The Ontario Securities Commission

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

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

AND

IN THE MATTER OF
THE FALLS CAPITAL CORP.,
DEERCREST CONSTRUCTION FUND INC.,
WEST KARMA LTD. and
RODNEY JACK WHARRAM

NOTICE OF HEARING
(Subsections 127(1) and 127(10) of the Securities Act)

TAKE NOTICE THAT the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to subsections 127(1) and 127(10) of the *Securities Act*, RSO 1990, c S.5 (the "*Act*"), at the offices of the Commission, 20 Queen Street West, 17th Floor, commencing on August 29, 2016 at 10:00 a.m., or as soon thereafter as the hearing can be held;

TO CONSIDER whether, pursuant to subsection 127(1) and paragraph 4 of subsection 127(10) of the *Act*, it is in the public interest for the Commission to make an order:

1. against Rodney Jack Wharram ("Wharram") that:

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

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

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

    d. Wharram be prohibited permanently from becoming or acting as a director or officer of any issuer, registrant or investment fund manager, pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the *Act*; and

    e. Wharram be prohibited permanently from becoming or acting as a registrant, investment fund manager or promoter, pursuant to paragraph 8.5 of subsection 127(1) of the *Act*;

2. against The Falls Capital Corp. ("The Falls") that:

    a. trading in any securities of The Falls cease permanently, pursuant to paragraph 2 of subsection 127(1) of the *Act*;

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

    c. the acquisition of any securities by The Falls be prohibited permanently, pursuant to paragraph 2.1 of subsection 127(1) of the *Act*; and

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

3. against Deercrest Construction Fund Inc. ("Deercrest") that:

    a. trading in any securities of Deercrest cease permanently, pursuant to paragraph 2 of subsection 127(1) of the *Act*;

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

    c. the acquisition of any securities by Deercrest be prohibited permanently, pursuant to paragraph 2.1 of subsection 127(1) of the *Act*; and

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

4. against West Karma Ltd. ("West Karma") that:

    a. trading in any securities of West Karma cease permanently, pursuant to paragraph 2 of subsection 127(1) of the *Act*;

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

    c. the acquisition of any securities by West Karma be prohibited permanently, pursuant to paragraph 2.1 of subsection 127(1) of the *Act*; and

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

5. such other orders as the Commission considers appropriate.

BY REASON of the allegations set out in the Statement of Allegations of Staff of the Commission dated August 2, 2016, and by reason of an Order of the British Columbia Securities Commission dated November 25, 2015, and such additional allegations as counsel may advise and the Commission may permit;

AND TAKE FURTHER NOTICE that at the hearing on August 29, 2016 at 10:00 a.m., Staff will bring an application to proceed with the matter by written hearing, in accordance with Rule 11 of the Ontario Securities Commission's *Rules of Procedure* (2014), 37 OSCB 4168 and section 5.1 of the *Statutory Powers Procedure Act,* RSO 1990, c S.22, and any party to the proceeding may make submissions in respect of the application to proceed by written hearing;

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

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

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

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

DATED at Toronto this 2nd day of August, 2016.

"Carolyn Slon"
per: Robert Blair
Acting Secretary to the Commission

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

AND

IN THE MATTER OF
THE FALLS CAPITAL CORP.,
DEERCREST CONSTRUCTION FUND INC.,
WEST KARMA LTD. and
RODNEY JACK WHARRAM

STATEMENT OF ALLEGATIONS OF
STAFF OF THE ONTARIO SECURITIES COMMISSION

Staff of the Ontario Securities Commission ("Staff") allege:

I. OVERVIEW

1. The Falls Capital Corp. ("Falls"), Deercrest Construction Fund Inc. ("Deercrest"), and West Karma Ltd. ("West Karma") (each incorporated in Alberta), and Rodney Jack Wharram ("Wharram") (collectively, the "Respondents") are subject to an order made by the British Columbia Securities Commission (the "BCSC") dated November 25, 2015 (the "BCSC Order") that imposes sanctions, conditions, restrictions or requirements upon them.

2. In its findings on liability dated February 11, 2015, together with its supplementary findings on liability dated March 2, 2015 (collectively, the "Findings"), a panel of the BCSC (the "BCSC Panel") found that each of the Respondents perpetrated a fraud in contravention of section 57(b) of the British Columbia *Securities Act*, RSBC 1996, c 418 ("BC Act"). The BCSC Panel further found that Wharram made false statements to BCSC investigators, contrary to section 168.1(1)(a) of the BC Act.

3. Staff are seeking an inter-jurisdictional enforcement order, pursuant to paragraph 4 of subsection 127(10) of the Ontario *Securities Act*, RSO 1990, c S.5 (the "Act").

II. THE BCSC PROCEEDINGS

The BCSC Findings

<u>The Falls Capital Corp. Investments</u>

4. The conduct for which the Respondents were sanctioned took place between approximately 2007 and 2013 (the "Material Time").

5. At the time of the BCSC proceedings, Wharram was a resident of British Columbia. Wharram has never been registered in any capacity under the BC Act. During the Material Time, the BCSC Panel found Wharram was the President and a director, and the directing mind of, each of Falls, Deercrest and West Karma.

6. Falls, Deercrest and West Karma have never been registered in any capacity under the BC Act, and have never filed a prospectus under the BC Act.

7. In 2007, Wharram began to raise funds through Falls to lend to a developer, Blackburn Developments Ltd. ("Blackburn"). Blackburn was the developer of a mixed-use recreational property (the "Falls Resort") in Chilliwack, British Columbia. The Falls Resort development was to include residential units, with recreational and retail enhancements, to an existing golf course.

8. In October 2007 and in October 2008, Falls promoted and sold its securities by issuing Offering Memoranda (the "Falls OMs"), offering investors an opportunity to acquire units at a price of $100 per unit. Each unit comprised one non-voting share of Falls (priced at $1), and a 5% bond issued by Falls (priced at $99). The Falls OMs provided that funds raised would be loaned to meet Falls' financial contribution obligations pursuant to joint venture agreements with four entities (the "Joint Venture Entities"), to facilitate funding of the Falls Resort. Notwithstanding the description of the use of proceeds in the Falls OMs, funds raised were provided directly to Blackburn, and not the Joint Venture Entities.

9. The Falls OMs also provided that West Karma would promote and sell the offering, and, in return, West Karma was to receive a percentage of funds provided to the joint ventures. The Falls OMs further provided that the Joint Venture

Entities would pay West Karma after Falls advanced them funds. Notwithstanding this provision in the Falls OMs, Falls paid West Karma directly from investor funds.

10. The BCSC Panel found that a total of $5,442,400 was raised from investors under the Falls OMs, and that Falls provided $2.3 million, directly and indirectly, to Blackburn (as described further at paragraph 16 below). The BCSC Panel further found that $75,000 of the funds were transferred from a Falls bank account into a West Karma account, and subsequently withdrawn by Wharram to purchase a house, and not repaid to Falls.

Deercrest Construction Fund Inc. Investments

11. In 2009, Wharram, through Deercrest, also raised funds to develop townhomes and a new golf course clubhouse at the Falls Resort. Deercrest issued an Offering Memorandum on March 2, 2009, and an amended Offering Memorandum on March 31, 2010 (the "Deercrest OMs"), offering investors the opportunity to acquire $1,000 bonds with a 12% interest rate. The Deercrest OMs provided that funds raised would be loaned to Deercrest Resort and Clubhouse Ltd. (which was referred to in the Deercrest OMs as the "Developer.") Notwithstanding the description of the use of proceeds in the Deercrest OMs, Blackburn was the developer of the townhomes. Funds raised were provided by Deercrest directly Blackburn.

12. The Deercrest OMs also provided that West Karma was responsible for paying any commissions, and other expenses, associated with the sale of the Deercrest offering. During the BCSC's investigation, Wharram stated that 10% of the Deercrest offering was paid to West Karma as reimbursement for commissions, and, as later agreed by Blackburn, that commission increased to 12%.

13. The BCSC Panel found that a total of $3,953,000 was raised from investors under the Deercrest OMs, and that Deercrest provided $1.6 million to Blackburn (as described further at paragraph 17 below).

14. The BCSC Panel further found that $130,000 was transferred from Deercrest bank accounts into a West Karma account. Wharram then withdrew $170,000 from the West Karma account and used the funds to purchase a house, which funds have not been repaid. The BCSC Panel also found that Wharram used other monies in Deercrest's bank accounts, including $24,000 to purchase a ring for his wife and another $240,000 as a loan to his wife to invest in a grocery store, neither of which were repaid.

Bankruptcy – Blackburn Developments Ltd.

15. In February 2011, Blackburn was granted bankruptcy protection. In March 2012, a receiver was appointed over its affairs. During 2011, Falls, Deercrest and West Karma filed claims against Blackburn in its bankruptcy proceedings.

16. Falls and the Joint Ventures Entities filed claims against Blackburn for a total of $2,302,332.75. The BCSC Panel found that Falls provided $2.3 million, directly and indirectly, to Blackburn.

17. Deercrest filed a claim against Blackburn for $1,636,000. The BCSC Panel found that Deercrest provided $1.636 million to Blackburn.

18. In September 2011, Falls sold its creditor claims against Blackburn to a third party for $64,000, and proceeds of the sale were deposited in a Falls' bank account. Wharram spent $47,500 of those proceeds on personal expenses and his family members.

False Statements – BCSC Investigation

19. In March 2013, Wharram made false statements, concerning raising of funds from investors, to a BCSC investigator during the course of the BCSC's investigation. While Wharram stated he had not raised any funds from investors in 2013, he had in fact, raised a total of approximately $490,000.

20. In its Findings, the BCSC Panel concluded that:

    a. Wharram and Falls breached section 57(b) of the BC Act when they took $47,500 directly from a Falls' bank account and used it for Wharram's personal expenses;

    b. Wharram, West Karma and Falls breached section 57(b) of the BC Act when they took $75,000 from Falls, deposited it into a West Karma account and then used it for Wharram's personal expenses;

c. Wharram, West Karma and Deercrest breached section 57(b) of the BC Act when they took $130,000 from Deercrest, deposited the funds into a West Karma account and then used them for Wharram's personal expenses; and

d. Wharram and Deercrest breached section 57(b) of the BC Act when they took $265,000 directly from Deercrest's bank accounts and used the funds for Wharram's personal expenses; and

e. Wharram contravened section 168.1(1)(a) of the BC Act when he made false statements to BCSC investigators.

