participation in the capital markets is a privilege and not a right."[24] As a permanent trading ban is among the most severe sanctions that the Commission may impose on a respondent, it is necessary to ensure that the sanctions imposed on each respondent remain "preventative in nature and prospective in orientation"[25] and do not rise to a level at which they are punitive. The Commission has held that it can only "look to past conduct as a guide to what we believe a person's future conduct might reasonably be expected to be".[26]

[68] In considering the appropriate length of a trading ban, I am mindful of the serious nature of the Respondents' misconduct and their failure to acknowledge or recognize their fraudulent conduct and the financial and emotional harm that such conduct has caused. Their apparent lack of insight in this regard gives rise to a material apprehension that they are likely to engage in similar conduct in the future if given the opportunity to do so.

[69] Based on the foregoing, I find that the Respondents should cease trading and acquiring securities permanently and that any exemptions contained in Ontario securities law should not apply to them permanently.

[70] With respect to the trading carve-out requested by Compta, I agree with Staff's submission that, as the Commission noted with respect to the respondents who perpetrated fraud in *Lyndz*, individual respondents such as Compta and German who commit fraud cannot be "safely trusted to participate in the capital markets in any way".[27]

2. Director and officer prohibitions

[71] Staff requests that, to ensure that neither of them will be placed in a position of control or trust with respect to any issuer or registrant in the future, Compta and German be required to resign any positions that they hold as a director or officer of an issuer, registrant or investment fund manager and that they be prohibited permanently from becoming or acting as a director or officer of any issuer, registrant or investment fund manager. Further, Staff requests that the Respondents be prohibited permanently from becoming or acting as a registrant, as an investment fund manager or as a promoter.

[72] In making the foregoing request, Staff relies on the Commission's decision in *Al-Tar* in which the Commission ordered permanent director and officer bans against the individual respondents who facilitated their misconduct through companies controlled by them.[28]

[73] Compta objects to the director and officer bans sought by Staff. In Compta's view, a prohibition from becoming a director or officer of an issuer, registrant or investment fund manager for a period of five years with Compta being permitted to continue to act as a director of Bradon would be appropriate in the circumstances.

[74] In addition to his submissions described in paragraphs [16] to [22] above, Compta submits that he does not have any history of improper conduct and that the stigma from this proceeding and a finding that he acted improperly would serve as ample general and specific deterrence.

[75] In my view, a finding of impropriety alone would not serve as a specific or general deterrent. Such a finding would also not provide for any form of restriction on fraudulent and unfair market practices and procedures or promote the requirements for the maintenance of high standards of fitness and business conduct to ensure honest and responsible conduct by market participants.

[76] Based on the foregoing, I find that each of Compta and Ensign should be ordered to resign from any positions that either of them holds as a director or officer of an issuer, registrant or investment fund manager and that each of German and Compta be permanently prohibited from becoming or acting as a director or officer of any issuer, registrant or investment fund manager.

[77] I also find that each of the Respondents should be prohibited permanently from becoming or acting as a registrant, as an investment manager or as a promoter.

3. Reprimand

[78] It is clear that, having breached multiple provisions of the Act, the conduct of the Respondents was contrary to the public interest and the Respondents are, accordingly, reprimanded for their misconduct and for the damage they have caused to investors and to the integrity and reputation of Ontario's capital markets.

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[24] *Erikson* at para. 55.
[25] *Asbestos* at para. 45.
[26] *Mithras* at 1610 and 1611.
[27] *Lyndz* at para. 80.
[28] *Al-Tar* at paras. 34-37.

4. Disgorgement

[79] Paragraph 10 of subsection 127(1) of the Act provides that, if a person or company has not complied with Ontario securities law, the Commission may order the person or company to disgorge to the Commission "any amounts obtained as a result of the non-compliance."

[80] Staff seeks the following disgorgement order, namely, that:

(a) German and Ensign jointly and severally disgorge to the Commission $1,655,505.68; and

(b) Bradon and Compta jointly and severally disgorge to the Commission $263,000, which represents the amount fraudulently obtained by them following Compta's fraudulent dealings with PB on October 26, 2009, and during Compta and Bradon's participation in German and Ensign's fraud.

[81] German and Ensign did not provide any submissions with respect to the issue of disgorgement.

[82] Compta and Bradon submit that disgorgement is inappropriate in the circumstances because they were not the architects of the fraud and in many ways were also victimized by German. They also submit that Compta only had minimal contact with two investors and, by the time that the Commission found that Compta and Bradon should have been aware of German's fraud, the majority of the investor funds had already been obtained by German. Compta and Bradon also submit that they did not directly benefit from investor funds.

[83] Compta and Bradon submit that significant financial sanctions (both disgorgement and an administrative penalty) would have a devastating effect on them as they have already suffered enormously from German and Ensign's fraud. Their livelihood would be in jeopardy if significant sanctions are imposed. German's actions and this enforcement proceeding have brought great shame to Compta and Bradon, they have suffered irreparable damage to their reputations and have been financially ruined.

[84] In *Limelight Entertainment Inc. et al*. (2008), 31 O.S.C.B. 12030 ("***Limelight Sanctions***"), the Commission held that, as paragraph 10 of subsection 127(1) of the Act refers to "any amounts obtained", "all money illegally obtained from investors can be ordered to be disgorged, not just the profit made as a result of the activity."[29]

[85] In its recent decision in *David Charles Philips and John Russell Wilson,* (2015), 38 O.S.C.B. 9311 ("***Phillips****"*), the Commission stated that:

> The "amount obtained" does not mean "the amount retained, the profit, or any other amount calculated by considering expenses and other possible deductions." In short, it does not matter how the funds were used after they were obtained in contravention of the Act.[30]

[86] The Commission also stated in *Phillips* that:

> The Commission is authorized to order that the full amount obtained in contravention of the Act be disgorged, which amount may equate, and has equated in some cases, to the amount of the losses of the investors, but that does not make the order restitutionary.[31]

[87] The *Limelight Sanctions* case sets out a non-exhaustive list of factors for consideration in connection with a disgorgement order, including:

(a) Whether an amount was obtained by a respondent as a result of non-compliance with the Act;

(b) The seriousness of the misconduct and the breaches of the Act and whether investors were seriously harmed;

(c) Whether the amount that a respondent obtained as a result of non-compliance with the Act is reasonably ascertainable;

(d) Whether the individuals who suffered losses are likely to be able to obtain redress; and

(e) The deterrent effect of a disgorgement order on the respondents and other market participants.[32]

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29 *Limelight Sanctions* at para. 49.
30 *Phillips* at para. 19.
31 *Phillips* at para. 26.
32 *Limelight Sanctions* at para. 52.

[88] *Limelight Sanctions* also states that, once Staff has proven on a balance of probabilities the amount illegally obtained by a respondent, the risk of uncertainty in calculating disgorgement should fall on the wrongdoer whose non-compliance with the Act gave rise to the uncertainty.[33]

[89] During the Merits Hearing, Staff proved on a balance of probabilities that German and Ensign received a total of $1,755,505.68 from investors.[34] However, as noted in paragraph [43] above, German and Ensign did return a total of $125,000 to five investors.[35] As a result, the total amount obtained by German and Ensign is $1,630,505.68.

[90] Taking into account the *Limelight Sanctions* factors described above, I find that:

(a) A total of $1,755,505.68 was received from investors as a result of the fraudulent conduct of the Respondents, of which an amount of $125,000 was returned to five investors resulting in a net loss incurred by the investors of $1,630,505.68 in the aggregate;

(b) Compta and Bradon received $263,000 from Ensign;

(c) The conduct of the Respondents, which harmed the investors both emotionally and financially, was reprehensible;

(d) The civil proceedings initiated by some of the investors against the Respondents has failed to provide redress for the investors notwithstanding Compta's submissions to the contrary;[36]

(e) German and Ensign's misconduct was prolonged and conducted for a period exceeding three years; and

(f) In the circumstances, a disgorgement order is required to provide a significant specific and general deterrent.

[91] Based on the foregoing, I find that it is appropriate and in the public interest to order that all the Respondents disgorge to the Commission $263,000 on a joint and several basis.

[92] I also find that it is appropriate and in the public interest to order that German and Ensign disgorge to the Commission $1,367,505.68 on a joint and several basis.

5. Administrative penalties

[93] Staff seeks an administrative penalty against German in the amount of $500,000 given the fact that he was the principal architect of the fraud relating to the sale of Bradon's shares. Staff also seeks an administrative penalty against Compta in the amount of $300,000 given the Commission's finding that Compta's actions were less egregious than those of German and that Compta had limited contact with investors.

[94] The Act permits the Commission to order up to $1.0 million for each breach of the Act to serve as specific and general deterrence to respondents and like-minded individuals from conducting themselves in a manner that is contrary to the Act. However, in each specific instance in which the Commission considers an administrative penalty to be warranted, the amount ordered cannot be so excessive that it is punitive.

[95] German was found to have repeatedly breached four separate provisions of the Act and to have acted contrary to the public interest over a period exceeding three years. German was the principal architect of the fraud and the Commission found that German "directly, intentionally and repeatedly defrauded the investors".[37] Through his fraudulent conduct, German demonstrated indifference to Ontario's securities laws. The administrative penalty that Staff seeks is reasonable and consistent with previous cases involving fraudulent schemes of a similar size.[38]

[96] Based on the foregoing, I find that German should be required to pay an administrative penalty of $500,000, an amount that is both proportionate and reasonable in the circumstances.

[97] Staff seeks an administrative penalty against Compta in the amount of $300,000 which reflects the Commission's finding that Compta's actions were "less egregious" than German's and that he had limited direct contact with investors.[39]

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33 *Limelight Sanctions* at para. 53.
34 Merits Decision at para. 26.
35 See also Merits Decision at para. 28, 62 and 180, Hearing Transcript, December 5, 2014, pages 10-16 and Exhibit 6 page EXH0000477.
36 See para. 8 of the Fiorini Affidavit.
37 Merits Decision at para. 238.
38 See for example, *Rezwealth,* and *Lyndz.*
39 Merits Decision at para. 239.

[98] Staff submits that Compta's ability to pay is a relevant sanctioning factor, but by no means a determinative factor. Staff submits that, without any supporting documentation, the Commission should give Compta's submissions relating to his ability to pay financial sanctions little weight, if any.