The BCSC Order

21. The BCSC Order imposed the following sanctions, conditions, restrictions or requirements upon the Respondents:

a. against Wharram:

i. under section 161(1)(b) of the BC Act, that he cease trading permanently, and be permanently prohibited from purchasing any securities or exchange contracts;

ii. under section 161(1)(d)(i) and (ii) of the BC Act, that he resign any position that he holds as, and be prohibited from becoming or acting as, a director or officer of any issuer, registrant, or investment fund manager;

iii. under section 161(1)(d)(iii) of the BC Act, that he be permanently prohibited from becoming or acting as a registrant, investment fund manager or promoter;

iv. under section161(1)(d)(iv) of the BC Act, that he be permanently prohibited from acting in a management or consultative capacity in connection with activities in the securities market;

v. under section 161(1)(d)(v) of the BC Act, that he be permanently prohibited from engaging in investor relations activities;

vi. under section 161(1)(g) of the BC Act, that he pay to the BCSC $517,500; and

vii. under section 162 of the BC Act, that he pay an administrative penalty of $500,000;

b. against Falls:

i. under section 161(1)(b) of the BC Act, that all persons cease trading permanently, and be permanently prohibited from purchasing any of its securities;

ii. under section 161(1)(b) of the BC Act, that it cease trading permanently, and be permanently prohibited from purchasing any securities or exchange contracts;

iii. under section 161(1)(d)(iii) of the BC Act, that it be permanently prohibited from becoming or acting as a registrant, investment fund manager or promoter;

iv. under section 161(1)(d)(v) of the BC Act, that it be permanently prohibited from engaging in investor relations activities; and

v. under section 161(1)(g) of the BC Act, that it pay to the BCSC $517,500;

c. against Deercrest:

i. under section 161(1)(b) of the BC Act, that all persons cease trading permanently, and be permanently prohibited from purchasing any of its securities;

ii. under section 161(1)(b) of the BC Act, that it cease trading permanently, and be permanently prohibited from purchasing any securities or exchange contracts;

iii. under section 161(1)(d)(iii) of the BC Act, that it be permanently prohibited from becoming or acting as a registrant, investment fund manager or promoter;

iv. under section 161(1)(d)(v) of the BC Act, that it be permanently prohibited from engaging in investor relations activities; and

v. under section 161(1)(g) of the Act, that it pay to the BCSC $517,500;

d. against West Karma:

i. under section 161(1)(b) of the BC Act, that all persons cease trading permanently, and be permanently prohibited from purchasing any of its securities;

ii. under section 161(1)(b) of the BC Act, that it cease trading permanently, and be permanently prohibited from purchasing any securities or exchange contracts;

iii. under section 161(1)(d)(iii) of the BC Act, that it be permanently prohibited from becoming or acting as a registrant, investment fund manager or promoter;

iv. under section 161(1)(d)(v) of the BC Act, that it be permanently prohibited from engaging in investor relations activities; and

v. under section 161(1)(g) of the BC Act, that it pay to the BCSC $517,500; and

e. Wharram, Falls, Deercrest and West Karma be jointly and severally liable for the $517,500 ordered under section 161(1)(g) of the BC Act and that no amount in excess of $517,500 be paid by them under those orders.

III. JURISDICTION OF THE ONTARIO SECURITIES COMMISSION

22. The Respondents are subject to an order of the BCSC imposing sanctions, conditions, restrictions or requirements upon them.

23. Pursuant to paragraph 4 of subsection 127(10) of the Act, an order made by a securities regulatory authority, derivatives regulatory authority or financial regulatory authority, in any jurisdiction, that imposes sanctions, conditions, restrictions or requirements on a person or company may form the basis for an order in the public interest made under subsection 127(1) of the Act.

24. Staff allege that it is in the public interest to make an order against the Respondents.

25. Staff reserve the right to amend these allegations and to make such further and other allegations as Staff deem fit and the Commission may permit.

26. Staff request that this application be heard by way of a written hearing pursuant to Rules 2.6 and 11 of the Ontario Securities Commission's Rules of Procedure.

DATED at Toronto, this 2nd day of August, 2016.

1.3.2 Douglas John Vermeeren – ss. 127(1), 127(10)

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

AND

IN THE MATTER OF
DOUGLAS JOHN VERMEEREN

NOTICE OF HEARING
(Subsections 127(1) and 127(10) of the Securities *Act*)

TAKE NOTICE THAT the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to subsections 127(1) and 127(10) of the *Securities Act*, RSO 1990, c S.5 (the "*Act*"), at the offices of the Commission, 20 Queen Street West, 17th Floor, commencing on August 29, 2016 at 10:30 a.m., or as soon thereafter as the hearing can be held;

TO CONSIDER whether, pursuant to subsection 127(1) and paragraph 5 of subsection 127(10) of the *Act*, it is in the public interest for the Commission to make an order:

1. against Douglas John Vermeeren ("Vermeeren") that:

   a. trading in any securities or derivatives by Vermeeren cease until June 14, 2026, pursuant to paragraph 2 of subsection 127(1) of the *Act*, except that:

      i. Vermeeren is not precluded, in his personal capacity or for the benefit of his family only, from trading in exchange-listed securities through a registrant (who has first been given a copy of the Settlement Agreement and Undertaking between Vermeeren and the Alberta Securities Commission dated June 14, 2016 (the "Settlement Agreement"), and a copy of the Order of the Commission in this proceeding, if granted) in one or more personal or family accounts maintained with that registrant;

   b. the acquisition of any securities by Vermeeren cease until June 14, 2026, pursuant to paragraph 2.1 of subsection 127(1) of the *Act*, except that:

      i. Vermeeren is not precluded, in his personal capacity or for the benefit of his family only, from purchasing exchange-listed securities through a registrant (who has first been given a copy of the Settlement Agreement, and a copy of the Order of the Commission in this proceeding, if granted) in one or more personal or family accounts maintained with that registrant;

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

   d. Vermeeren be prohibited until June 14, 2026 from becoming or acting as a director or officer of any issuer, registrant or investment fund manager, pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the *Act*, except that he may become or continue to act as a director or officer (or both) of any issuer that does not issue or propose to issue securities to the public; and

2. such other orders as the Commission considers appropriate.

BY REASON of the allegations set out in the Statement of Allegations of Staff of the Commission dated August 2, 2016, and by reason of the Settlement Agreement, and such additional allegations as counsel may advise and the Commission may permit;

AND TAKE FURTHER NOTICE that at the hearing on August 29, 2016 at 10:30 a.m., Staff will bring an application to proceed with the matter by written hearing, in accordance with Rule 11 of the Ontario Securities Commission's *Rules of Procedure* (2014), 37 OSCB 4168 and section 5.1 of the *Statutory Powers Procedure Act*, RSO 1990, c S.22, and any party to the proceeding may make submissions in respect of the application to proceed by written hearing;

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

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

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

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

DATED at Toronto this 2nd day of August, 2016.

"Carolyn Slon"
per: Robert Blair
Acting Secretary to the Commission

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

AND

IN THE MATTER OF
DOUGLAS JOHN VERMEEREN

STATEMENT OF ALLEGATIONS OF
STAFF OF THE ONTARIO SECURITIES COMMISSION

Staff of the Ontario Securities Commission ("Staff") allege:

I. OVERVIEW

1. On June 14, 2016, Douglas John Vermeeren ("Vermeeren" or the "Respondent") entered into a Settlement Agreement and Undertaking with the Alberta Securities Commission (the "ASC") (the "Settlement Agreement").

2. Pursuant to the Settlement Agreement, Vermeeren agreed to certain undertakings and to be made subject to sanctions, conditions, restrictions or requirements within the province of Alberta.

3. Staff are seeking an inter-jurisdictional enforcement order reciprocating the Settlement Agreement, pursuant to paragraph 5 of subsection 127(10) of the Ontario *Securities Act*, RSO 1990, c S.5 (the "Act").

II. THE ASC PROCEEDINGS

Agreed Facts

4. In the Settlement Agreement, Vermeeren agreed with the following facts:

Parties

5. The Respondent is a resident of Calgary, Alberta. At all material times, the Respondent was the sole director and officer of Calgary-based Monthly Millionaire Mentor Ltd. ("MMM").

Circumstances

Illegal Trading

6. From approximately December 2011 to April 2014, the Respondent entered into loan agreements, some evidenced by promissory notes (the "Loan Agreements"), with at least 43 investors from Alberta and elsewhere in Canada. The Respondent raised in excess of $735,000 pursuant to the Loan Agreements.

7. The terms of the Loan Agreements varied from 3 to 24 months at varying interest rates of 7% to 10%. The Loan Agreements named either the Respondent, MMM or the Respondent's trade name, Business Boost, as the "Borrower."

8. Some investors received periodic updates entitled "Investment Report" from the Respondent. The Investment Reports indicated the total amount of returns on each investment as well as details of the investment, including the "investment description," "investment date," and "investment amount."

9. Investors understood that their funds would be used for loans to third parties, usually small businesses. The Investment Reports described these loans as "venture capital lending."

10. The Respondent gave presentations to potential investors, met with investors, handled investor money and communicated with investors regarding their investments.

11. Investors provided money to the Respondent, to be used by the Respondent, to gain profit from third party lending or "venture capital lending." The investors expected the Respondent to make the efforts required to satisfy the obligations to pay interest on the monies given to the Respondent. Investors were not required to do anything whatsoever to help generate the profits other than to provide their investment funds to the Respondent. The venture capital lending was to be a common enterprise, with investors relying significantly on the efforts of the Respondent to realize the expected profits.

12. The investments detailed above constituted trades in securities, as those terms are defined in the Alberta *Securities Act*, RSA 2000, c S-4 (the "Alberta Act"). Further, the Respondent, by his conduct, was engaging in, or holding himself out as engaging in, the business of trading in securities or exchange contracts. These securities had not been previously issued, and these trades were distributions under the Alberta Act.

13. At all material times, neither the Respondent nor MMM was registered as a dealer in accordance with Alberta securities laws.

14. At the time of and in relation to the trades described above, no preliminary prospectus and no final prospectus had been filed with or receipted by the Executive Director of the ASC.

Misleading or Untrue Statements

15. The Respondent made statements to an investor or investors that he knew or reasonably ought to know were misleading or untrue. The Respondent stated that:

    a. the invested funds would be used for "capital lending" or "venture capital lending"; and

    b. there were no risks associated with the investment or that their investments were "guaranteed"; and the Respondent never lost money for investors.

16. The Respondent made knowingly, or ought reasonably to have known that, the statements referred to in paragraph 15 were misleading or untrue, in that:

    a. a portion of the invested funds was used to pay personal expenses of the Respondent or to pay returns to prior investors; and

    b. there was no basis for the representation that the investments involved no risk nor were guaranteed; and some investors lost some or all of the amounts invested with the Respondent.

Fraud

17. The Respondent directly or indirectly engaged or participated in acts, practices, or courses of conduct relating to the aforementioned securities that he knew or reasonably ought to have known would perpetrate a fraud on investors. The particulars of the fraudulent conduct engaged by the Respondent include commingling investor funds into the Respondent's personal account and corporate accounts controlled by the Respondent. Some funds from these accounts were used for personal expenditures and to pay investors. The Respondent did not keep adequate accounting records, making it difficult to determine the precise scope of the fraudulent use of investor funds.

18. Some of the investor funds were used for third party lending.

Breach of Alberta Securities Commission Order

19. On March 14, 2013, the ASC issued an interim cease trade order (the "ICTO") against MMM and the Respondent. The ICTO was extended "until an enforcement proceeding in this matter is concluded and a decision rendered [by the ASC] …".

20. The Respondent raised funds from additional investors in breach of the ICTO.

Admitted Breaches of Alberta Securities Laws

21. Based on the Agreed Facts, the Respondent admits he:

    a. breached section 75(1)(a) of the Alberta Act by trading in securities without being registered and without an exemption from that requirement;

    b. breached section 110(1) of the Alberta Act by trading securities without filing a preliminary prospectus or a prospectus and without an exemption from that requirement;

    c. breached section 93(b) of the Alberta Act by directly or indirectly engaging or participating in an act, practice, or course of conduct relating to the aforementioned securities that he knew or reasonably ought to have known perpetrated a fraud on investors;

d. breached subsection 92(4.1) of the Alberta Act by making statements that he knew or reasonably ought to have known were misleading or untrue, or which failed to state a fact necessary to make a statement not misleading, and which would reasonably be expected to have a significant effect on the market price or value of the aforementioned securities; and

e. breached section 93.1 of the Alberta Act by trading in and distributing securities in contravention of an ASC Order banning him from doing so.

The Settlement Agreement and Undertakings

22. Pursuant to the Settlement Agreement, Vermeeren agreed to certain undertakings and to be made subject to sanctions, conditions, restrictions or requirements within the province of Alberta. Vermeeren agreed and undertook to:

a. Pay to the ASC the total amount of $120,000 in settlement of all allegations against him, and $10,000 for the costs of the ASC's investigation;

b. Cease trading in and purchasing securities or derivatives for a period of ten years from the execution of the Settlement Agreement, except that this does not preclude the Respondent, in his personal capacity of for the benefit of his family only, from trading in or purchasing exchange-listed securities through a registrant (who has first been given a copy of the Settlement Agreement) in one or more personal or family accounts maintained with that registrant;

c. Resign from any positions that he holds as a director or officer of any issuer, registrant or investment fund manager in Alberta or elsewhere in Canada, and refrain from becoming or acting as a director or officer (or both) of any issuer, registrant or investment fund manager in Alberta or elsewhere in Canada, for a period of ten years, except that he may become or continue to act as a director or officer (or both) of any issuer that does not issue or propose to issue securities to the public; and

d. Enter into or consent to, and have his spouse enter into or consent to, such further and other agreements or documents required by the Executive Director of the ASC, or his delegate, to implement and secure the orderly payment of the $130,000.

III. JURISDICTION OF THE ONTARIO SECURITIES COMMISSION

23. The Respondent is subject to an order of the ASC imposing sanctions, conditions, restrictions or requirements upon him.

24. Pursuant to paragraph 5 of subsection 127(10) of the Act, an agreement with a securities regulatory authority, derivatives regulatory authority or financial regulatory authority, in any jurisdiction, to be made subject to sanctions, conditions, restrictions or requirements on the person or company may form the basis for an order in the public interest made under subsection 127(1) of the Act.

25. Staff allege that it is in the public interest to make an order against the Respondent.

26. Staff reserve the right to amend these allegations and to make such further and other allegations as Staff deem fit and the Commission may permit.

27. Staff request that this application be heard by way of a written hearing pursuant to Rules 2.6 and 11 of the Ontario Securities Commission's Rules of Procedure.

DATED at Toronto, this 2nd day of August, 2016.

1.5 Notices from the Office of the Secretary

1.5.1 The Falls Capital Corp. et al.

FOR IMMEDIATE RELEASE
August 4, 2016

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

AND

IN THE MATTER OF
THE FALLS CAPITAL CORP.,
DEERCREST CONSTRUCTION FUND INC.,
WEST KARMA LTD. and
RODNEY JACK WHARRAM

TORONTO – The Office of the Secretary issued a Notice of Hearing on August 2, 2016 setting the matter down to be heard on August 29, 2016 at 10:00 a.m. or as soon thereafter as the hearing can be held in the above named matter. The hearing will be held at the offices of the Commission at 20 Queen Street West, 17th Floor, Toronto.

A copy of the Notice of Hearing dated August 2, 2016 and Statement of Allegations of Staff of the Ontario Securities Commission dated August 2, 2016 are available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
ROBERT BLAIR
ACTING 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 Douglas John Vermeeren

FOR IMMEDIATE RELEASE
August 4, 2016

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

AND

IN THE MATTER OF
DOUGLAS JOHN VERMEEREN

TORONTO – The Office of the Secretary issued a Notice of Hearing on August 2, 2016 setting the matter down to be heard on August 29, 2016 at 10:30 a.m. or as soon thereafter as the hearing can be held in the above named matter. The hearing will be held at the offices of the Commission at 20 Queen Street West, 17th Floor, Toronto.

A copy of the Notice of Hearing dated August 2, 2016 and Statement of Allegations of Staff of the Ontario Securities Commission dated August 2, 2016 are available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
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ACTING SECRETARY

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For investor inquiries:

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

1.5.3 Waverley Corporate Financial Services Ltd. and Donald McDonald

FOR IMMEDIATE RELEASE
August 8, 2016

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

AND

IN THE MATTER OF
WAVERLEY CORPORATE FINANCIAL SERVICES LTD. AND
DONALD MCDONALD

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

1. the Director's Decision be stayed, subject to the following condition:

   a. Waverley shall not file any applications for any new dealing representatives that are connected to an issuer within the meaning of the definition of "connected issuer" found at section 1.1 of National Instrument 33-105 *Underwriting Conflicts*, pending the Commission's decision on the Hearing and Review;

2. the stay order shall continue in force until a decision is rendered by the Panel presiding over the Hearing and Review;

3. the Applicant shall serve and file the record of the proceeding before the Director, any statement of fact and law and shall comply with Rule 14.5 of the OSC *Rules of Procedure* by August 22, 2016;

4. Staff of the Commission shall deliver any record in response, any statement of fact and law and shall comply with Rule 14.5 by September 2, 2016; and

5. the Hearing and Review shall commence on September 12, 2016, at 10:00 a.m. and shall continue on September 15, 2016 at 9:00 a.m.

A copy of the Order dated August 4, 2016 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
ROBERT BLAIR
ACTING SECRETARY

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media_inquiries@osc.gov.on.ca

For investor inquiries:

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416-593-8314
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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Brookfield Property Partners L.P. and Brookfield Office Properties Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Filers wants to put in place a credit support issuer structure, but are unable to rely on the exemption for credit support issuers in applicable securities legislation – Relief granted from continuous disclosure requirements, certification requirements, insider reporting requirement, audit committee requirements, qualification requirements and corporate governance requirements – Relief also granted from incorporation by reference requirement, earnings coverage requirements and subsidiary credit supporter requirements – Filers unable to rely on exemption for credit support issuers in applicable securities legislation since Brookfield Property Partners is the managing general partner of and controls an intermediate holding entity (a limited partnership) that indirectly owns the voting securities of BPO – When the characteristics of the limited partnership units of the holding limited partnership (including that the majority are held by the parent) are considered, control and direction of the holding limited partnership is held by Brookfield Property Partners as if Brookfield Property Partners beneficially owned all the outstanding voting securities of the holding limited partnership – Relief subject to conditions, including conditions relating to minority interest in holding limited partnership.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, ss. 107, 121(2)(a)(ii).
National Instrument 44-101 Short Form Prospectus Distributions, s. 8.1.
Form 44-101F1 Short Form Prospectus, ss. 6.1, 11.1(1), 12.1, 13.3.
National Instrument 51-102 Continuous Disclosure Obligations, ss. 13.1, 13.4.
National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings, s. 8.6.
National Instrument 52-110 Audit Committees, s. 8.1.
National Instrument 55-102 System for Electronic Disclosure by Insiders (SEDI), s. 6.1.
National Instrument 55-104 Insider Reporting Requirements and Exemptions, s. 10.1(2).
National Instrument 58-101 Disclosure of Corporate Governance Practices, s. 3.1.

July 27, 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
BROOKFIELD PROPERTY PARTNERS L.P.
(BROOKFIELD PROPERTY PARTNERS)

AND

BROOKFIELD OFFICE PROPERTIES INC.
(BPO)

DECISION

Background

The principal regulator in the Jurisdiction has received an application (the **Application**) from Brookfield Property Partners and BPO (collectively, the **Filers**) for a decision under the securities legislation of the principal regulator (the **Legislation**) granting exemptive relief for BPO and, in respect of (c), the insiders of BPO, from certain requirements including:

(a) the continuous disclosure requirements contained in the Legislation, including requirements under National Instrument 51-102 – *Continuous Disclosure Obligations* (**NI 51-102**), as amended from time to time (the **Continuous Disclosure Requirements**);

(b) the certification requirements contained in National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*, as amended from time to time (the **Certification Requirements**);

(c) the insider reporting requirements contained in the Legislation under sections 107 and 109 of the *Securities Act* (Ontario) (the **Act**) as well as the requirement to file an insider profile and insider reports under National Instrument 55-102 – *System for Electronic Disclosure by Insiders*, as amended from time to time, in respect of insiders of BPO (the **Insider Reporting Requirements**);

(d) the requirements of the Legislation relating to audit committees, including, without limitation, National Instrument 52-110 – *Audit Committees*, as amended from time to time (the **Audit Committee Requirements**);

(e) the corporate governance disclosure requirements contained in National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, as amended from time to time (the **Corporate Governance Requirements** and together with the Continuous Disclosure Requirements, Certification Requirements, Insider Reporting Requirements and Audit Committee Requirements, the **Reporting Issuer Requirements**);

(f) the qualification requirements (the **Qualification Requirements**) of Part 2 of National Instrument 44-101 – *Short Form Prospectus Distributions* (**NI 44-101**), such that BPO is qualified to file a prospectus in the form of a short form prospectus;

(g) the disclosure requirements contained in paragraphs 1 to 4 and 6 to 8 of item 11 of Form 44-101F1 – *Short Form Prospectus* (**Form 44-101F1**) (the **Incorporation by Reference Requirements**);

(h) the disclosure requirements contained in item 6 of Form 44-101F1 (the **Earnings Coverage Requirements**); and

(i) the disclosure requirements contained in item 12 of Form 44-101F1 (the **Subsidiary Credit Supporter Requirements** and together with the Incorporation by Reference Requirements and the Earnings Coverage Requirements, the **Prospectus Disclosure Requirements**),

in connection with an internal reorganization of BPO as more particularly described below (collectively, the **Exemption Sought**).

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

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

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

Interpretation

Terms defined in National Instrument 14-101 – *Definitions* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined. In this decision, **Brookfield Property Partners Related Entities** means, collectively, the Holding LP and subsidiary entities (as this term is defined in Multilateral Instrument 61-101 – Take-Over Bids and Special Transactions) of the Holding LP.

Representations

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

Brookfield Property Partners

1. Brookfield Property Partners is a Bermuda exempted limited partnership that was established on January 3, 2013.

2. The limited partnership units of Brookfield Property Partners (the **Units**) are listed on the New York Stock Exchange (**NYSE**) and the Toronto Stock Exchange (**TSX**) under the symbols "BPY" and "BPY.UN", respectively. As of June 30, 2016, there were 261,770,031 Units issued and outstanding and, as of June 30, 2016, approximately 182,604,312 Units, representing approximately 69% of the total issued and outstanding Units, were beneficially and directly held by Canadian residents.

3. Brookfield Property Partners is a reporting issuer in the Reporting Jurisdictions and is not in default of any requirements under applicable securities legislation or the rules and regulations made pursuant thereto in the Reporting Jurisdictions.

4. Brookfield Property Partners is a SEC foreign issuer within the meaning of section 1.1 of National Instrument 71-102 – *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers* (**NI 71-102**) and satisfies its continuous disclosure obligations by complying with U.S. federal securities laws as is permitted under NI 71-102.

5. The general partner of Brookfield Property Partners is Brookfield Property Partners Limited (**BPY General Partner**), a Bermuda company and also a wholly-owned subsidiary of Brookfield Asset Management Inc. (**BAM**). BPY General Partner holds a 0.1% general partnership interest in Brookfield Property Partners. The mind and management of BPY General Partner is located in Bermuda.