[99] Staff also submits that the approach to the ability to pay as a relevant but not determinative factor as set out in *Re Sabourin*, (2010) 33 O.S.C.B. 5299 ("***Sabourin***") makes logical sense. Staff submits that, if the Commission accepts the approach proposed by Compta and Bradon, individuals with no assets could engage in fraud and face no real sanctions.

[100] Compta submits that an administrative penalty is not warranted because he was not the architect of the fraud and in many ways was also victimized by German who had been a trusted friend. Compta further submits that the administrative penalty sought by Staff is highly punitive and would not serve to prevent future harm to Ontario's capital markets. He also submits that the administrative penalty sought by Staff is inappropriate as he does not have the means to pay a large administrative penalty or cost award because he is without funds.

[101] Compta submits that his ability to pay an administrative penalty is a relevant factor that the Commission should consider in determining whether an administrative penalty is warranted. He relies on *Walton* for the principle that imposing a monetary penalty on a respondent that is beyond the capacity of the respondent to pay cannot be justified on the grounds that it will deter others who are in a better financial condition.

[102] The Commission has previously held that the ability to pay is not a determinative factor in considering whether financial sanctions are appropriate. More specifically the Commission held in *Sabourin* that:

> We accept the ability to pay is a relevant consideration in determining the appropriate financial sanctions to be imposed. We do not accept that as a predominant or determining factor, but it is clearly relevant in the total mix of factors and considerations. [40]

[103] The foregoing principle has been restated and applied in other Commission decisions.[41]

[104] The Supreme Court of Canada in *Guidon v. Canada*[42] held that an administrative penalty is penal if it is "out of proportion to the amount required to achieve regulatory purposes".[43]

[105] The Ontario Court of Appeal in *Rowan v Ontario (Securities Commission)*, 2012 ONCA 208 ("***Rowan***"), found that:

> Penalties of up to $1 million per infraction are…entirely in keeping with the Commission's mandate to regulate the capital markets where enormous sums of money are involved and where substantial penalties are necessary to remove economic incentives for non-compliance with market rules.[44]

[106] In the circumstances, and given the fact that the Fiorini Affidavit discloses that Compta does own assets, it is entirely appropriate that an administrative penalty be imposed on Compta as a signal to him and to like-minded individuals that the Commission views fraudulent activity as one of the most serious breaches of the Act which will result in serious consequences.

[107] Based on the foregoing, I find that Compta should pay an administrative penalty of $300,000.

IV. COSTS

[108] Staff seeks the payment by the Respondents of $271,195, representing the costs incurred by Staff, and $10,048.11 for disbursements for a total of $281,243.11. In claiming such amounts, Staff has discounted its costs by almost 42% and excluded a significant amount of time recorded in connection with Staff's investigation and the hearings related to this matter.

[109] Staff submits that its costs should be apportioned between the Respondents on the basis that German and Ensign pay 70% or $196,870 of such costs on a joint and several basis and that Compta and Bradon pay 30% or $84,373.11 of such costs on a joint and several basis.

[110] Staff submits that the proposed allocation is reasonable on the following grounds:

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40 *Sabourin* at para. 60.
41 *Re FactorCorp Inc.* (2013), 36 O.S.C.B. 9582, *Rezwealth* and *Re York Rio Resources Inc.* (2014), 37 O.S.C.B. 3422.
42 2015 SCC 41.
43 *Guidon v. Canada* at para. 77.
44 *Rowan* at para. 49.

(a) Compta and Bradon were cooperative with Staff during Staff's investigation, responded within a reasonable timeframe and generally provided the requested documentation or information; and

(c) By contrast, German was less cooperative during Staff's investigation and claimed that his business records relating to the sale of Bradon shares were inaccessible to him because he had been evicted from his office space.

[111] Compta and Bradon submit that the costs sought by Staff are not reasonable or appropriate and that they should be responsible for a portion of Staff's costs in the range of $10,000.

[112] Compta and Bradon also submit that they cooperated with Staff to reduce Staff's costs in this matter, agreed to a brief Agreed Statement of Facts before the Merits Hearing, only called one witness during the Merits Hearing, acted appropriately throughout the investigation and hearing and complied with all procedural orders and directions of the panel.

[113] Section 127.1 of the Act gives the Commission the power to order a respondent to pay the costs of an investigation and hearing if it is satisfied that the person has breached the Act or has acted contrary to the public interest. A costs order is not a sanction but rather a means by which the Commission can recover some of the costs it has expended in connection with the investigation and hearing of a matter.

[114] In *Re Ochnik*, 2012 ONCA 208 ("***Ochnik***"), the Commission lists the following criteria that have been considered in awarding costs[45]:

(a) Failure by staff to provide early notice of an intention to seek costs may result in a reduced costs award, as early notice may have facilitated early settlement, thereby reducing overall costs;

(b) The seriousness of the charges and the conduct of the parties;

(c) Abuse of process by a respondent may be a factor in increasing the amount of costs;

(d) The greater investigative/hearing costs that the specific conduct of a respondent required in the case; and

(e) The reasonableness of the costs requested by staff.

[115] The Commission's *Rules of Procedure* set out the following factors to be considered with respect to costs:

> **18.2 Factors Considered When Awarding Costs** – In exercising its discretion under section 127.1 of the Act to award costs against a person or company, a Panel may consider the following factors:
>
> (a) whether the respondent failed to comply with a procedural order or direction of the Panel;
>
> (b) the complexity of the proceeding;
>
> (c) the importance of the issues;
>
> (d) the conduct of Staff during the investigation and during the proceeding and how Staff's conduct contributed to the costs of the investigation and the proceeding;
>
> (e) whether the respondent contributed to a shorter, more efficient, and more effective hearing, or whether the conduct of the respondent unnecessarily lengthened the duration of the proceeding;
>
> (f) whether any step in the proceeding was taken in an improper, vexatious, unreasonable, or negligent fashion or in error;
>
> (g) whether the respondent participated in the proceeding in a way that helped the Commission understand the issues before it;
>
> (h) whether the respondent participated in a responsible, informed and well-prepared manner;

[45] *Ochnik* at para. 29.

(i) whether the respondent co-operated with Staff and disclosed all relevant information;

(j) whether the respondent denied or refused to admit anything that should have been admitted; or

(k) any other factors the Panel considers relevant.

[116] I find that the costs sought by Staff are reasonable in the circumstances and determined on a conservative basis given the discounting and exclusion of certain costs described in paragraph [108] above. I also find that the allocation of such costs between the Respondents proposed by Staff is similarly reasonable.

[117] Based on the foregoing, Compta and Bradon shall pay, on a joint and several basis, investigation and hearing costs of $84,373.11.

[118] German and Ensign shall pay, on a joint and several basis, investigation and hearing costs of $196,870.

V. CONCLUSION

[119] I will issue an order giving effect to my findings on sanctions and costs as follows:

(a) Pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities by each of the Respondents shall cease permanently;

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

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

(d) Pursuant to paragraph 6 of subsection 127(1) of the Act, each of the Respondents is reprimanded;

(e) Pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act, each of German and Compta shall resign any positions each holds as a director or officer of an issuer, registrant or investment fund manager;

(f) Pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the Act, each of German and Compta is prohibited permanently from becoming or acting as a director or officer of any issuer, registrant or investment fund manager;

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

(h) Pursuant to paragraph 9 of subsection 127(1) of the Act, German shall pay an administrative penalty of $500,000, which amount shall be designated in accordance with paragraphs (b)(i) or (ii) of subsection 3.4(2) of the Act;

(i) Pursuant to paragraph 9 of subsection 127(1) of the Act, Compta shall pay an administrative penalty of $300,000, which amount shall be designated in accordance with paragraphs (b)(i) or (ii) of subsection 3.4(2) of the Act;

(j) Pursuant to paragraph 10 of subsection 127(1) of the Act, the Respondents shall disgorge to the Commission $263,000, on a joint and several basis, which amount shall be designated in accordance with paragraphs (b)(i) or (ii) of subsection 3.4(2) of the Act;

(k) Pursuant to paragraph 10 of subsection 127(1) of the Act, German and Ensign shall disgorge to the Commission $1,367,505.68, on a joint and several basis, which amount shall be designated in accordance with paragraphs (b)(i) or (ii) of subsection 3.4(2) of the Act;

(l) Pursuant to section 127.1 of the Act, German and Ensign shall pay, on a joint and several basis, $196,870 for the costs of the investigation and hearing; and

(m) Pursuant to section 127.1 of the Act, Compta and Bradon shall pay, on a joint and several basis, $84,373.11 for the costs of the investigation and hearing.

Dated at Toronto this 20th day of May, 2016.

"Christopher Portner"
Christopher Portner

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
Red Ore Gold Inc.	11 Sept 2014	23 Sept 2014	23 Sept 2014	17 May 2016

Failure to File Cease Trade Orders

Company Name	Date of Order	Date of Revocation
MBAC Fertilizer Corp.	20 May 2016	
MNP Petroleum Corporation	19 May 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
Dynex Power Inc.	05 May 2016	18 May 2016	18 May 2016		
Kitrinor Metals Inc.	06 May 2016	18 May 2016	18 May 2016	24 May 2016	
Red Tiger Mining Inc.	06 May 2016	18 May 2016	18 May 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
Blueocean Nutrasciences Inc.	03 May 2016	16 May 2016	16 May 2016		
Dynex Power Inc.	05 May 2016	18 May 2016	18 May 2016		
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		
GeneNews Limited	31 March 2016	13 April 2016	13 April 2016		
Golden Leaf Holdings Ltd.	03 May 2016	16 May 2016	16 May 2016		
Kitrinor Metals Inc.	06 May 2016	18 May 2016	18 May 2016	24 May 2016	
Matica Enterprises Inc.	17 May 2016	30 May 2016			

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/ Expire	Date of Issuer Temporary Order
Northern Power Systems Corp.	31 March 2016	13 April 2016	13 April 2016		
Red Tiger Mining Inc.	06 May 2016	18 May 2016	18 May 2016		
Starrex International Ltd.	30 December 2015	11 January 2016	11 January 2016		
Stompy Bot Corporation	04 May 2016	16 May 2016	16 May 2016		
Valeant Pharmaceuticals International, Inc.	17 May 2016	30 May 2016			

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 11

IPOs, New Issues and Secondary Financings

Issuer Name:
Bellatrix Exploration Ltd.
Principal Regulator - Alberta
Type and Date:
Preliminary Base Shelf Prospectus dated May 19, 2016
NP 11-202 Receipt dated May 19, 2016
Offering Price and Description:
CDN $500,000,000.00
Common Shares
Preferred Shares
Subscription Receipts
Warrants
Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2486854