6. BAM, a Canadian company, is Brookfield Property Partners' largest holder of Units. As of June 30, 2016, BAM owned, directly or indirectly, 47,322,899 Units, 138,875 general partner units of Brookfield Property Partners, 432,649,105 Redemption Exchange Units (defined below) and 4,759,997 special limited partnership interests in Brookfield Property L.P. (the **Holding LP**), collectively representing an approximate 69% interest in Brookfield Property Partners (on a fully-exchanged basis) including the indirect general partnership interest held in Brookfield Property Partners held by BPY General Partner.

7. Brookfield Property Partners' sole asset is a 100% managing general partnership interest in the Holding LP.

8. Brookfield Property Partners is the managing general partner of the Holding LP, a Bermuda exempted limited partnership that was established on January 4, 2013. The Holding LP owns, directly or indirectly, all of the common shares of Brookfield BPY Holdings Inc., an Ontario corporation (**CanHoldco**), Brookfield BPY Retail Holdings II Inc., an Ontario corporation (**CanHoldco 2**), BPY Bermuda Holdings Limited, a Bermuda company (**Bermuda Holdco**), and BPY Bermuda Holdings II Limited, a Bermuda company (**Bermuda Holdco 2**), BPY Bermuda Holdings IV Limited, a Bermuda company (**Bermuda Holdco 4**) and BPY Bermuda Holdings V Limited, a Bermuda company (**Bermuda Holdco 5** and, collectively with CanHoldco, CanHoldco 2, Bermuda Holdco, Bermuda Holdco 2 and Bermuda Holdco 4, the **Holding Entities**).

9. Brookfield Property Partners, the Holding LP and related entities have retained BAM (together with its subsidiaries other than Brookfield Property Partners and its subsidiaries, Brookfield) and its related entities to provide management, administrative and advisory services under an amended and restated master services agreement dated March 3, 2015.

BPO

10. BPO is a corporation formed under the *Canada Business Corporations Act*. BPO is an indirect subsidiary of Brookfield Property Partners.

11. BPO's registered office and Canadian head office is P.O. Box 770, Suite 330, Brookfield Place Toronto, 181 Bay Street, Toronto, Ontario, M5J 2T3.

12. BPO owns, develops and manages premier office properties in the United States, Canada, Australia and Europe.

13. BPO's capital structure consists of (i) an unlimited number of authorized Common Shares; (ii) an unlimited number of authorized Class A Preference Shares, issuable in series; (iii) 6,000,000 authorized Class AA Preference Shares, issuable in series; (iv) an unlimited number of authorized Class AAA Preference Shares (the **Preference Shares**), issuable in series; and (v) an unlimited number of authorized Class B Preference Shares, issuable in series.

14. The following shares in the capital of BPO were issued and outstanding as of June 30, 2016: (i) 484,806,813 Common Shares; (ii) 4,592,047 Class A Preference Shares, Series A, 9,205,273 Class A Preference Shares, Series B; (iii) 2,000,000 Class AA Preference Shares, Series E; (iv) 8,000,000 Class AAA Preference Shares, Series E, 4,241,746 Class AAA Preference Shares, Series G, 7,594,438 Class AAA Preference Shares, Series J, 6,000,000 Class AAA

Preference Shares, Series K, 11,000,000 Class AAA Preference Shares, Series N, 12,000,000 Class AAA Preference Shares, Series P, 10,000,000 Class AAA Preference Shares, Series R, 10,000,000 Class AAA Preference Shares, Series T, 1,805,489 Class AAA Preference Shares, Series V, 3,816,527 Class AAA Preference Shares, Series W, 300 Class AAA Preference Shares, Series X, 2,847,711 Class AAA Preference Shares, Series Y, 800,000 Class AAA Preference Shares, Series Z, 12,000,000 Class AAA Preference Shares, Series AA, 8,000,000 Class AAA Preference Shares, Series CC; and (v) 3,600,000 Class B Preference Shares, Series 1, 3,000,000 Class B Preference Shares, Series 2.

15. As of June 30, 2016, the issued and outstanding shares of BPO were owned as follows: (i) all of the issued and outstanding Common Shares were indirectly owned by Brookfield Property Partners; (ii) all of the issued and outstanding Class A Preference Shares were indirectly owned by Brookfield Property Partners; (iii) all of the issued and outstanding Class AA Preference Shares were owned, directly and indirectly, by Brookfield Property Partners, except for 299 Class AA Preference Shares, Series E which were held by the public; (iv) all of the issued and outstanding Class AAA Preference Shares were owned, directly and indirectly, by Brookfield Property Partners, except for certain non-voting Preference Shares, which were held by the public; and (v) all of the issued and outstanding Class B Preference Shares were owned by Brookfield.

16. The Preference Shares are issuable in one or more series having such rights, restrictions and privileges determined by the directors of BPO. Some of the Preference Shares are convertible, in certain circumstances, into Preference Shares of another series (the **Resulting Preference Shares**) or Units.

17. The Preference Shares, Series G, J, K, N, P, R, T, V, W, Y, AA and CC are listed on the TSX under the symbols "BPO.PR.U", "BPO.PR.J", "BPO.PR.K", "BPO.PR.N", "BPO.PR.P", "BPO.PR.R", "BPO.PR.T", "BPO.PR.X", "BPO.PR.W", "BPO.PR.Y", "BPO.PR.A" and "BPO.PR.C", respectively. No other shares of BPO, including its Common Shares, are listed on an exchange.

18. Brookfield Property Partners owns, directly and indirectly, 100% of BPO's issued and outstanding securities except for (i) certain non-voting Class B Preference Shares, which are held by Brookfield; (ii) certain non-voting Preference Shares, which are held by the public; and (iii) senior notes of BPO issued pursuant to an indenture (the **Indenture**) dated December 8, 2009 between BPO and BNY Trust Company of Canada, as trustee, as supplemented (the **Senior Notes** and, together with the Preference Shares, the **Existing Securities**). Brookfield Property Partners indirectly owns 100% of BPO's Common Shares and Class A Preference Shares, and therefore indirectly controls 100% of the voting securities of BPO.

19. BPO may issue additional series of Preference Shares (including Preference Shares that are convertible into Resulting Preference Shares or Units) and Senior Notes (collectively, the **New Securities** and together with the Existing Securities, the **Securities**) to the public from time to time in the future.

20. BPO is a reporting issuer in the Reporting Jurisdictions (except for the Northwest Territories, Yukon and Nunavut) and is not in default of any requirements under applicable securities legislation or the rules and regulations made pursuant thereto in the Reporting Jurisdictions (except for the Northwest Territories, Yukon and Nunavut).

Reorganization

21. In July 2016, Brookfield Property Partners transferred certain assets to a subsidiary of BPO in exchange for certain securities, including 30,783.26 Class B Preference Shares, Series 3 and 36,346.50 Class B Preference Shares, Series 4 (the **Reorganization**). Upon completion of the Reorganization, Brookfield Property Partners still indirectly owns 100% of BPO's Common Shares and Class A Preference Shares and therefore still indirectly controls 100% of the voting securities of BPO.

22. In connection with the Reorganization, Brookfield Property Partners, the Holding LP and the Holding Entities (collectively, the **Guarantors**) provided full and unconditional joint and several guarantees (collectively, the **Guarantees**) of the payments to be made by BPO in respect of the Securities and the Resulting Preference Shares, as stipulated in agreements governing the rights of holders of the Securities and the Resulting Preference Shares, that result in the holders of such securities being entitled to receive payment from the Guarantors within 15 days of any failure by BPO to make a payment, as contemplated by paragraph (d) of the definition of "designated credit support security" in NI 51-102. The Guarantees in respect of the Preference Shares and the Resulting Preference Shares rank *pari passu* with certain senior preferred limited partnership units or preferred shares of the Guarantors and junior to certain other obligations of the Guarantors.

23. BPO may guarantee preferred limited partnership units issued by Brookfield Property Partners and debt securities issued by Brookfield Property Partners' subsidiaries. Such guarantees will rank *pari passu* with the Preference Shares and the Senior Notes, as applicable.

The Filers, The Holding LP and the Holding Entities

24. The Holding LP owns, directly or indirectly, all of the issued and outstanding common shares of all the Holding Entities and Brookfield owns all of the issued and outstanding preferred shares of CanHoldco (the **CanHoldco Preferred Shares**). The CanHoldco Preferred Shares are redeemable for cash at the option of CanHoldco, subject to certain limitations. The CanHoldco Preferred Shares are entitled to vote with the common shares of CanHoldco. The CanHoldco Preferred Shares are not equity securities as such term is defined in the Act. The voting rights attached to the CanHoldco Preferred Shares represent 3% of the votes to be cast by shareholders of CanHoldco; therefore they should be disregarded when considering the overall relationship between Brookfield Property Partners, the Holding LP, the Holding Entities and BPO.

25. The definitions of "subsidiary" and "beneficial ownership of securities" that apply under the Act only refer to the ownership or control of companies, as opposed to partnerships, and do not clearly capture the relationship that exists among Brookfield Property Partners, the Holding LP and BPO. However, Brookfield Property Partners acts as the managing general partner of the Holding LP, holding a 100% managing general partnership interest in the Holding LP, and therefore controls the Holding LP directly. Further, the Holding LP owns, directly or indirectly, all of the equity and voting securities of the Holding Entities (other than as described in representation 24 above). As a result, Brookfield Property Partners consolidates the Holding LP (and all of the Holding LP's assets, including the Holding Entities) in its financial statements.

26. Brookfield Property Special L.P. (**Property Special L**P), a Brookfield subsidiary, holds a 0.7% special limited partnership interest (the **Special Limited Partnership Units**) in the Holding LP, Qatar Investment Authority (**QIA**), an unrelated third party, holds class A preferred limited partnership units (the **Class A Preferred Units**) of the Holding LP and the remaining limited partnership interests (the **Redemption-Exchange Units**) in the Holding LP are held by Brookfield. Property Special LP is the sole holder of the Special Limited Partnership Units, QIA is the sole holder of the Class A Preferred Units and Brookfield is the sole holder of the Redemption-Exchange Units.

27. The Special Limited Partnership Units are non-voting interests in the Holding LP and are not redeemable or exchangeable. The Class A Preferred Units are non-voting interests in the Holding LP and are exchangeable into Units upon exchange, redemption or maturity. The Redemption-Exchange Units are subject to a redemption-exchange mechanism pursuant to which Brookfield has the right to require that the Holding LP redeem all or a portion of its Redemption-Exchange Units for a cash amount equal to the fair market value of one Unit multiplied by the number of Redemption-Exchange Units to be redeemed. In connection with the redemption, Brookfield Property Partners has the right to purchase all the Redemption-Exchange Units to be redeemed in exchange for Units on a one for one basis. The characteristics of the redemption-exchange mechanism associated with Brookfield's Redemption-Exchange Units are such that the economic interest of Brookfield is an economic interest in Brookfield Property Partners rather than the Holding LP.

28. BPY General Partner holds a 0.1% general partnership interest in Brookfield Property Partners and acts as the general partner of Brookfield Property Partners. BPY General Partner is wholly owned by Brookfield.

29. The Guarantors became "credit supporters" of BPO when the Guarantees were implemented (as defined in Part 13.4 of NI 51-102).

30. BPO became a "credit support issuer" when the Guarantees were implemented (as defined in Part 13.4 of NI 51-102).

31. BPO, and the relationship between BPO and Brookfield Property Partners, satisfies the requirements of section 13.4(2.1) of NI 51-102 in all respects, other than: (i) the fact that the Holding LP and Brookfield Property Partners are partnerships, (ii) certain Preference Shares may be convertible, in certain circumstances, into Resulting Preference Shares, and (iii) the fact that Brookfield Property Partners satisfies its continuous disclosure obligations by complying with U.S. federal securities law as is permitted under NI 71-102.