Issuer Name:
Crius Energy Trust
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated May 20, 2016
NP 11-202 Receipt dated May 20, 2016
Offering Price and Description:
C$63,053,900.00 - 7,462,000 Subscription Receipts each representing the right to receive one Unit
Price: C$8.45 per Subscription Receipt
Underwriter(s) or Distributor(s):
Desjardins Securities Inc.
Scotia Capital Inc.
RBC Dominion Securities Inc.
Cormark Securities Inc.
Canaccord Genuity Corp.
Mackie Research Capital Corp.
Promoter(s):
Crius Energy, LLC.
Project #2486300

Issuer Name:
Energy Fuels Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Base Shelf Prospectus dated May 18, 2016
NP 11-202 Receipt dated May 19, 2016
Offering Price and Description:
US$100,000,000.00
Common Shares
Preferred Shares
Warrants
Rights
Subscription Receipts
Debt Securities
Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2486510

Issuer Name:
Exchange Income Corporation
Principal Regulator - Manitoba
Type and Date:
Preliminary Short Form Prospectus dated May 20, 2016
Received on May 18, 2016
Offering Price and Description:
$60,000,000.00 - 7 YEAR 5.25% CONVERTIBLE UNSECURED SUBORDINATED DEBENTURES
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
Laurentian Bank Securities Inc.
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
TD Securities Inc.
Raymond James Ltd.
Altacorp Capital Inc.
Canaccord Genuity Corp.
Macquarie Capital Markets Canada Ltd.
Promoter(s):
-
Project #2486328

Issuer Name:
GoGold Resources Inc.
Principal Regulator - Nova Scotia
Type and Date:
Preliminary Short Form Prospectus dated May 20, 2016
NP 11-202 Receipt dated May 20, 2016
Offering Price and Description:
C$10,010,000.00 - 7,700,000 Units
Price: C$1.30 per Unit
Underwriter(s) or Distributor(s):
Cantor Fitzgerald Canada Corporation
BMO Nesbitt Burns Inc.
Promoter(s):
-
Project #2485726

Issuer Name:
Killam Apartment Real Estate Investment Trust
Principal Regulator - Nova Scotia
Type and Date:
Preliminary Short Form Prospectus dated May 18, 2016
NP 11-202 Receipt dated May 18, 2016
Offering Price and Description:
$85,200,000.00 - 7,100,000 Trust Units
Price: $12.00 per Unit
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
Scotia Capital Inc.
TD Securities Inc.
Canaccord Genuity Corp.
Raymond James Ltd.
Dundee Securities Ltd.
GMP Securities L.P.
Brookfield Financial Securities LP
Promoter(s):
-
Project #2484027

Issuer Name:
Morneau Shepell Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated May 18, 2016
NP 11-202 Receipt dated May 18, 2016
Offering Price and Description:
$75,000,000.00 - 4.75% Convertible Unsecured Subordinated Debentures
Price: $1,000 per Debenture
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
TD Securities Inc.
CIBC World Markets Inc.
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
GMP Securities L.P.
Promoter(s):
-
Project #2484026

Issuer Name:
OrganiGram Holdings Inc.
Principal Regulator - New Brunswick
Type and Date:
Preliminary Short Form Prospectus dated May 17, 2016
NP 11-202 Receipt dated May 17, 2016
Offering Price and Description:
$9,009,000.00 - 8,580,000 Units
Price: $1.05 per Unit
Underwriter(s) or Distributor(s):
Dundee Securities Ltd.
GMP Securities L.P.
Mackie Research Capital Corporation
PI Financial Corp.
Promoter(s):
-
Project #2482767

Issuer Name:
Richmont Mines Inc.
Principal Regulator - Quebec
Type and Date:
Preliminary Short Form Prospectus dated May 20, 2016
NP 11-202 Receipt dated May 20, 2016
Offering Price and Description:
$27,040,000.00 - 2,600,000 Common Shares
Price: $10.40 per Offered Share
Underwriter(s) or Distributor(s):
Macquarie Capital Markets Canada Ltd
TD Securities Inc.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
National Bank Financial Inc.
Canaccord Genuity Corp.
Desjardins Securities Inc.
Paradign Capital Inc.
Scotia Capital Inc.
Cormark Securities Inc.
Haywood Securities Inc.
Mackie Research Capital Corp.
PI Financial Corp.
Promoter(s):
-
Project #2485916

Issuer Name:
BlueBay European High Yield Bond Fund
RBC $U.S. Money Market Fund
RBC Balanced Fund
RBC Canadian Dividend Fund
RBC Canadian Government Bond Index Fund
RBC Canadian Index Fund
RBC Canadian T-Bill Fund
RBC Emerging Markets Bond Fund (CAD Hedged)
RBC Emerging Markets Multi-Strategy Equity Fund
RBC European Mid-Cap Equity Fund
RBC Global Balanced Fund
RBC Global Dividend Growth Fund
RBC International Index Currency Neutral Fund
RBC Private U.S. Large-Cap Core Equity Currency Neutral Pool
RBC Select Aggressive Growth Portfolio
RBC Select Balanced Portfolio
RBC Select Choices Aggressive Growth Portfolio
RBC Select Choices Balanced Portfolio
RBC Select Choices Conservative Portfolio
RBC Select Choices Growth Portfolio
RBC Select Conservative Portfolio
RBC Select Growth Portfolio
RBC Select Very Conservative Portfolio
RBC Target 2020 Education Fund
RBC Target 2025 Education Fund
RBC Target 2030 Education Fund
RBC U.S. Dividend Fund
RBC U.S. Index Currency Neutral Fund
RBC U.S. Index Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectuses dated May 18, 2016
NP 11-202 Receipt dated May 19, 2016
Offering Price and Description:
Series A, Advisor Series, Series D, Series F, Series FT5, Series FT8 and Series O Units
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 #2486611

Issuer Name:
Spin Master Corp.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated May 20, 2016
NP 11-202 Receipt dated May 20, 2016
Offering Price and Description:
C$130,340,000.00 - 4,900,000 Subordinate Voting Shares
Price: C$26.60 per Subordinate Voting Share
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
TD Securities Inc.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
National Bank Financial Inc.
HSBC Securities (Canada) Inc.
Cormark Securities Inc.
Promoter(s):
Marathon Investment Holdings Ltd.
Trumbanick Investments Ltd.
Lentilberry Inc.
Project #2485759

Issuer Name:
Vanguard FTSE Developed Asia Pacific All Cap Index ETF (CAD-hedged)
Vanguard FTSE Developed Europe All Cap Index ETF (CAD-hedged)
Principal Regulator - Ontario
Type and Date:
Preliminary Long Form Prospectus dated May 17, 2016
NP 11-202 Receipt dated May 18, 2016
Offering Price and Description:
Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
VANGUARD INVESTMENTS CANADA INC.
Project #2486352

Issuer Name:
Bank of Montreal
Principal Regulator - Ontario
Type and Date:
Final Base Shelf Prospectus I 44-102) dated May 17, 2016
NP 11-202 Receipt dated May 18, 2016
Offering Price and Description:
$6,000,000,000.00 - Medium Term Notes (Principal At Risk Notes)
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
Desjardins Securities Inc.
HSBC Securities (Canada) Inc.
Industrial Alliance Securities Inc.
Promoter(s):
-
Project #2480165

Issuer Name:
BMO Equal Weight Utilities Index ETF
BMO Equal Weight REITs Index ETF
BMO Equal Weight US Health Care Hedged to CAD Index ETF
Principal Regulator - Ontario
Type and Date:
Amendment #2 dated May 4, 2016 to the Long Form Prospectus dated January 29, 2016
NP 11-202 Receipt dated May 17, 2016
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
BMO Asset Management Inc.
Project #2432367

Issuer Name:
Dynamic Active Core Bond Private Pool (Series F, I and O Units)
Dynamic Active Credit Strategies Private Pool (Series F, FH, I and O Units)
Dynamic Alternative Investments Private Pool Class (Series F, FH, FT and O Shares)
Dynamic Asset Allocation Private Pool (Series F, FH, FT and I Units)
Dynamic Canadian Equity Private Pool Class (Series F, I and O Shares)
Dynamic Conservative Yield Private Pool (Series F, FH and I Units)
Dynamic Conservative Yield Private Pool Class (Series F, FH and FT Shares)
Dynamic Global Equity Private Pool Class (Series F, FH, I and O Shares)
Dynamic Global Yield Private Pool (Series F, FH and I Units)
Dynamic Global Yield Private Pool Class (Series F, FH and FT Shares)
Dynamic International Dividend Private Pool (Series F, FH, I and O Units)
Dynamic North American Dividend Private Pool (Series F, FH, I and O Units)
Dynamic Tactical Bond Private Pool (Series F, FH, I and O Units)
Dynamic U.S. Equity Private Pool Class (Series F, FH and I Shares)
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated May 17, 2016
NP 11-202 Receipt dated May 19, 2016
Offering Price and Description:
Series F, FH, FT, O and I Units and Series F, FH, FT, I and O Shares
Underwriter(s) or Distributor(s):
1832 Asset Management L.P.
1832 Asset Management L.P.
Promoter(s):
1832 Asset Management L.P.
Project #2467837

Issuer Name:
Dynamic Global Infrastructure Class
Principal Regulator - Ontario
Type and Date:
Amendment #2 dated May 17, 2016 to the Simplified Prospectus and Annual Information Form dated September 1, 2015
NP 11-202 Receipt dated May 20, 2016
Offering Price and Description:
Series A, F, FT and T shares @ Net Asset Value
Underwriter(s) or Distributor(s):
1832 Asset Management L.P.
Promoter(s):
1832 Asset Management L.P.
Project #2374127

Issuer Name:
Dynamic Premium Bond Private Pool
Principal Regulator - Ontario
Type and Date:
Amendment #2 dated May 17, 2016 to the Simplified Prospectus and Annual Information Form dated January 14, 2016
NP 11-202 Receipt dated May 20, 2016
Offering Price and Description:
(Series F and I Units @ Net Asset Value
Underwriter(s) or Distributor(s):
1832 Asset Management L.P.
1832 Asset Management L.P.
Promoter(s):
1832 Asset Management L.P.
Project #2419512

Issuer Name:
Class A Units of
Educators Balanced Fund
Educators Bond Fund
Educators North American Diversified Fund
Educators Dividend Fund
Educators Growth Fund
Educators Money Market Fund
Educators Monthly Income Fund
Educators Mortgage & Income Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated May 13, 2016
NP 11-202 Receipt dated May 18, 2016
Offering Price and Description:
Class A Units @ Net Asset Value
Underwriter(s) or Distributor(s):
Educators Financial Group Inc.
Promoter(s):
Educators Financial Group Inc.
Project #2468936

Issuer Name:
GOODWOOD CAPITAL FUND
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated May 16, 2016
NP 11-202 Receipt dated May 18, 2016
Offering Price and Description:
units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2468380

Issuer Name:
A and F Class Units of
imaxx Money Market Fund
imaxx Canadian Bond Fund
imaxx Canadian Fixed Pay Fund
imaxx Canadian Equity Growth Fund
imaxx Canadian Dividend Fund
imaxx Global Equity Growth Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated May 11, 2016
NP 11-202 Receipt dated May 17, 2016
Offering Price and Description:
A and F Class Units @ Net Asset Value
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2465651

Issuer Name:
Platinum Group Metals Ltd.
Principal Regulator - British Columbia
Type and Date:
Final Short Form Prospectus dated May 18, 2016
NP 11-202 Receipt dated May 18, 2016
Offering Price and Description:
US$33,000,000.00 - 11,000,000 Common Shares, US$3.00 per Offered Share
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
MacQuarie Capital Markets Canada Ltd.
Promoter(s):
-
Project #2480433

Issuer Name:
First Avenue Dividend Growers Class (formerly Redwood Global Innovations Class)
(Series A, F, A (USD) and F (USD) securities)
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated April 29, 2016 to the Simplified Prospectus and Annual Information Form dated December 4, 2015
NP 11-202 Receipt dated May 20, 2016
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Redwood Asset Management Inc.
Promoter(s):
-
Project #2411256

Issuer Name:
Royal Nickel Corporation
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated May 20, 2016
NP 11-202 Receipt dated May 20, 2016
Offering Price and Description:
$8,700,600.00 - 17,060,000 COMMON SHARES
Price: $0.51 per Offered Share
Underwriter(s) or Distributor(s):
Haywood Securities Inc.
Beacon Securities Limited
Promoter(s):
-
Project #2479069

Issuer Name:
Scotia Conservative Government Bond Capital Yield Class (Series A shares)
Scotia Fixed Income Blend Class (Series A shares)
Scotia Canadian Dividend Class (Series A shares)
Scotia Canadian Equity Blend Class (Series A shares)
Scotia U.S. Equity Blend Class (Series A shares)
Scotia Global Dividend Class (Series A shares)
Scotia International Equity Blend Class (Series A shares)
Scotia INNOVA Income Portfolio Class (Series A shares)
Scotia INNOVA Balanced Income Portfolio Class (Series A and Series T shares)
Scotia INNOVA Balanced Growth Portfolio Class (Series A and Series T shares)
Scotia INNOVA Growth Portfolio Class (Series A and Series T shares)
Scotia INNOVA Maximum Growth Portfolio Class (Series A and Series T shares)
Scotia Partners Balanced Income Portfolio Class (Series A and T shares)
Scotia Partners Balanced Growth Portfolio Class (Series A and T shares)
Scotia Partners Growth Portfolio Class (Series A and T shares)
Scotia Partners Maximum Growth Portfolio Class (Series A and T shares)
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated May 16, 2016
NP 11-202 Receipt dated May 19, 2016
Offering Price and Description:
Series A and Series T shares
Underwriter(s) or Distributor(s):
Scotia Securities Inc. (Series A shares only)
Scotia Securities Inc.
Scotia Securities Inc. (Series A shares)
Promoter(s):
-
Project #2467854

Issuer Name:
Silver Bullion Trust
(ETF Non-Currency Hedged Units and ETF Currency Hedged Units)
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated May 11, 2016
NP 11-202 Receipt dated May 17, 2016
Offering Price and Description:
ETF Non-Currency Hedged Units and ETF Currency Hedged Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2446221

Issuer Name:
Sprott Physical Gold Trust
Principal Regulator - Ontario
Type and Date:
Final Base Shelf Prospectus dated May 20, 2016
NP 11-202 Receipt dated May 20, 2016
Offering Price and Description:
U.S.$1,500,000,000 Trust Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2482183

Issuer Name:
Sprott Physical Platinum and Palladium Trust
Principal Regulator - Ontario
Type and Date:
Final Base Shelf Prospectus dated May 20, 2016
NP 11-202 Receipt dated May 20, 2016
Offering Price and Description:
U.S.$200,000,000 Trust Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2482184

Issuer Name:
Tradex Bond Fund
Tradex Equity Fund Limited
Tradex Global Equity Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated May 20, 2016
NP 11-202 Receipt dated May 20, 2016
Offering Price and Description:
Mutual fund securities at net asset value.
Underwriter(s) or Distributor(s):
Tradex Management Inc.
Promoter(s):
-
Project #2470476

Issuer Name:
Series A, Series F and Series O shares of:
Yorkville Enhanced Protection Class
Yorkville Canadian QVR Enhanced Protection Class
Yorkville American QVR Enhanced Protection Class
Yorkville Health Care Opportunities Class
Yorkville Global Opportunities Class
Yorkville Optimal Return Bond Class
Yorkville EAFE QVR Enhanced Protection Class
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated May 13, 2016
NP 11-202 Receipt dated May 17, 2016
Offering Price and Description:
Series A, Series F and Series O Shares @ Net Asset Value
Underwriter(s) or Distributor(s):
-
Promoter(s):
YORKVILLE ASSET MANAGEMENT INC.
Project #2466344

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Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Name Change	From: Nisa Investment Advisors, L.L.C. To: Nisa Investment Advisors, LLC	Commodity Trading Manager and Portfolio Manager	April 21, 2016
Change in Registration Category	Tralucent Asset Management Inc.	From: Portfolio Manager and Exempt Market Dealer To: Investment Fund Manager, Portfolio Manager and Exempt Market Dealer	May 17, 2016
Change in Registration Category	Growth Works Capital Ltd.	From: Portfolio Manager, Exempt Market Dealer and Mutual Fund DealerTo: Portfolio Manager, Exempt Market Dealer, Mutual Fund Dealer and Investment Fund Manager	May 19, 2016
New Registration	MidStar Management Corp.	Exempt Market Dealer and Restricted Portfolio Manager	May 20, 2016
Change in Registration Category	Placements IA Clarington Inc. / IA Clarington Investments Inc.	From: Investment Fund Manager and Portfolio ManagerTo: Exempt Market Dealer, Investment Fund Manager and Portfolio Manager	May 20, 2016

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Chapter 13

SROs, Marketplaces, Clearing Agencies and Trade Repositories

13.2 Marketplaces

13.2.1 TSX – Amendments to TSX Company Manual – Request for Comments

TORONTO STOCK EXCHANGE
REQUEST FOR COMMENTS
AMENDMENTS TO TORONTO STOCK EXCHANGE COMPANY MANUAL

Toronto Stock Exchange ("**TSX**" or the "**Exchange**") is publishing proposed amendments to: (i) introduce website disclosure requirements for TSX listed issuers (the "**Part IV Amendments**"); and (ii) amend the disclosure requirements regarding security based compensation arrangements (the "**Part VI Amendments**") in the TSX Company Manual (the "**Manual**"). The proposed amendments provide for public interest changes to Parts IV and VI of the Manual and to introduce Form 15 – *Disclosure of Security Based Compensation Arrangements* ("**Form 15**"). The Part IV Amendments, the Part VI Amendments, Form 15 and certain ancillary changes are collectively referred to as the "**Amendments**". The public interest changes will be published for public comment for a thirty (30) day period.

The Amendments will be effective upon approval by the Ontario Securities Commission (the "**OSC**") following public notice and comment. Comments should be in writing and delivered by **June 27, 2016** to:

Catherine De Giusti
Legal Counsel
Toronto Stock Exchange
The Exchange Tower
130 King Street West
Toronto, Ontario M5X 1J2
Fax: (416) 947-4461
Email: tsxrequestforcomments@tsx.com

A copy should also be provided to:

Susan Greenglass
Director
Market Regulation
Ontario Securities Commission
20 Queen Street West
Toronto, Ontario M5H 3S8
Fax: (416) 595-8940
Email: marketregulation@osc.gov.on.ca

Comments will be publicly available unless confidentiality is requested.

Overview

TSX is seeking public comment on Amendments to the Manual. This Request for Comments explains the reasons for, and objectives of, the Amendments. Following the comment period, TSX will review and consider the comments received and determine whether to proceed with the Amendments as proposed or as modified as a result of comments.

PART IV AMENDMENTS

Proposed Amendments

The Part IV Amendments introduce a new Section 473 to the Manual and amend Section 461.3 as an ancillary matter.

Section 473 would introduce the requirement for listed issuers to maintain a publicly accessible website posting, as applicable, current copies of:

a. Constating documents;

b. Corporate policies that impact meetings of security holders and voting;

c. Security holder rights plans;

d. Security based compensation arrangements ("**Arrangements**"); and

e. Certain corporate governance documents.

The Part IV Amendments also simplify the disclosure requirement for issuers that adopt a majority voting policy under Section 461.3 by substituting the requirement for issuers to describe such policies on an annual basis in materials sent to security holders with the requirement to instead post a copy of the policy on the issuer's website.

Please refer to the text of new Section 473 and to the ancillary amendment to Section 461.3 as set out in **Appendix A**.

Rationale for the Amendments

Section 473 is being proposed to provide participants in the Canadian capital markets with ready access to key security holder documents. Reporting issuers are required to file certain material documents with Canadian securities regulators which are publicly available on the System for Electronic Document Analysis and Retrieval ("**SEDAR**"). However, these documents may be difficult to find on SEDAR due to issuers' differing practices for identifying and filing materials under consistent categories. Additionally, certain of the policies and corporate governance documents required in Section 473 may not be required to be filed on SEDAR. Therefore, TSX believes that Section 473 will be beneficial to security holders by making such documents more readily accessible to the investing public.

In addition, the Part IV and the Part VI Amendments should reduce listed issuers' annual disclosure obligations regarding majority voting policies and Arrangements by instead, requiring that these documents be made publicly available on listed issuers' websites.