32. Brookfield Property Partners does not directly satisfy the definition of "parent credit supporter" (as defined in Part 13.4 of NI 51-102) in relation to BPO and the Securities as a result of the indirect ownership of BPO through the Holding LP. Therefore, the Securities are not "designated credit support securities" (as defined in Part 13.4 of NI 51-102). If the Exemption Sought is granted, the Filers will (i) treat Brookfield Property Partners as a "parent credit supporter" and comply with the conditions in section 13.4(2.1) of NI 51-102 that apply to parent credit supporters, and (ii) treat the Securities and the Resulting Preference Shares as "designated credit support securities" and comply with the conditions in section 13.4(2.1) of NI 51-102 that apply to designated credit support securities, in accordance with the terms and conditions of this decision.

33. The Securities satisfy the definition of "designated credit support securities" (as defined in Part 13.4 of NI 51-102), but for: (i) the fact that Brookfield Property Partners does not directly satisfy the definition of "parent credit supporter" (as

defined in Part 13.4 of NI 51-102), and (ii) certain Preference Shares may be convertible, in certain circumstances, into Resulting Preference Shares.

34. It is proposed that BPO distribute Preference Shares to the public pursuant to a short form prospectus in respect of the distribution of the Preference Shares, filed in each of the Reporting Jurisdictions (except for the Northwest Territories, Yukon and Nunavut), in reliance upon sections 2.4 of NI 44-101 and, if applicable, National Instrument 44-102 – *Shelf Distributions* (**NI 44-102**). The short form prospectus will be prepared pursuant to the short form procedures contained in NI 44-101 and, if applicable, NI 44-102 and will comply with the requirements set out in Form 44-101F1 and, if applicable, NI 44-102, other than the Prospectus Disclosure Requirements.

35. BPO does not directly satisfy the eligibility criteria in Part 2 of NI 44-101 (and thus the shelf qualification requirements in Part 2 of NI 44-102) in order to be able to file a prospectus in the form of a short form prospectus (and thus short form base shelf prospectus) for Preference Shares that are convertible into Resulting Preference Shares.

36. Brookfield Property Partners does not meet the test set forth in section 13.4(2)(a) of NI 51-102 as it does not directly satisfy the definition of "parent credit supporter" (as defined in Part 13.4 of NI 51-102) and, by virtue of section 13.4(4) of NI 51-102, Brookfield Property Partners is unable to meet the test set forth in section 13.4(2)(b)(ii) of NI 51-102 as it satisfies its continuous disclosure obligations by complying with U.S. federal securities law as is permitted under NI 71-102. Therefore, the Exemption Sought is required in order for the provisions of section 13.4 of NI 51-102 to apply to BPO, and the relationship between BPO and Brookfield Property Partners.

Offering of New Securities

37. At the time of the filing of any short form prospectus or shelf prospectus supplement in connection with an offering of New Securities:

    a) BPO will comply with all of the filing requirements and procedures set out in NI 44-101, other than the Qualification Requirements, and, if applicable, NI 44-102, except as permitted by the Legislation;

    b) the prospectus will be prepared in accordance with the short form prospectus requirements of NI 44-101 and, if applicable, NI 44-102 other than the Prospectus Disclosure Requirements, except as permitted by the Legislation;

    c) Brookfield Property Partners will continue to be a reporting issuer under the Legislation;

    d) Brookfield Property Partners will continue to provide its Guarantees;

    e) the prospectus will incorporate by reference the documents of Brookfield Property Partners set forth under item 11.1 of Form 44-101F1;

    f) the prospectus disclosure required by item 11 of Form 44-101F1 will be addressed by incorporating by reference Brookfield Property Partners' public disclosure documents referred to in paragraph (e) above; and

    g) Brookfield Property Partners will continue to satisfy all of the criteria in section 2.2 of NI 44-101, as applicable, pursuant to Part 4 of NI 71-102.

Decision

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

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

1. in respect of the Continuous Disclosure Requirements, BPO and Brookfield Property Partners continue to satisfy the conditions set out in subsection 13.4(2.1) of NI 51-102, except as modified as follows:

    (a) any reference to parent credit supporter in section 13.4 shall be deemed to include Brookfield Property Partners notwithstanding its indirect ownership of BPO through the Holding LP,

    (b) any reference to subsidiary credit supporter in section 13.4 of NI 51-102 shall be deemed to include the Holding Entities and their affiliates, including the Brookfield Property Partners Related Entities, notwithstanding Brookfield Property Partners' indirect ownership of such entities through the Holding LP,

(c) Brookfield Property Partners does not have to comply with the conditions in section 13.4(2)(a) and section 13.4(2.1)(b) of NI 51-102 if:

(i) no party other than Brookfield Property Partners and Brookfield will have any direct or indirect ownership of, or control or direction over, voting securities of the Holding LP,

(ii) no party other than Brookfield Property Partners, Brookfield and the Brookfield Property Partners Related Entities will have any direct or indirect ownership of, control or direction over, voting securities of the Holding Entities,

(iii) no party other than Brookfield Property Partners, Brookfield and the Brookfield Property Partners Related Entities will have any direct or indirect ownership of, or control or direction over, voting securities of BPO,

(iv) Brookfield Property Partners consolidates in its financial statements the Holding LP, the Holding Entities and BPO as well as any entities consolidated by any of the foregoing and, if BPO has issued Securities that remain outstanding, files its financial statements pursuant to Part 4 of NI 51-102, except that Brookfield Property Partners does not have to comply with the conditions in section 4.2 of NI 51-102 if it files such financial statements on or before the date that it is required to file its Form 20-F with the U.S. Securities and Exchange Commission (**SEC**), and

(v) other than the CanHoldco Preferred Shares owned by Brookfield, the issued and outstanding voting securities of the Holding Entities and BPO are 100% owned, directly or indirectly, by their respective parent companies or entities,

(d) section 13.4(4) of NI 51-102 does not apply to Brookfield Property Partners (the **SEC Foreign Issuer Relief**) if:

(i) Brookfield Property Partners continues to be a reporting issuer,

(ii) Brookfield Property Partners continues to be a SEC foreign issuer (as defined in section 1.1 of NI 71-102) and only relies on the exemptions in Part 4 of NI 71-102,

(iii) to the extent that Brookfield Property Partners complies with the foreign private issuer disclosure regime under U.S. securities law, it does not rely on any exemption from that regime,

(iv) if BPO has issued Securities that remain outstanding, the summary financial information referred to in section 13.4(2.1)(c) of NI 51-102 will be reconciled to the consolidated financial statements of Brookfield Property Partners, including any minority interest adjustments,

(v) Brookfield Property Partners continues to file a material change report as set out in Part 7 of NI 51-102 in respect of any material change in the affairs of Brookfield Property Partners that is not reported or filed by Brookfield Property Partners on SEC Form 6-K,

(vi) Brookfield Property Partners continues to file an interim financial report as set out in Part 4 of NI 51-102 and the Management Discussion and Analysis as set out in Part 5 of NI 51-102 for each period commencing on the first day of the financial year and ending nine, six or three months before the end of the financial year, and

(vii) Brookfield Property Partners includes in any prospectus of BPO, financial statements or other information about any acquisition that would have been or would be a significant acquisition for the purposes of Part 8 of NI 51-102 that Brookfield Property Partners has completed or has progressed to a state where a reasonable person would believe that the likelihood of Brookfield Property Partners completing the acquisition is high if the inclusion of the financial statements is necessary for the prospectus to contain full, true and plain disclosure of all material facts relating to the securities being distributed. The requirement to include financial statements or other information must be satisfied by including or incorporating by reference (a) the financial statements or other information as set out in Part 8 of NI 51-102, or (b) satisfactory alternative financial statements or other information, unless at least 9 months of the operations of the acquired business or related businesses are incorporated into Brookfield Property Partners' current annual financial statements included or incorporated by reference in the prospectus of BPO,

(e) BPO does not have to comply with the conditions in section 13.4(2)(c) of NI 51-102 if BPO does not issue any securities and does not have any securities outstanding other than:

(i) designated credit support securities,

(ii) securities issued to and held by Brookfield Property Partners or the Brookfield Property Partners Related Entities,

(iii) non-voting securities held by Brookfield,

(iv) debt securities issued to and held by banks, loan corporations, loan and investment corporations, savings companies, trust corporations, treasury branches, saving or credit unions, financial services cooperatives, insurance companies or other financial institutions,

(v) securities issued under exemptions from the prospectus requirements in section 2.35 of National Instrument 45-106 – *Prospectus and Registration Exemptions*, and

(vi) Securities and Resulting Preference Shares, provided that (x) Brookfield Property Partners has provided its Guarantees in respect of such securities and (y) such securities are not convertible into any security other than Resulting Preference Shares, Units and Preference Shares.

2. in respect of the Certification Requirements, the Audit Committee Requirements and the Corporate Governance Requirements, Brookfield Property Partners and BPO continue to satisfy the conditions for relief from the Continuous Disclosure Requirements set forth above.

3. in respect of the Insider Reporting Requirements, an insider of BPO can only rely on the Exemption Sought so long as:

(a) the insider complies with the conditions in sections 13.4(3)(b) and (c) of NI 51-102, and

(b) Brookfield Property Partners and BPO continue to satisfy the conditions for relief from the Continuous Disclosure Requirements set forth above.

4. in respect of the Qualification Requirements and the Prospectus Disclosure Requirements so long as:

(a) any preliminary short form prospectus of BPO is in respect of an offering of Securities,

(b) BPO is qualified to file a preliminary short form prospectus under section 2.4 of NI 44-101, except modified as follows:

(i) BPO does not have to comply with the condition in section 2.4 of NI 44-101 that the securities being distributed be non-convertible preferred shares if, on completion of any offering of new Preference Shares, such Preference Shares are only convertible into Resulting Preference Shares,

(c) BPO is and remains so long as any of the Securities issued to the public remain outstanding, an electronic filer under National Instrument 13-101 – *System for Electronic Document Analysis and Retrieval* (**SEDAR**),

(d) BPO and Brookfield Property Partners satisfy the conditions set out in section 13.3 of Form 44-101F1, except as modified as follows:

(i) any reference to parent credit supporter in section 13.3 of Form 44-101F1 shall be deemed to include Brookfield Property Partners notwithstanding its indirect ownership of BPO through the Holding LP,

(ii) any reference to subsidiary credit supporter in section 13.3 of Form 44-101F1 shall be deemed to include the Holding Entities and their affiliates, including the Brookfield Property Partners Related Entities, notwithstanding Brookfield Property Partners' indirect ownership of such entities through the Holding LP,

(iii) Brookfield Property Partners does not have to comply with the conditions in sections 13.3(1)(e) and 13.3(1)(f) of Form 44-101F1 if it meets the conditions in paragraph 1(c) of this decision above,

(iv) BPO does not have to comply with the conditions in section 13.3(1)(d) of Form 44-101F1 if, on completion of any offering of new Preference Shares, such Preference Shares are only convertible into Resulting Preference Shares, and

(v) the summary financial information referred to in section 13.3(1)(g) of Form 44-101F1 will be reconciled to the consolidated financial statements of Brookfield Property Partners, including any minority interest adjustments,

(e) any preliminary short form prospectus and final short form prospectus of BPO contains (or incorporates by reference a document containing) a corporate organizational chart showing the ownership and control relationships among Brookfield, Brookfield Property Partners, the BPY General Partner, the Holding LP, the Holding Entities and BPO,

(f) Brookfield Property Partners and BPO continue to satisfy the conditions for relief from the Continuous Disclosure Requirements set forth above,

(g) BPO and Brookfield Property Partners, as applicable, comply with the requirements in paragraph 37 above, and

(h) BPO will issue a news release and file a material change report as set out in Part 7 of NI 51-102 in respect of any material change in the affairs of BPO that is not also a material change in the affairs of Brookfield Property Partners.