TSX considers that the proposed posting requirements are neither onerous nor costly for listed issuers because virtually all TSX listed issuers currently have websites and that the disclosure will benefit security holders and the market in general by improving access to up-to-date documents. The Exchange also believes that this may reduce the printing and mailing costs of information circulars.

Practices of Other Exchanges

The table below provides a high level summary of the issuer website requirements of other exchanges:

	TSXV	CSE	Aequitas	NYSE	NASDAQ	LSE	AIM	ASX
Issuer website required	No	No	Yes	Yes	No	No	Yes	Recommended but not required
Specific documents required to be posted to issuer website	N/a	N/a	Yes	Yes	Accepts posting of certain documents on issuer's website to satisfy requirements	N/a	Yes	Recommended but not required

New York Stock Exchange ("**NYSE**") requires all listed issuers to have and maintain a website accessible publicly from the United States. The documents on the issuer's website must be available in a printable English version[1]. NYSE listed issuers are required to make their corporate governance guidelines and code of business conduct and ethics available on or through their website. Issuers must post the committee charters for their nominating and corporate governance committee as well as for their compensation and audit committees on their websites. If any function of those committees has been delegated to another committee, the charter of the committee to whom the function has been delegated must also be posted on the issuer's website. NYSE listed issuers may use their websites to make certain other required disclosure. If the issuer's website is used to meet these disclosure requirements, such fact must be disclosed in the annual proxy statement or annual report, as applicable, along with the issuer's website address.

[1] NYSE Listed Company Manual, s. 307.00.

London Stock Exchange ("**LSE**") AIM listed issuers are required to maintain a website that contains descriptions of: the issuer's business, directors and board committees; details of key advisors; any other exchanges or trading platforms on which the issuer has listed securities; the number of issued and outstanding shares and information regarding the identity and percentage of shares owned by significant security holders; details of any restriction on transfer of AIM listed securities; the issuer's country of incorporation and, if that jurisdiction is not the United Kingdom, a statement that the rights of security holders may be different from the rights security holders would have in a UK incorporated company. AIM listed issuers must also post current copies of constating documents, most recent copies of annual and quarterly reports published pursuant to AIM rules, the issuer's most recent admission document along with any circulars or similar publications sent to security holders within the past 12 months and all notifications made by the issuer in the past 12 months.[2]

Other than in respect of Index Fund Shares, NASDAQ does not specifically require issuers to maintain or post specific information to the issuer's website. NASDAQ does permit issuers to make certain disclosure by using the issuer's website. For instance, issuers may post their annual report to shareholders on their website, provided that there is a prominent undertaking to provide shareholders a hard copy of such report, free of charge, upon request along with a press release indicating that the annual report has been filed and the address of the website where it is available.

Australian Stock Exchange ("**ASX**") does not require issuers to maintain a website pursuant to its listing rules but does, however, recommend that a listed company provide information about itself and its corporate governance to security holders via the issuer's website. ASX issuers are able to use their websites in certain cases to streamline the disclosure required in their annual reports by providing a link to the website address where the disclosure has been made. The ASX Corporate Governance Council Principles and Recommendations ("**CG Principles and Recommendations**") set out a list of suggested disclosure that issuers should make on their websites which includes having a corporate governance landing page from which relevant corporate governance information can be accessed. The disclosure should include items such as: details about the board and senior executives; the charter of the board and committees; corporate governance policies and materials referenced in the CG Principles and Recommendations. Copies of annual reports, financial statements and announcements to ASX and security holders should also be included. The CG Principles and Recommendations lists additional issuer information that security holders find helpful to have included on a website, such as an overview of the business, a description of the classes of securities and the rights attached to them and a calendar of key events. While compliance with the CG Principles and Recommendations is not mandatory, ASX listed issuers who do not follow them are required to explain the reasons for their non-compliance annually in a statement.

Aequitas Neo Exchange Inc. ("**Aequitas**") requires issuers to maintain a website with up-to-date and accurate information that is promptly corrected or removed if out of date. All news releases as well as any notices related to reprimands, suspensions or delisting from Aequitas must also be posted on the issuer's website[3].

In Canada, neither TSX Venture Exchange ("**TSXV**") nor Canadian Securities Exchange ("**CSE**") have specific comprehensive issuer website requirements. LSE Main Market does not have such issuer website requirements.

Questions

In responding to any of the questions below, please explain your response.

1. Is it appropriate for TSX to introduce the requirements set out in Section 473?

2. Are there any additional documents that should be included under Section 473?

3. Are there any documents that should not be included?

4. Are there any additional material costs or efforts required to comply with the proposed requirements?

5. Are there concerns that security holders may rely on the website disclosure which may not be kept current?

6. How long should issuers have after Section 473 comes into effect to establish or update their website with the required documents? Is 60 days from the date the rule comes into effect sufficient time to comply with the requirements?

[2] AIM Rules for Companies, rule 26.
[3] See Aequitas Listing Manual, ss. 4.09, 5.05(3) and 11.07.

PART VI AMENDMENTS

Proposed Amendments

The Part VI Amendments amend Section 613(b) and (d), delete Section 613(g), amend Section 613(l) and introduce Form 15 as set out in **Appendix A**.

Section 613(b) has been amended to reflect more current security based compensation arrangements filed with TSX. Arrangements may take the form of plans ("**Plans**") which set out the general terms and conditions of options, performance stock units, deferred stock units, restricted stock units or other awards (collectively "**Awards**"); individual Awards not granted pursuant to a Plan; financially assisted purchases of securities; and other compensation or incentive mechanisms involving the issuance of equity securities. Form 15 has been developed for the majority of Plans adopted by listed issuers.

Currently, Section 613(d) of the Manual requires that materials provided to security holders in respect of a meeting at which approval of an Arrangement will be requested must provide prescribed disclosure of the terms of the Arrangement, as well as any other material information that may be reasonably required by a security holder to approve the Arrangements (the "**Disclosure Elements**"). Where security holder approval will be sought for an Arrangement ("**Approval Meetings**"), the materials must be pre-cleared by TSX. Materials for meetings other than Approval Meetings, ("**Other Annual Meetings**") must contain all of the Disclosure Elements, but do not need to be pre-cleared. Materials for Approval Meetings and other Annual Meetings are collectively referred to as "**Meeting Materials**".

The Part VI Amendments are proposed to simplify the disclosure required in Meeting Materials and introduce a new form, Form 15 with a user-friendly table for the simplified disclosure.

Issuers would be required to disclose the items in Form 15 in Meeting Materials for Approval Meetings and Other Annual Meetings, with the exception of one item described below.

Disclosure required for Approval Meetings and Other Annual Meetings in respect of Arrangements:

- Maximum number of securities issuable
- Outstanding awards
- Burn rate
- Eligibility
- Vesting
- Amendments

Additional disclosure required for Approval Meetings:

- Other key terms in sufficient detail as may reasonably be required by a security holder to approve the Arrangement or amendments thereto.

The Part VI Amendments include ancillary amendments to delete Subsection 613(g) and modify Subsection 613(l), both of which currently contain requirements for the Disclosure Elements, which have been consolidated into Subsection 613(d) and Form 15.

The Part VI Amendments do not affect any requirements regarding when and how security holder approval is sought in connection with Arrangements.

New or Modified Requirements

Outstanding Awards. The Amendments require the continued disclosure of the number of awards currently outstanding under an Arrangement, however this Disclosure Element has been modified to further require that, if the award includes a multiplier, that the maximum payout under the multiplier must be used to calculate the number of listed securities issuable under the award. Issuers must also continue to disclose the percentage this number represents relative to the number of currently issued and outstanding securities. The details regarding the multiplier are to be included in a footnote to the disclosure.

Burn Rate. TSX determined to add a new Disclosure Element for the burn rate of an Arrangement following discussions with certain market participants. The proposed burn rate calculation is as follows and should be expressed as a percentage:

$$\frac{\text{Number of awards granted under the Plan, net of any cancellations during the most recently completed fiscal year X multiplier, if applicable}}{\text{Number of issued and outstanding securities as at the beginning of the most recently completed fiscal year}}$$

If the award includes a multiplier, the maximum payout under the multiplier should be used to calculate the percentage. The annual burn rate for the most recently completed fiscal year is required for Other Annual Meetings. The annual burn rate for each of the three (3) most recently completed fiscal years is required for Approval Meetings.

Vesting. The Amendments continue to require disclosure with respect to vesting, however more specific disclosure is required regarding default vesting provisions and whether vesting is time and/or performance based.

Amendments. Amendments to awards or an Arrangement without security holder approval made during the most recently completed fiscal year must continue to be disclosed. This requirement has been modified to remove a disclosure requirement for amendments previously approved by security holders.

Other Key Terms. TSX will no longer require disclosure of Other Key Terms in Meeting Materials for Other Annual Meetings, however, this Disclosure Element continues to be required for Approval Meetings. Any of the other Disclosure Elements that TSX is proposing to delete may be included at the issuer's option. The opportunity to omit this information for Other Annual Meetings may simplify disclosure requirements while ensuring disclosure of important features of an Arrangement when security holders are being asked to approve the Arrangement or amendments.

Obtaining a Copy of the Plan. The Part VI Amendments introduce a new requirement to disclose the location on the issuer's website where a copy of any Arrangement may be found.

Date of Disclosure Elements. For annual meetings of security holders (whether Approval Meetings or Other Annual Meetings), Form 15 disclosure would be provided as at the end of the most recently completed fiscal year, which has been modified from the current requirement, that is as of the date of the materials. For Approval Meetings other than annual meetings of security holders, the information in Form 15 would continue to be provided as of the date of the materials which is generally expected to be not more than thirty (30) days prior to the date of the Meeting Materials.

Continuing Requirements

Maximum Number of Securities Issuable. The Part VI Amendments continue to require disclosure of the maximum number of securities issuable under an Arrangement, expressed as a fixed number or fixed percentage of the issuer's issued and outstanding securities. For Arrangements where the maximum is expressed as a fixed number, issuers should include the percentage that this number represents relative to the issuer's currently issued and outstanding securities.

Eligibility. The Part VI Amendments retain the requirement to disclose the eligible participants under each Arrangement.

Pre-clearance of Meeting Materials for Approval Meetings. The Part VI Amendments continue to require TSX pre-clearance of Meeting Materials for Approval Meetings.

Discontinued Requirements

The following Disclosure Elements will no longer be required under the proposed Part VI Amendments: (i) maximum securities available to insiders; (ii) maximum securities available to one person or company; (iii) method for determining exercise price; (iv) method for determining purchase price; (v) formula for calculating market appreciation of stock appreciation rights ("**SARs**"); (vi) ability to transform stock options into SARs involving issuance of securities from treasury; (vii) term; (viii) causes of cessation of entitlement and effect of employee termination; (ix) assignability; (x) procedure for amending; (xi) financial assistance; and (xii) entitlements previously granted but subject to security holder ratification.

The following table summarizes the new, modified, continuing and discontinued Disclosure Elements under the current disclosure requirements and the Part VI Amendments:

Disclosure Element	Current Disclosure Requirements	Part VI Amendments
Pre-clearance by TSX for Approval Meetings	✓	✓
Eligible participants	✓	✓
Securities issued and issuable under Arrangements; and securities issuable under awards made	✓	✓ Modified. Maximum securities issuable under Arrangements; and securities issuable under awards made (if award includes a multiplier, the maximum payout should be used and disclosed).
Maximum securities available to insiders	✓	Deleted.
Maximum securities available to one person or company	✓	Deleted.
Method for determining exercise price	✓	Deleted.
Method for determining purchase price	✓	Deleted.
Formula for calculating market appreciation of stock appreciation rights (“SARs”)	✓	Deleted.
Ability to transform stock options into SARs involving issuance of securities from treasury	✓	Deleted.
Vesting	✓ Required for stock options only.	✓ Modified. Summary of default vesting provisions, if applicable, and whether vesting is time and/or performance based required for all Arrangements.
Term	✓ Required for stock options only.	Deleted.
Causes of cessation of entitlement and effect of employee termination	✓	Deleted.
Assignability	✓	Deleted.
Procedure for amending	✓	Deleted.
Financial assistance	✓	Deleted.
Entitlements previously granted but subject to security holder ratification	✓	Deleted.
Other material information / key terms	✓	✓ Modified. Approval Meetings Only
Burn rate	-	✓ New. See discussion above for details.
Obtaining copy of the Plan	-	✓ New. Proposed Section 473 issuer website disclosure requires posting of a copy of each Plan.
Amendments	✓ Section 613(g).	✓ Modified. See discussion above for details.

Rationale for the Part VI Amendments

TSX first introduced Section 613(d) in 2005 and slightly revised this section in 2011. TSX thought it appropriate to re-evaluate the relevance of the Disclosure Elements in light of the evolution of market expectations as well as changing disclosure and compensation practices.

In an effort to reduce the regulatory burden for listed issuers, TSX undertook a review of the Disclosure Elements, which included discussions with certain market participants and our Listing Advisory Committee. As a result, TSX is proposing to remove certain Disclosure Elements for Arrangements that are duplicative of disclosure requirements under Canadian securities law or that security holders may not find meaningful and to instead introduce more relevant information. In connection with removing certain Disclosure Elements currently prescribed in Section 613(d), TSX is proposing to introduce Section 473, which would require current copies of each Arrangement to be posted on an issuer's publicly accessible website. Following discussions with certain market participants, we understand that it would be preferable to have simplified disclosure supplemented with easy access to Arrangements, rather than a more substantive summary as currently prescribed.

Additionally, certain Disclosure Elements were tailored to stock options. In light of evolving security based compensation practices, TSX has adapted the Disclosure Elements to apply to a broader range of Arrangements and Section 613(b) has been updated to better reflect more current securities based compensation arrangements.

TSX believes that the simplified Disclosure Elements strike the appropriate balance between meaningful disclosure while eliminating unnecessary information. In addition, the Part IV Amendments supplement the simplified Disclosure Elements by providing a complete copy of all Arrangements, should security holders wish to review them in their entirety.

Practices of Other Exchanges

In considering the Part VI Amendments, TSX reviewed the requirements of U.S. and other Canadian exchanges. TSX believes these exchanges are the most relevant comparisons for disclosure regarding Arrangements. Generally, the disclosure requirements are a combination of exchanges' requirements and securities laws. Canadian requirements are more similar to the U.S., than other jurisdictions.

The U.S. Securities and Exchange Commission (the "**SEC**") requires disclosure of the following regarding Arrangements:

- vesting schedules and any performance-based vesting conditions and any other material conditions to an award;
- disclosure of re-pricings or material modification of awards; and
- whether there is an ability to amend an Arrangement to increase the cost of the plan or to alter the allocation of the plan's benefits between participants without security holder approval.

The SEC requirements generally apply to named executive officer compensation disclosure as opposed to disclosure about Arrangements in general.

Requirements of NYSE

Issuers listed on NYSE are required to file Meeting Materials under the Securities Exchange Act of 1934. Proxy-related materials must be pre-cleared with NYSE "[i]f any action to be taken at a shareholders' meeting relates to matters which may affect substantially the rights or privileges of listed securities of the company, or will result in the creation of new issues or classes of securities which the company may desire to list on the Exchange…"[4] With some limited exceptions, NYSE also requires security holder approval of Arrangements and material revisions to Arrangements involving: a material increase in the number of securities available under the Arrangement; an expansion of the types of awards available; a material expansion of the class of participants eligible to participate; a material change to the method of determining the strike price of options; and the deletion or limitation of provisions prohibiting repricing of options.

Requirements of NASDAQ

With some limited exceptions, issuers listed on NASDAQ are required to obtain security holder approval when implementing or materially amending an Arrangement[5]. Such material amendments include: a material increase in the number of securities to be issued under the Arrangement; a material increase in benefits to participants, including any material change to: permit a repricing of outstanding options, reduce the price at which shares or options to purchase shares may be offered, or extend the

[4] NYSE Listing Manual Section 402.02.
[5] NASDAQ Listing Rule 5365(c).

duration of the Arrangement; a material expansion of the class of participants eligible to participate; and an expansion in the types of awards available. Listed issuers that establish or materially amend an Arrangement must give NASDAQ fifteen (15) calendar days' notice. NASDAQ reviews this notice to ensure compliance with its rules, including security holder approval requirements. There is no requirement to pre-clear Meeting Materials with NASDAQ in connection with an Approval Meeting for an Arrangement, but they must be filed on the Electronic Data Gathering, Analysis and Retrieval system ("EDGAR") or in accordance with NASDAQ rules.

Other Canadian Exchanges

Aequitas requires issuers to file and pre-clear Meeting Materials for an Approval Meeting at least ten (10) trading days prior to the circular being distributed to security holders. The Meeting Materials must contain sufficient detail to permit security holders to form a reasoned judgment concerning the Arrangement. Aequitas provides the following examples of disclosure that should be included in Meeting Materials in the commentary of its Listing Manual:

- Eligibility;
- Arrangement maximum;
- Maximum number of securities that may be issued;
- Maximum number of securities that may be awarded to related persons of the issuer and, for options, the number of securities that may be issued on exercise of the options to related persons as compensation or under an Arrangement;
- Financial assistance or support agreements with participants or related entities of the issuer to facilitate purchases under the Arrangement;
- Maximum term for options and basis for determination of exercise price;
- Details regarding options or other entitlements granted, including transferability;
- Process for amending the Arrangement and awards granted under the Arrangement, including whether discretion is granted to the issuer's board of directors to make amendments to specified material terms without security holder approval; and
- The number of votes attached to securities that will not be included for the purpose of determining whether security holder approval has been obtained.

On an annual basis, Aequitas-listed issuers are required to disclose:

- The terms of their Arrangements and any amendments adopted since the beginning of the last fiscal year;
- The process for amending the Arrangement and awards granted under the Arrangement, including whether discretion is granted to the issuer's board of directors to make amendments to specified material terms without security holder approval; and
- Whether or not security holder approval was obtained (and if, not, reasons for why) for: (i) the adoption of or amendment to, any Arrangement adopted or amended since the beginning of the issuer's last fiscal year; and (ii) for the amendment of any award since the beginning of the listed issuer's last fiscal year[6].

TSXV does not require disclosure regarding Arrangements in Meeting Materials for annual meetings. However, TSXV and security holder approval are required at the time an Arrangement is adopted and for amendments thereto. TSXV does not require pre-filing and clearance of Meeting Materials containing disclosure about Arrangements. For Approval Meetings, TSXV requires disclosure in the Meeting Materials of the particulars of an Arrangement in sufficient detail to permit security holders to form a reasoned judgment concerning the acceptability of the Arrangement. Policy 4.4 – *Incentive Stock Options* of the TSXV Corporate Finance Manual sets out examples of appropriate disclosure for a stock option plan:

[6] Aequitas Listing Manual, ss. 10.13(12) and (13).

- Eligibility;
- Maximum number or percentage of shares that may be reserved under the plan for issuance pursuant to the exercise of stock options;
- Plan limits for any person or category of persons, such as insiders;
- Method of determining option exercise price;
- Maximum term of options; and
- Expiry and termination provisions for options.

CSE does not have disclosure requirements for Arrangements beyond those set out in securities law.

Questions

In responding to any of the questions below, please explain your response.

1. Do proposed Section 613(d), Form 15 and the website requirements in Section 473 provide meaningful and sufficient disclosure in respect of Arrangements?

2. Are there any other key Disclosure Elements that should be included in Form 15? If so, should the disclosure be required in Meeting Materials for both Approval Meetings and Other Annual Meetings or for Approval Meetings only? Please consider the value of the additional disclosure in light of the efforts by the issuer to prepare the additional information.

3. Are there any disclosure items that should be removed from Form 15? If so, should the disclosure be removed from the Meeting Materials for both Approval Meetings and Other Annual Meetings?

4. Should the Disclosure Elements which are static terms of an Arrangement be required given that the information is available in an Arrangement on a listed issuer's website? I.e. Plan Maximum, Eligibility and Vesting. Please consider whether these items ought to be excluded for Approval Meetings and/or Other Annual Meetings?

5. Is the burn rate and the formula for calculating it useful and appropriate disclosure? In particular, is the use of the maximum payout of the multiplier appropriate? If not, please provide other measure would be preferable. Would it be more appropriate to permit the use of a historic midpoint payout of the multiplier, rather than the maximum?

6. Is it sufficient to have the burn rate only for the most recently completed year, rather than the last three years for both Approval Meetings and Other Annual Meetings?

Public Interest

TSX is publishing the Amendments for a thirty (30) day comment period, which expires ●, 2016. The Amendments will only become effective following public notice and the approval of the OSC.