As to the Exemption Sought (other than from the Insider Reporting Requirements in the Act).

"Jo-Anne Matear"
Manager, Corporate Finance
Ontario Securities Commission

As to the Exemption Sought from the Insider Reporting Requirements in the Act.

"Janet Leiper"
Commissioner
Ontario Securities Commission

"William Furlong"
Commissioner
Ontario Securities Commission

2.1.2 1832 Asset Management L.P. et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted to mutual funds for extension of lapse date of their prospectuses – Filer will incorporate offering of the mutual funds under the same offering documents as other funds in the same family when they are renewed – Extension of lapse date will not affect the currency or accuracy of the information contained in the current prospectuses.

Applicable Legislative Provisions

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

July 29, 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
1832 ASSET MANAGEMENT L.P.
(the Filer)

AND

DYNAMIC GLOBAL INFRASTRUCTURE CLASS
(DGIC)

AND

DYNAMIC GLOBAL ALL-TERRAIN FUND
(DGATF) (DGIC and DGATF, each a Fund and collectively, the Funds)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Funds for a decision under the securities legislation of the Jurisdiction (the **Legislation**) that the time limits for the renewal of the simplified prospectus and annual information form of each Fund (currently dated September 1, 2015 for DGIC and September 3, 2015 for DGATF) be extended to those time limits that would apply if the lapse date was November 18, 2016 (the **Exemption Sought**).

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

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

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

Interpretation

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

Representations

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

1. Each Fund was established under and is governed by the laws of the Province of Ontario, DGIC as a mutual fund class of a corporation and DGATF as a mutual fund trust. Each Fund is a mutual fund and a reporting issuer as defined in the securities legislation of each of the Jurisdictions.

2. DGIC currently distributes its securities in the Jurisdictions pursuant to a simplified prospectus (**SP**) dated September 1, 2015, as amended (the **DGIC Current SP**).

3. DGATF currently distributes its securities in the Jurisdictions pursuant to a SP dated September 3, 2015, as amended (the **DGATF Current SP**, together with the DGIC Current SP, the **Current SPs**).

4. The lapse date of the DGIC Current SP under the Legislation is September 1, 2016 and the lapse date of the DGATF Current SP under the Legislation is September 3, 2016 (each, the **Current Lapse Date**).

5. Under the Legislation, the distribution of securities of each Fund may continue for a further twelve months after its Current Lapse Date if: (i) the Fund files a *pro forma* SP at least 30 days prior to its Current Lapse Date; (ii) the final SP is filed no later than 10 days after its Current Lapse Date; and (iii) a receipt for the final SP is obtained within 20 days after its Current Lapse Date.

6. The Filer is the manager of the Funds. The Filer is also the manager of 95 other "Dynamic Funds" mutual funds (collectively, the **Other Funds**) that are offered in the Jurisdictions under a multi-fund SP dated November 18, 2015, as amended.

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

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

9. Neither the Filer nor any of the Funds is in default of securities legislation in any of the Jurisdictions.

10. The Filer wishes to combine the SPs of the Funds with the SP of the Other Funds in order to reduce the cost of renewing the SPs of the Funds and on-going printing and related costs. Offering the Funds under the same offering documents as the Other Funds would facilitate the distribution of the Funds in the Jurisdictions under the same SP and would also assist in disseminating information with respect to the Funds and the Other Funds in such matters such as switching between the Funds and the Other Funds. The Other Funds share many common operational and administrative features with the Funds and combining them in the same SP will allow investors to more easily compare the features of the Other Funds and the Funds.

11. It would be impractical at this time to alter and modify all the dedicated systems, procedures and resources required to prepare the renewal SP, annual information form and Fund Facts of the Other Funds, and unreasonable to incur the costs and expenses associated therewith, so that the renewal SP of the Other Funds can be filed earlier with the renewal SPs of the Funds. As the SP of the Other Funds is a large document and there is an in-depth internal review process that the Filer undertakes when renewing that document, the Filer would not have sufficient time to finalize and file the *pro forma* SP of the Other Funds by at least 30 days prior to either of the Current Lapse Dates.

12. The Filer may make minor changes to the features of the Other Funds as part of the process of renewing the Other Funds' SP in November 2016. The ability to file the SPs of the Funds with the SP of the Other Funds will ensure that the Filer can make the operational and administrative features of the Funds and the Other Funds consistent with each other.

13. If the Exemption Sought is not granted, it will be necessary to renew the SPs and associated documents of the Funds twice within a short period of time in order to consolidate the SPs of the Funds with the SP of the Other Funds.

14. New investors of the Funds will receive delivery of the most recently filed Fund Facts of the Funds (dated September 1, 2015 for series of DGIC and September 3, 2015 for series of DGATF). The SP of each Fund will still be available upon request.

15. There have been no material changes in the affairs of DGIC since the date of the DGIC Current SP, other than those for which amendments have been filed in accordance with the Legislation. Accordingly, the DGIC Current SP and Fund Facts represent current information of DGIC.

16. There have been no material changes in the affairs of DGATF since the date of the DGATF Current SP, other than those for which amendments have been filed in accordance with the Legislation. Accordingly, the DGATF Current SP and Fund Facts represent current information of DGATF.

17. Given the disclosure obligations of the Funds, should any material changes occur, the SP and Fund Facts of the respective Fund will be amended as required in accordance with the Legislation.

18. The Exemption Sought will not affect the accuracy of the information contained in the disclosure documents, including the Current SP and Fund Facts, of each Fund and therefore will not be prejudicial to the public interest.

Decision

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

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

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

2.1.3 Franklin Templeton Investments Corp. et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – approval of investment fund mergers – approval required because mergers do not meet the criteria for pre-approved reorganizations and transfers in National Instrument 81-102 – Investment Funds – terminating funds and continuing funds do not have substantially similar fundamental investment objectives – certain mergers are not "qualifying exchange" or a tax-deferred transactions under the Income Tax Act – merger to otherwise comply with pre-approval criteria, including securityholder vote, IRC approval – securityholders provided with timely and adequate disclosure regarding the mergers.

Applicable Legislative Provisions

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

July 26, 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
FRANKLIN TEMPLETON INVESTMENTS CORP.
(the Filer)

AND

TEMPLETON BRIC CORPORATE CLASS,
FRANKLIN BISSETT STRATEGIC INCOME FUND,
FRANKLIN BISSETT STRATEGIC INCOME CORPORATE CLASS
(the Terminating Funds)

AND

TEMPLETON EMERGING MARKETS FUND,
FRANKLIN BISSETT MONTHLY INCOME AND GROWTH FUND
(the Continuing Funds, and collectively with the Terminating Funds, the Fund(s))

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Funds for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) approving the TBRIC Merger, the FBSIF Merger and the FBSICC Merger (each defined below, and collectively, the **Mergers**) pursuant to paragraph 5.5(1)(b) of National Instrument 81-102 *Investment Funds* (**NI 81-102**) (the **Approval Sought**).

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

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

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

Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut (collectively with the Jurisdiction, the **Jurisdictions**).

Interpretation

Terms defined in National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined. The following additional terms shall have the following meanings:

ABCA means the *Business Corporations Act* (Alberta);

FBSICC Merger means the merger of Franklin Bissett Strategic Income Corporate Class into Franklin Bissett Monthly Income and Growth Fund;

FBSIF Merger means the merger of Franklin Bissett Strategic Income Fund into Franklin Bissett Monthly Income and Growth Fund;

FTCCL means Franklin Templeton Corporate Class Ltd;

IRC means the independent review committee for the Funds; and

TBRIC Merger means the merger of Templeton BRIC Corporate Class into Templeton Emerging Markets Fund.

Representations

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

The Filer

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

2. The Filer is registered as an investment fund manager, portfolio manager, exempt market dealer and mutual fund dealer in the Jurisdiction. The Filer is registered as a portfolio manager, exempt market dealer and mutual fund dealer in each of Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Prince Edward Island, Quebec, Saskatchewan and Yukon. The Filer is also registered as an investment fund manager in each of Alberta, British Columbia, Manitoba, Newfoundland and Labrador, Nova Scotia and Quebec.

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

The Funds

4. FTCCL is an open end mutual fund corporation incorporated under the laws of Alberta on June 1, 2001. Each of Templeton BRIC Corporate Class and Franklin Bissett Strategic Income Corporate Class is a separate class of special shares of FTCCL.

5. Each of Templeton Emerging Markets Fund, Franklin Bissett Strategic Income Fund and Franklin Bissett Monthly Income and Growth Fund is a trust established under the laws of Ontario.

6. Securities of the Funds are currently qualified for sale by a simplified prospectus, annual information form and Fund Facts dated May 27, 2016, which have been filed and receipted in each of the Jurisdictions.

7. Each of the Funds is a reporting issuer in the Jurisdictions.

8. Neither the Filer nor any Fund is in default under the securities legislation in the Jurisdictions.

9. Other than circumstances in which the securities regulatory authorities of the Jurisdictions have expressly exempted a Fund therefrom, each of the Funds follows the standard investment restrictions and practices established under NI 81-102.

Reason for Approval Sought

10. Regulatory approval of the Mergers is required because the Mergers do not satisfy the criteria for pre-approved reorganizations and transfers set out in section 5.6 of NI 81-102 as follows:

(a) a reasonable person would not consider the Terminating Funds and their corresponding Continuing Funds to have substantially similar investment objectives, and

(b) each of the FBSICC Merger and the TBRIC Merger will not be "qualifying exchange" or other tax-deferred transaction within the meaning of the *Income Tax Act* (Canada) (the *Tax Act*).

FBICC Merger and FBSIF Merger

11. Each Terminating Fund has an investment objective of high current income and long-term capital appreciation by investing primarily, directly or indirectly through investing in mutual funds managed by the Manager, in a diversified mix of income-generating equity and fixed income securities from Canada and around the world

12. The investment objective of the Continuing Fund is a balance of income and capital appreciation by investing primarily in a diversified portfolio of income-generating Canadian, U.S. and global equities, equity-related securities and fixed income securities.

13. Relative to the Terminating Funds, the Continuing Fund holds: (1) more geographically-diversified equity securities; (2) more equity-related securities such as preferred shares and convertible securities; and (3) a larger proportion of its net assets in North American equities. Therefore a reasonable person may not consider the investment objectives of the Terminating Funds and the Continuing Fund to be substantially similar.

TBRIC Merger

14. The Terminating Fund's investment objective is long-term capital appreciation by investing primarily in equity securities of companies based in the BRIC countries – Brazil, Russia, India and China (including Hong Kong and Taiwan) and in companies expected to benefit from developments in the economies of the BRIC countries.

15. The Continuing Fund's investment objective of Templeton Emerging Markets Fund is long-term capital appreciation by investing primarily in equities of companies in emerging markets.

16. Relative to the Terminating Fund, the Continuing Fund has a greater proportion of investments in emerging market countries outside of Brazil, Russia, India and China. Therefore, a reasonable person may not consider the investment objectives of the Terminating Fund and Continuing Fund to be substantially similar.