APPENDIX A
BLACKLINES OF PUBLIC INTEREST AMENDMENTS

PART IV AMENDMENTS

461.3

[…]

If an issuer adopts a Policy to satisfy the Majority Voting Requirement, it must ~~fully describe the Policy on an annual basis, in its materials sent to holders of listed securities in connection with a meeting at which directors are being elected~~ post a copy of the Policy on its website in accordance with Sec. 473.

[…]

Website Disclosure of Security Holder Information

473. Listed issuers must maintain a publicly accessible website and post the following documents, as applicable:

(a) Constating documents including articles, trust indentures, partnership agreements, by-laws and other similar documents;

(b) Corporate policies that may impact meetings of security holders and voting, including advance notice and majority voting policies;

(c) Security holder rights plans, commonly known as poison pills;

(d) Security based compensation arrangements; and

(e) Corporate governance documents, including charters of board committees, code of ethical business conduct, position descriptions, board mandate, anti-corruption policies and other environmental and social policies and whistleblower policies.

The webpage(s) containing the above noted documents should be easily identifiable and accessible from the listed issuer's home page or investor relations page. If a listed issuer's website is shared with other issuers, each listed issuer should have a separate, dedicated webpage on the website.

PART VI AMENDMENTS

613.

[…]

Types of Security Based Compensation Arrangements

(b) ~~For the purposes of this~~ Section 613 applies to security based compensation arrangements ~~include;~~ which involve the issuance or potential issuance of securities from treasury, such as:

i) stock option plans ~~for the benefit of employees, insiders, service providers or any one of such groups~~;

ii) individual ~~stock options granted to employees, service providers or insiders~~awards if not granted pursuant to a plan previously approved by the listed issuer's security holders;

iii) stock purchase plans where the listed issuer provides financial assistance or where the listed issuer matches the whole or a portion of the securities being purchased;

iv) stock appreciation rights involving issuances of securities from treasury;

v) full value equity-based plans involving the issuance or potential issuances of securities of the listed issuer;

vi) any other compensation or incentive mechanism involving the issuance or potential issuances of securities of the listed issuer; and

~~vi~~vii) security purchases from treasury ~~by an employee, insider or service provider~~ which ~~is~~are financially assisted by the listed issuer by any means whatsoever.

For the purposes of this Section 613, "awards" include stock options, restricted stock, full value equity-based awards (restricted stock units, deferred stock units and performance stock units), share appreciation rights and other similar grants and entitlements. The majority of security based compensation arrangements take a form of "plans" which set out the general terms and conditions in respect to awards granted to employees, officers, directors or service providers.

For greater certainty, arrangements which do not involve the issuance from treasury or potential issuance from treasury of securities of the listed issuer are not security based compensation arrangements for the purposes of this Section 613.

For the purposes of Section 613, a "service provider" is a person or company engaged by the listed issuer to provide services for an initial, renewable or extended period of twelve months or more.

[…]

Disclosure Required when Seeking Security Holder Approval & Annually

(d) ~~Materials provided to security holders in respect of a meeting at which the approval of security based compensation arrangements will be requested must be pre-cleared with TSX. Such materials must provide disclosure, as of the date of the materials, in respect of:~~ On an annual basis and in connection with any security based compensation arrangement matter where security holder approval will be sought, listed issuers must disclose the items described in Form 15 – Disclosure of Security Based Compensation Arrangements in their information circular.

~~**(i)** the eligible participants under the arrangement;~~

~~**(ii)** each of the following, as applicable:~~

~~**i.** for plans with a fixed maximum number of securities issuable (A) the total number of securities issued and securities issuable under each arrangement and (B) this total as a percentage of the number of the listed issuer's securities currently outstanding,~~

~~**ii.** for plans with a fixed maximum percentage of securities issuable, the total number of securities issued and securities issuable under each arrangement as a percentage of the number of the listed issuer's securities currently outstanding, and~~

~~**iii.** the total number of securities issuable under actual grants or awards made and this total as a percentage of the number of the listed issuer's securities currently outstanding;~~

~~iii) the maximum percentage, if any, of securities under each arrangement available to insiders of the listed issuer;~~

~~iv) the maximum number of securities, if any, any one person or company is entitled to receive under each arrangement and the percentage of the listed issuer's currently outstanding capital represented by these securities;~~

~~v) subject to Section 613(h)(i), the method of determining the exercise price for securities under each arrangement;~~

~~vi) the method of determining the purchase price for securities under security purchase arrangements, with specific disclosure as to whether the purchase price could be below the market price of the securities;~~

~~vii) the formula for calculating market appreciation of stock appreciation rights;~~

~~viii) the ability for the listed issuer to transform a stock option into a stock appreciation right involving an issuance of securities from treasury;~~

~~ix) the vesting of stock options;~~

~~x) the term of stock options;~~

~~xi) the causes of cessation of entitlement under each arrangement, including the effect of an employee's termination for or without cause;~~

~~xii) the assignability of security based compensation arrangements benefits and the conditions for such assignability;~~

~~xiii) the procedure for amending each arrangement, including specific disclosure as to whether security holder approval is required for amendments;~~

~~xiv) any financial assistance provided by the listed issuer to participants under each arrangement to facilitate the purchase of securities under the arrangement, including the terms of such assistance;~~

~~xv) entitlements under each arrangement previously granted but subject to ratification by security holders; and~~

~~xvi) such other material information as may be reasonably required by a security holder to approve the arrangements.~~

~~Should a security based compensation arrangement not provide for the procedure for amending the arrangement,~~

Where security holder approval will be ~~required for such amendments, as provided for in Subsections 613(a) and (i). In addition, the votes attaching to any securities held by insiders who hold securities subject to the amendment will be excluded. Please see Subsection 613(l) for more information.~~ sought in connection with a security based compensation arrangement matter, the materials must be pre-cleared with TSX.

~~Annual Disclosure Requirements~~

~~(g) Listed issuers must disclose on an annual basis, in their information circulars, or other annual disclosure document distributed to all security holders, the terms of their security based compensation arrangements and any amendments that were adopted in the last fiscal year (this includes amendments to individual security agreements and amendments to security based compensation arrangements, including, in both instances, those assumed or created by the listed issuer as part of an acquisition). The information circular must provide disclosure in respect of each of the items in Section 613(d), as of the date of the circular, as well as the nature of the amendments adopted in the last fiscal year, including whether or not (and if not, why not) security holder approval was obtained for the amendment.~~

Amendment Procedures

(l) Security based compensation arrangements (including individual option or other security amendments) cannot be amended without obtaining security holder approval unless the arrangement contains a provision empowering the listed issuer's board of directors (who may delegate this to a committee of the board) to make the specific amendment. Security holder approval is required for the introduction of and subsequent amendments to, such amending provisions. ~~Disclosure provided to security holders voting on amending provisions, and annually, must state that security holder approval will not be required for amendments permitted by the provision.~~

PART XI AMENDMENTS

This section sets out the requirements that are specifically applicable to Non-Corporate Issuers.

In addition to the specific requirements outlined in this Part XI, Non-Corporate Issuers must also comply with the following sections of the Manual:

Part IV—MAINTAINING A LISTING

All Sections, other than Shareholders' Meeting and Proxy Solicitation (Sections 455–465) and Website Disclosure of Security Holder Information (Section 473).

Form 15
Disclosure of Security Based Compensation Arrangements

General Instructions:

This Form 15 sets out the disclosure requirements for security based compensation arrangements described in Subsection 613(b) of the TSX Company Manual. These arrangements may take the form of plans ("Plans") which set out the general terms and conditions of options, performance stock units, deferred stock units, restricted stock units or other awards (collectively, "Awards"); individual Awards not granted pursuant to a Plan; financially assisted purchases of securities; and other compensation or incentive mechanisms involving the issuance of equity securities. This form has been developed for the majority of Plans adopted by listed issuers. For arrangements other than Plans, the substantive elements of the information below should be disclosed, as applicable.

Presentation of the information should be in the following tabular format. However, where the information may be better presented in another format or where customization of the table would improve the disclosure of the information, the table may be modified. Issuers with multiple or omnibus Plans which allow for the issuance of a variety of Awards may choose to use multiple columns or separate tables for disclosure.

For annual security holder meetings, the information should be prepared as at the end of the most recently completed fiscal year. For other security holder meetings where security holder approval will be sought in connection with a security based compensation arrangement matter, the information should be prepared as at the date of the materials, unless otherwise noted.

Questions regarding the content or presentation of information may be directed to your Listed Issuer Services Senior Manager:

http://www.tsx.com/listings/tsx-and-tsxv-issuer-resources/tsx-issuer-resources/tsx-listings-staff

Plan Information Item	**Description** **Instructions and guidance notes**
Plan Maximum	Disclose the maximum number of securities issuable under the Plan, expressed as a fixed number or fixed percentage of the number of issued and outstanding securities[i]. Where the Plan maximum is expressed as a fixed number, include the percentage this number represents relative to the number of issued and outstanding securities[i].
Outstanding Awards	Disclose the number of outstanding Awards under the Plan, together with the percentage this number represents relative to the number of issued and outstanding securities[i]. If the Award includes a multiplier, the maximum payout of the multiplier should be used to calculate the number of listed securities issuable and the percentage this number represents relative to the number of issued and outstanding securities[i]. Details regarding the multiplier should be included in a footnote.
Burn Rate	This information may be omitted for the first fiscal year of newly adopted Plans, but must be included for new Plans adopted in replacement of similar Plans. Disclose the annual burn rate of the Plan, calculated as follows and expressed as a percentage: $\frac{\text{Number of Awards granted under the Plan, net of any cancellations during the most recently completed fiscal year X multiplier, if applicable}}{\text{Number of issued and outstanding securities as at the beginning of the most recently completed fiscal year}}$ If the Award includes a multiplier, the maximum payout of the multiplier should be used for the calculation. Details in respect to the multiplier should be provided in a footnote. The annual burn rate for the most recently completed fiscal year should be disclosed for the purposes of annual disclosure. The annual burn rate for each of the three

Plan Information Item	Description Instructions and guidance notes
	most recently completed fiscal years should be disclosed where security holder approval is being sought with respect to a Plan. Where the Plan has not existed for last three fiscal years (including predecessor plans which were similar) or was approved by security holders within the last three fiscal years, disclose the annual burn rate for each of the fiscal years completed since adoption or the most recent security holder approval.
Eligibility	Disclose the eligible participants under the Plan such as directors, non-executive directors, officers, employees, consultants, etc.
Vesting	Disclose whether the Awards under the Plan are subject vesting provisions, a summary of default vesting provisions (if any applicable) and whether vesting is time and/or performance based.
Amendments	Disclose any amendments to Awards or the Plan that were made without security holder approval in the most recently completed fiscal year.
Other Key Terms	This information may be omitted where security holder approval is not being sought in connection with a security based compensation arrangement matter. Disclose any other key terms of the plan in sufficient detail to enable reasonable security holders to form a reasoned judgment whether to approve the Plan or amendments thereto. This item may be presented in a narrative or tabular format. Issuers using a tabular format should consider using a separate line item for each key term.
Obtaining a Copy of the Plan	Section 473 requires that a copy of the Plan be made available on the issuer's website. Include a hyperlink or webpage address as well as a description of the location on the issuer's website where the Plan can be found.

[i] Issuers with more than one class of participating securities may combine the number of issued and outstanding securities of each class provided that the class of securities issuable under the arrangement does not have a greater voting and/or equity entitlement as the other class(es) of participating securities.

APPENDIX B
CLEAN VERSION OF PUBLIC INTEREST AMENDMENTS

PART IV AMENDMENTS

461.3

[…]

If an issuer adopts a Policy to satisfy the Majority Voting Requirement, it must post a copy of the Policy on its website in accordance with Sec. 473.

[…]

Website Disclosure of Security Holder Information

473. Listed issuers must maintain a publicly accessible website and post the following documents, as applicable:

(a) Constating documents including articles, trust indentures, partnership agreements, by-laws and other similar documents;

(b) Corporate policies that may impact meetings of security holders and voting, including advance notice and majority voting policies;

(c) Security holder rights plans, commonly known as poison pills;

(d) Security based compensation arrangements; and

(e) Corporate governance documents, including charters of board committees, code of ethical business conduct, position descriptions, board mandate, anti-corruption policies and other environmental and social policies and whistleblower policies.

The webpage(s) containing the above noted documents should be easily identifiable and accessible from the listed issuer's home page or investor relations page. If a listed issuer's website is shared with other issuers, each listed issuer should have a separate, dedicated webpage on the website.

PART VI AMENDMENTS

613.

[…]

Types of Security Based Compensation Arrangements

(b) Section 613 applies to security based compensation arrangements which involve the issuance or potential issuance of securities from treasury, such as:

i) stock option plans;

ii) individual awards if not granted pursuant to a plan previously approved by the listed issuer's security holders;

iii) stock purchase plans where the listed issuer provides financial assistance or where the listed issuer matches the whole or a portion of the securities being purchased;

iv) stock appreciation rights involving issuances of securities from treasury;

v) full value equity-based plans involving the issuance or potential issuances of securities of the listed issuer;

vi) any other compensation or incentive mechanism involving the issuance or potential issuances of securities of the listed issuer; and

vii) security purchases from treasury which are financially assisted by the listed issuer by any means whatsoever.

For the purposes of this Section 613, “awards” include stock options, restricted stock, full value equity-based awards (restricted stock units, deferred stock units and performance stock units), share appreciation rights and other similar grants and entitlements. The majority of security based compensation arrangements take a form of “plans” which set out the general terms and conditions in respect to awards granted to employees, officers, directors or service providers.

For greater certainty, arrangements which do not involve the issuance from treasury or potential issuance from treasury of securities of the listed issuer are not security based compensation arrangements for the purposes of this Section 613.

For the purposes of Section 613, a “service provider” is a person or company engaged by the listed issuer to provide services for an initial, renewable or extended period of twelve months or more.

[…]

Disclosure Required when Seeking Security Holder Approval & Annually

(d) On an annual basis and in connection with any security based compensation arrangement matter where security holder approval will be sought, listed issuers must disclose the items described in Form 15 – Disclosure of Security Based Compensation Arrangements in their information circular.

Where security holder approval will be sought in connection with a security based compensation arrangement matter, the materials must be pre-cleared with TSX.

Amendment Procedures

(l) Security based compensation arrangements (including individual option or other security amendments) cannot be amended without obtaining security holder approval unless the arrangement contains a provision empowering the listed issuer's board of directors (who may delegate this to a committee of the board) to make the specific amendment. Security holder approval is required for the introduction of and subsequent amendments to, such amending provisions.

PART XI AMENDMENTS

This section sets out the requirements that are specifically applicable to Non-Corporate Issuers.

In addition to the specific requirements outlined in this Part XI, Non-Corporate Issuers must also comply with the following sections of the Manual:

Part IV—MAINTAINING A LISTING

All Sections, other than Shareholders’ Meeting and Proxy Solicitation (Sections 455–465) and Website Disclosure of Security Holder Information (Section 473).

Form 15
Disclosure of Security Based Compensation Arrangements

General Instructions:

This Form 15 sets out the disclosure requirements for security based compensation arrangements described in Subsection 613(b) of the TSX Company Manual. These arrangements may take the form of plans ("Plans") which set out the general terms and conditions of options, performance stock units, deferred stock units, restricted stock units or other awards (collectively, "Awards"); individual Awards not granted pursuant to a Plan; financially assisted purchases of securities; and other compensation or incentive mechanisms involving the issuance of equity securities. This form has been developed for the majority of Plans adopted by listed issuers. For arrangements other than Plans, the substantive elements of the information below should be disclosed, as applicable.

Presentation of the information should be in the following tabular format. However, where the information may be better presented in another format or where customization of the table would improve the disclosure of the information, the table may be modified. Issuers with multiple or omnibus Plans which allow for the issuance of a variety of Awards may choose to use multiple columns or separate tables for disclosure.

For annual security holder meetings, the information should be prepared as at the end of the most recently completed fiscal year. For other security holder meetings where security holder approval will be sought in connection with a security based compensation arrangement matter, the information should be prepared as at the date of the materials, unless otherwise noted.

Questions regarding the content or presentation of information may be directed to your Listed Issuer Services Senior Manager:

http://www.tsx.com/listings/tsx-and-tsxv-issuer-resources/tsx-issuer-resources/tsx-listings-staff

Plan Information Item	**Description** **Instructions and guidance notes**
Plan Maximum	Disclose the maximum number of securities issuable under the Plan, expressed as a fixed number or fixe percentage of the number of issued and outstanding securities[i]. Where the Plan maximum is expressed as a fixed number, include the percentage this number represents relative to the number of issued and outstanding securities[i].
Outstanding Awards	Disclose the number of outstanding Awards under the Plan, together with the percentage this number represents relative to the number of issued and outstanding securities[i]. If the Award includes a multiplier, the maximum payout of the multiplier should be used to calculate the number of listed securities issuable and the percentage this number represents relative to the number of issued and outstanding securities[i]. Details regarding the multiplier should be included in a footnote.
Burn Rate	This information may be omitted for the first fiscal year of newly adopted Plans, but must be included for new Plans adopted in replacement of similar Plans. Disclose the annual burn rate of the Plan, calculated as follows and expressed as a percentage: $\frac{\text{Number of Awards granted under the Plan, net of any cancellations during the most recently completed fiscal year X multiplier, if applicable}}{\text{Number of issued and outstanding securities as at the beginning of the most recently completed fiscal year}}$ If the Award includes a multiplier, the maximum payout of the multiplier should be used for the calculation. Details in respect to the multiplier should be provided in a footnote. The annual burn rate for the most recently completed fiscal year should be disclosed for the purposes of annual disclosure. The annual burn rate for each of the three most recently completed fiscal years should be disclosed where security holder

Plan Information Item	Description Instructions and guidance notes
	approval is being sought with respect to a Plan. Where the Plan has not existed for last three fiscal years (including predecessor plans which were similar) or was approved by security holders within the last three fiscal years, disclose the annual burn rate for each of the fiscal years completed since adoption or the most recent security holder approval.
Eligibility	Disclose the eligible participants under the Plan such as directors, non-executive directors, officers, employees, consultants, etc.
Vesting	Disclose whether the Awards under the Plan are subject vesting provisions, a summary of default vesting provisions (if any applicable) and whether vesting is time and/or performance based.
Amendments	Disclose any amendments to Awards or the Plan that were made without security holder approval in the most recently completed fiscal year.
Other Key Terms	This information may be omitted where security holder approval is not being sought in connection with a security based compensation arrangement matter. Disclose any other key terms of the plan in sufficient detail to enable reasonable security holders to form a reasoned judgment whether to approve the Plan or amendments thereto. This item may be presented in a narrative or tabular format. Issuers using a tabular format should consider using a separate line item for each key term.
Obtaining a Copy of the Plan	Section 473 requires that a copy of the Plan be made available on the issuer's website. Include a hyperlink or webpage address as well as a description of the location on the issuer's website where the Plan can be found.

[i] Issuers with more than one class of participating securities may combine the number of issued and outstanding securities of each class provided that the class of securities issuable under the arrangement does not have a greater voting and/or equity entitlement as the other class(es) of participating securities.

13.3 Clearing Agencies

13.3.1 CDS – Technical Amendments to CDS Procedures – Entitlement payments for Depository Trust Company-registered securities offering a Canadian-Dollar Payment Option – Notice of Effective Date

NOTICE OF EFFECTIVE DATE

TECHNICAL AMENDMENTS TO CDS PROCEDURES

ENTITLEMENT PAYMENTS FOR
DEPOSITORY TRUST COMPANY-REGISTERED SECURITIES
OFFERING A CANADIAN-DOLLAR PAYMENT OPTION

The Ontario Securities Commission is publishing *Notice of Effective Date – Technical Amendments to CDS Procedures – Entitlement payments for Depository Trust Company-registered securities offering a Canadian-Dollar Payment Option*. The CDS procedure amendments were reviewed and approved by CDS's strategic development review committee (SDRC) on April 28, 2016. CDS has determined that these amendments will become effective on June 1, 2016.

A copy of the CDS notice can be found on the OSC website: http://www.osc.gov.on.ca.

13.3.2 CDCC – Amendments to Operations Manual to Add Netting Cycles – OSC Staff Notice of Request for Comment

OSC STAFF NOTICE OF REQUEST FOR COMMENT

CANADIAN DERIVATIVES CLEARING CORPORATION (CDCC)

AMENDMENTS TO OPERATIONS MANUAL TO ADD NETTING CYCLES

The Ontario Securities Commission is publishing for public comment the proposed amendments to the CDCC's operations manual. The purpose of the proposed amendments is to add three (3) Netting Cycles for the Fixed-Income underlying settlements to the Business Day.

The comment period ends May 27, 2016.

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

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