Taxable Mergers

17. Neither the FBSICC Merger nor the TBRIC Merger can be carried out on a tax-deferred basis because there are currently no provisions of the Tax Act that permit a "qualifying exchange" or other tax deferred merger between a share class of a mutual fund corporation and a mutual fund established as a trust.

Approval of the Mergers

18. Securityholders of the Terminating Funds will be asked to approve the relevant Mergers at special meetings expected to be held on or about August 5, 2016. The securityholders of Franklin Bissett Monthly Income and Growth Fund will also be asked to approve the FBSIF Merger because it would be a material change to that Fund due to the larger asset size of the Terminating Fund compared to the Continuing Fund.

19. Securityholders in Templeton Emerging Markets Fund are not being asked to vote on the TBRIC Merger and securityholders of Franklin Bissett Strategic Income Corporate Class are not being asked to vote on the FBSICC Merger, because neither of these Mergers is a material change to the relevant Continuing Fund.

20. The Filer, as the sole Class A common shareholder of FTCCL will also be asked approve the Corporate Class Merger, by written resolution in advance of the special meetings, as required under the ABCA.

21. Subject to receipt of securityholder approval and the Approval Sought, the Mergers are expected to occur on or about August 12, 2016 (the **Effective Date**).

Merger Steps

22. It is proposed that the following steps will be carried out to effect the Mergers:

(a) In respect of the TBRIC Merger:

(i) Prior to the Merger, the Terminating Fund will sell securities in its portfolio that are not consistent with the investment objectives or investment strategies of the Continuing Fund. As a result, the Terminating Fund will realize capital gains and losses and will temporarily hold some cash and/or money market instruments and will not be fully invested in accordance with its investment objectives for a brief period of time prior to the Merger. The value of any investment sold prior to the Effective Date will depend on prevailing market conditions.

(ii) On or prior to the Effective Date, the Terminating Fund may declare taxable dividends to eliminate tax that would otherwise be payable by FTCCL. If the Merger occurred on May 31, 2016, dividends would not have been paid on the shares of the Terminating Fund; however, this could change by the time the Merger is implemented.

(iii) On the Effective Date, the Terminating Fund will transfer all of its assets, which will consist of its investment portfolio and other assets, including cash and/or money market instruments, less an amount required to satisfy the liabilities of the Terminating Fund, to the Continuing Fund, in exchange for units of the Continuing Fund. The units of the Continuing Fund received by the Terminating Fund will have an aggregate net asset value equal to the value of the net assets transferred by the Terminating Fund.

(iv) Immediately following the transfer of assets, all of the outstanding shares of the Terminating Fund will be redeemed and, in payment of the redemption amount, FTCCL will distribute the units of the Continuing Fund to shareholders of the Terminating Fund on a series-for-series and dollar-for-dollar basis.

(v) As soon as reasonably possible following the Merger, the unissued special shares of each series of the Terminating Fund will be cancelled by FTCCL and the Terminating Fund will be terminated.

(b) In respect of the FBSIF Merger:

(i) Prior to the Merger, the Terminating Fund will sell securities in its portfolio that are not consistent with the investment objectives or investment strategies of the Continuing Fund. As a result, the Terminating Fund will realize capital gains and losses and will temporarily hold some cash and/or money market instruments and will not be fully invested in accordance with its investment objectives for a brief period of time prior to the Merger. The value of any investment sold prior to the Effective Date will depend on prevailing market conditions.

(ii) On or prior to the Effective Date, each of the Terminating Fund and the Continuing Fund will distribute a sufficient amount of its net income and net realized capital gains to its unitholders so that the Funds are not subject to tax under Part I of the Tax Act for the taxation year ended on the Effective Date.

(iii) On the Effective Date, the Terminating Fund will transfer all of its assets, which will consist of securities, cash and/or money market instruments, less an amount required to satisfy the liabilities of the Terminating Fund, to the Continuing Fund, in exchange for units of the Continuing Fund. The units of the Continuing Fund received by the Terminating Fund will have an aggregate net asset value equal to the value of the net assets transferred by the Terminating Fund.

(iv) Immediately following the transfer of assets, the Terminating Fund will redeem its outstanding units and will distribute the units of the Continuing Fund to unitholders of the Terminating Fund in exchange for all of the unitholders' units of the Terminating Fund, on a series-for-series and dollar-for-dollar basis.

(v) As soon as reasonably possible following the Merger, the Terminating Fund will be wound up.

(c) In respect of the FBSICC Merger:

(i) Prior to the Merger, the Terminating Fund will sell securities in its portfolio that are not consistent with the investment objectives or investment strategies of the Continuing Fund. As a result, the Terminating Fund will realize capital gains and losses and will temporarily hold some cash and/or money market instruments and will not be fully invested in accordance with its investment objectives for a brief period of time prior to the Merger. The value of any investment sold prior to the Effective Date will depend on prevailing market conditions.

(ii) On or prior to the Effective Date, the Terminating Fund may declare taxable dividends to eliminate tax that would otherwise be payable by FTCCL. If the Merger occurred on May 31, 2016, dividends would not have been paid on the shares of either Terminating Fund; however, this could change by the time the Merger is implemented.

(iii) On the Effective Date, the Terminating Fund will transfer all of its assets, which will consist of its investment portfolio and other assets, including cash and/or money market instruments, less an amount required to satisfy the liabilities of the Terminating Fund, to the Continuing Fund, in exchange for units of the Continuing Fund. The units of the Continuing Fund received by the Terminating Fund will have an aggregate net asset value equal to the value of the net assets transferred by the Terminating Fund.

(iv) Immediately following the transfer of assets, all of the outstanding shares of the Terminating Fund will be redeemed and, in payment of the redemption amount, FTCCL will distribute the units of the Continuing Fund to shareholders of the Terminating Fund on a series-for-series and dollar-for-dollar basis, except that shareholders of Series R and S shares will receive Series O and F units, respectively, of the Terminating Fund.

(v) As soon as reasonably possible following the Merger, the unissued special shares of each series of the Terminating Fund will be cancelled by FTCCL and the Terminating Fund will be terminated.

23. Costs and expenses associated with the Mergers, including the costs of the securityholder meetings, will be borne by the Filer and will not be charged to the Funds. The costs of the Mergers include transaction costs associated with any portfolio liquidations, legal, printing, mailing and regulatory fees, as well as proxy solicitation costs.

24. No sales charges will be payable by securityholders of the Funds in connection with the Mergers.

25. Securities of the applicable Continuing Funds received by securityholders of the Terminating Funds as a result of the proposed Mergers will have the same sales charge option and, for securities purchased under a low load or deferred sales charge option, the same remaining deferred sales charge schedule, as their securities in the Terminating Funds.

Securityholder Disclosure

26. A press release describing the Mergers has been issued. The press release, material change report and the simplified prospectus, annual information form and fund facts, which give notice of the Mergers, were filed via SEDAR on May 20, 2016.

27. A notice of meeting, management information circular, proxy and fund facts of the applicable series of each Continuing Fund (the **Meeting Materials**) were mailed to securityholders of each Fund and were filed via SEDAR on June 27, 2016.

28. The Meeting Materials contain the fund facts of the Continuing Funds, a description of the proposed Mergers, information about the Terminating Funds and the Continuing Funds and income tax considerations for securityholders of the Terminating Funds. The Meeting Materials also describe the various ways in which securityholders can obtain a copy of the simplified prospectus and annual information form of the Continuing Funds, as well as the most recent interim and annual financial statements and management reports of fund performance for the Continuing Funds.

Securityholder Purchases and Redemptions

29. Securityholders of each Terminating Fund will continue to have the right to redeem securities of the Terminating Fund for cash or switch into securities of another Franklin Templeton mutual fund (including on a tax-deferred basis to a fund that is a class of FTCCL, where applicable) at any time up to the close of business on the business day immediately before the Effective Date.

30. Subject to receiving the necessary approvals at the special meetings, effective as of the close of business on August 5, 2016, the Terminating Funds will cease distribution of securities and any new purchases of securities will be disallowed. The Terminating Funds will remain closed to purchase-type transactions, except existing systematic investment programs (such as pre-authorized chequing plans), until they are merged with the Continuing Funds on the Effective Date. All systematic programs shall remain unaffected until the business day immediately before the Effective Date.

31. Following the Mergers, all systematic programs that had been established with respect to the Terminating Funds will be re-established on a series-for-series basis, except as described above in respect of shareholders of Series R and S

shares of Franklin Bissett Strategic Income Corporate Class, in the applicable Continuing Funds, unless securityholders advise the Filer otherwise.

32. Securityholders may change or cancel any systematic program at any time and securityholders of the Terminating Funds who wish to establish one or more systematic programs in respect of their holdings in the Continuing Funds may do so following the Mergers.

IRC Review

33. The Filer has presented the Mergers to the IRC and has obtained a positive recommendation that each of the Mergers, if implemented, would achieve a fair and reasonable result for the Funds.

34. A summary of the IRC's recommendation has been included in the notice of special meeting sent to securityholders of the Funds as required by section 5.1(2) of National Instrument 81-107 – *Independent Review Committee for Investment Funds*.

Benefits of Mergers

35. The equity components of Franklin Bissett Strategic Income Fund and Franklin Bissett Strategic Income Corporate Class are each entirely invested in high dividend securities. Since the dissolution of the Canadian income trust market at the end of 2010, the universe of high dividend paying equities has narrowed substantially and is now mostly comprised of energy and financial companies. This narrowing of the high dividend market has contributed recently to increased volatility in these Terminating Funds. Franklin Bissett Monthly Income and Growth Fund is expected to provide securityholders with less volatility while still providing exposure to certain types of income producing securities.

36. Templeton BRIC Corporate Class is a specialized investment strategy, which invests in companies in the "BRIC" countries – Brazil, Russia, India and China and in companies expected to benefit from developments in the economies of the BRIC countries. In the early 2000s, the BRIC countries had some of the largest and most visible emerging economies over the previous decade. As such, Templeton BRIC Corporate Class provided securityholders with a "short-cut" to investing in emerging markets. More recently, however, the BRIC economies have underperformed the emerging market asset class with higher volatility. As such, a broad-based approach that includes the larger universe of emerging market countries may provide a more balanced and comprehensive approach to emerging market investing.

37. The Filer submits that the Mergers will benefit securityholders of the Terminating Funds in the following additional ways:

    (a) providing securityholders with a broader and more diversified investment universe than in the Terminating Funds to reach the investment objectives for the Continuing Funds; and

    (b) management and administration fees will not increase and MERs of each Continuing Fund will remain substantially the same as or, in some cases, be moderately lower than, the MER of its corresponding Terminating Fund.

38. While neither the FBSICC Merger nor the TBRIC Merger can be carried out on a tax-deferred basis, the Manager believes that proceeding with these Mergers on a taxable basis is in the overall best interests of securityholders for the following reasons:

    (a) a substantial majority of securityholders in Franklin Bissett Strategic Income Corporate Class and Templeton BRIC Corporate Class hold their shares in registered plans and will therefore have no tax impact as a result of the Mergers; and

    (b) most of the securityholders in Franklin Bissett Strategic Income Corporate Class and Templeton BRIC Corporate Class who hold their shares in non-registered accounts have capital losses, which can generally be carried back three years and forward indefinitely. Securityholders may use capital losses to offset future capital gains.

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, provided that the Filer obtains the prior securityholder approval for the Mergers at the special meeting to be held for that purpose, or any adjournments thereof.

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

2.1.4 Dolly Varden Silver Corporation

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – National Instrument 62-104 Take-Over Bids and Issuer Bids, ss. 2.17 and 6.1 – A target requires relief from the requirement to mail a directors' circular within the prescribed period after the date of the bid – The filer is the target of a bid; the outcome of a commission hearing relating to the bid will have a significant effect on the target and will impact the recommendation in the directors' circular; the target will deliver the directors' circular within a reasonable period of time after orders are granted in the hearing; the target's shareholders will still have sufficient time to consider the bid and the directors' recommendation with respect to the bid.

Applicable Legislative Provisions

National Instrument 62-104 Take-Over Bids and Issuer Bids, ss. 2.17, 6.1.

July 21, 2016

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

AND

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

AND

IN THE MATTER OF
DOLLY VARDEN SILVER CORPORATION
(the Filer)

DECISION

Background

1 The securities regulatory authority or regulator in each of the Jurisdictions (Decision Maker) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) exempting the Filer from the requirements under section 2.17(1) of National Instrument 62-104 *Take-Over Bids and Issuer Bids* (NI 62-104) to deliver a directors' circular not later than fifteen (15) days after the date of the bid, by extending the deadline for delivery until the later of:

(i) five (5) business days after the orders are granted pursuant to related hearings at the British Columbia Securities Commission (the BCSC) and the Ontario Securities Commission (the OSC) (collectively, the Commissions); and

(ii) fifteen (15) days after a formal valuation has been delivered to shareholders of the Filer (Shareholders) as an addendum to the Hecla Circular (as defined below), if the Commissions issue an order pertaining to such in the Joint Hearing (as defined below).

(the Exemption Sought).

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

(a) the BCSC is the principal regulator for this application,

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

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

Interpretation

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

Representations

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

The Filer

1. the Filer was created by the amalgamation of Dolly Varden Silver Ltd. and Twin Glacier Resources Ltd. on January 30, 2012 in British Columbia, and is governed under the laws of the Province of British Columbia;

2. the Filer's principal and head office is located at 970 – 800 West Pender Street, Vancouver, British Columbia, V6C 2V6 with its registered and records office located at 1200 Waterfront Centre, 200 Burrard Street, PO Box 48600, Vancouver, British Columbia, V7X 1T2;

3. the Filer is a junior mineral exploration company focused on the exploration of the Filer's only property, the Dolly Varden silver property, located in Northwestern British Columbia; the entire Dolly Varden silver property is considered to be highly prospective for hosting high-grade precious metal deposits, since it comprises the same structural and stratigraphic setting that host numerous other, on-trend, high-grade deposits;

4. the authorized capital of the Filer consists of an unlimited number of common shares (Shares), without par value; as of the date hereof, there are 18,268,963 Shares outstanding;

5. the Shares are listed and posted for trading on the TSX Venture Exchange (the TSX-V) under the symbol "DV" and on the over-the-counter US market under the symbol "DOLLF";

6. the Filer is a reporting issuer in each of the Jurisdictions, and is not in default of the securities legislation in any of the Jurisdictions;

The Offer

7. on June 27, 2016, Hecla Mining Company (HMC) announced its intention to make an unsolicited bid for all the Shares not already owned by HMC and its affiliates (collectively, Hecla) for a price of $0.69 per Share (the Offer);

8. on July 4, 2016, the Filer's board of directors announced the appointment of a special committee comprised solely of independent directors to review and evaluate the Offer and to assess whether the Offer is fair to Shareholders and in the best interests of the Filer as a whole;

9. on July 8, 2016, HMC, through its wholly owned indirect subsidiary, 1080980 B.C. Ltd. (the Offeror), formally launched the Offer by way of a takeover bid circular dated July 8, 2016 (the Hecla Circular);

10. Hecla Canada Ltd., an affiliate of both HMC and the Offeror, is an insider of the Filer by virtue of holding more than 10% of the voting rights attached to the Filer's outstanding voting securities; as a result of these holdings and affiliations, the Offer constitutes an "insider bid" by the Offeror for the purposes of Multilateral Instrument 61-101 *Protection of Minority Securityholders in Special Transactions* (MI 61-101);

11. the Offer is conditional on the Private Placement (as defined below) not proceeding and no securities of the Filer being issued during the term of the Offer;

The Private Placement

12. on July 5, 2016, the Filer announced its intention to undertake a private placement financing to raise gross proceeds of up to $6 million from the sale of up to 7,258,064 Shares at a price of $0.62 per share and of up to 2,142,857 Shares that qualify as "flow-through shares" as defined in Canada's *Income Tax Act* at a price of $0.70 per flow-through share (the Private Placement);

The Private Placement Application

13. in a letter from Hecla to the BCSC dated July 8, 2016, Hecla requested an order pursuant to section 161(1) of the *Securities Act* (British Columbia) (BC Securities Act) in connection with the Offer and the Private Placement, seeking (i) a permanent order pursuant to section 161(1)(b) of the BC Securities Act cease trading the Private Placement and any securities issued, or that may be issued, under or in connection with the Private Placement, (ii) in the alternative, an order pursuant to section 161(1)(b) of the BC Securities Act cease trading the Private Placement, unless and until the Filer obtains a simple majority of the votes cast by Shareholders entitled to vote at a duly convened meeting of Shareholders in favour of the Private Placement; (iii) an order pursuant to section 28 of the BC Securities Act setting aside the TSX-V decision regarding the Private Placement, if such decision fails to require Shareholder approval of the Private Placement and has been issued by the time of the hearing, and (iv) such further and other relief as counsel may advise and the BCSC may deem appropriate (the Private Placement Application);

The MI 61-101 Application

14. in a letter dated July 11, 2016 from Borden Ladner Gervais LLP, the Filer's counsel, to the OSC, the Filer requested an order pursuant to sections 104 and 127 of the *Securities Act* (Ontario), in connection with the Offer to seek (i) a permanent order cease trading the Offer or in the alternative an order cease trading the Offer until 105 days after a formal valuation as required by MI 61-101 has been delivered to Shareholders as an addendum to the Hecla Circular, (ii) an extension of the directors' circular delivery date, as set out in Item 2.17(1) of NI 62-104, to 15 days after the formal valuation has been delivered to Shareholders as an addendum to the Hecla Circular, and (iii) such further and other relief as may be requested by counsel (the MI 61-101 Application);

Joint Hearing

15. after hearing from the parties, the Commissions determined that the Private Placement Application and the MI 61-101 Application should be heard together; the simultaneous hearings for the Private Placement Application and the MI 61-101 Application were heard on July 20 and 21, 2016 (the Joint Hearing), which was one day prior to the deadline for the Filer to finalize its directors' circular to meet the deadline set out in NI 62-104;

16. the results of the Private Placement Application and the MI 61-101 Application resulting from the Joint Hearing may have significant impacts on the recommendation to be made to the Shareholders; granting an extension to the mailing deadline will allow the Filer to provide a complete analysis of the offer when making its recommendation; and

Additional Matters

17. the Filer will issue and file a news release informing Shareholders that it will not be filing and delivering its directors' circular on July 25, 2016 and will do so by deadlines set out in this decision, depending on the result of the MI 61-101 Application at the Joint Hearing.

Decision

4 Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the decision, and grant the Exemption Sought.

"Nigel P. Cave"
Vice-Chair
British Columbia Securities Commission

2.1.5 BMO Investments Inc.

Headnote

National Policy 11-203 – Existing and future mutual funds granted exemption to invest in specified Hong Kong ETFs only whose securities would meet the definition of index participation unit in NI 81-102 but for the fact that they are listed on the Stock Exchange of Hong Kong – relief is subject to certain conditions and requirements including Hong Kong ETFs are not synthetic ETFs and each top fund will not invest more than 10% in any Hong Kong ETF and will not invest more than 20% in Hong Kong ETFs in aggregate.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 2.5(2)(a), (a.1), (c), (c.1) and (e), 19.1.

August 4, 2016

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO

AND

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

AND

IN THE MATTER OF
BMO INVESTMENTS INC.
(the Filer)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of each of the investment funds (the **Funds**) for which the Filer or an affiliate acts or may in the future act as manager that are subject to National Instrument 81-102 *Investment Funds* (**NI 81-102**), for a decision under the securities legislation of the jurisdiction of the principal regulator (the **Legislation**) providing an exemption from paragraphs 2.5(2)(a), (a.1), (c), (c.1) and (e) of NI 81-102 to permit the Funds to invest in securities of the exchange traded funds listed on Appendix "A" hereto (the **Hong Kong ETFs**) that, but for the fact that they are listed on a stock exchange in Hong Kong and not on a stock exchange in Canada or the United States, would otherwise qualify as "index participation units" (**IPU**) as defined in NI 81-102 (the **Exemption Sought**).

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

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

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

Interpretation

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

Representations

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

The Filer and the Funds

1. The Filer is a corporation incorporated under the laws of Canada with its head office in Toronto, Ontario.

2. The Filer is an indirect, wholly-owned subsidiary of Bank of Montreal.

3. The Filer is registered as an investment fund manager in Ontario, Québec and Newfoundland and Labrador and as a mutual fund dealer in each of the Jurisdictions.

4. The Filer or an affiliate acts, or will act, as manager of each of the Funds.

5. Each Fund is, or will be, an investment fund under the laws of a Jurisdiction or under the laws of Canada and a reporting issuer under the laws of some or all of the Jurisdictions.

6. Each Fund is, or will be, governed by NI 81-102, subject to any relief therefrom granted by the securities regulatory authorities.

7. The securities of each Fund are, or will be, qualified for distribution in some or all of the Jurisdictions under a prospectus or simplified prospectus.

8. Neither the Filer nor the Funds are in default of securities legislation in any of the Jurisdictions.

The Hong Kong ETFs

9. Each Fund proposes, from time to time, to invest up to 10% of its net asset value in securities of the Hong Kong ETFs.

10. Securities of each Hong Kong ETF are listed on The Stock Exchange of Hong Kong Limited (**SEHK**) and each Hong Kong ETF is a "mutual fund" within the meaning of applicable Canadian securities legislation.

11. Securities of each Hong Kong ETF would be IPUs within the meaning of NI 81-102, but for the fact that they are not traded on a stock exchange in Canada or the United States.

12. Each Hong Kong ETF either (a) holds securities that are included in a specified widely-quoted market index in substantially the same proportion as those securities are reflected in that index; or (b) invests in a manner that causes the issuer to replicate the performance of that index.

13. BMO Global Asset Management (Asia) Limited is the manager and portfolio manager of the Hong Kong ETFs and has responsibility for the management and administration and overall oversight of all service providers and other delegates and for the investment and reinvestment of assets of the Hong Kong ETFs.

14. Affiliates of the Filer may be retained to act as investment advisors in respect of the Hong Kong ETFs, which investment advisors remain subject to the oversight of BMO Global Asset Management (Asia) Limited.

15. The following third parties are involved in the administration of the Hong Kong ETFs:

    (a) Cititrust Limited is the trustee of the trust comprising the Hong Kong ETFs and holds the property of each Hong Kong ETF;

    (b) Citibank N. A. is the administrator of the Hong Kong ETFs;

    (c) Tricor Investor Services Limited is the registrar of the Hong Kong ETFs;

    (d) HK Conversion Agency Services Limited acts as service agent for the Hong Kong ETFs and performs certain services in connection with the creation and redemption of units of the Hong Kong ETFs by participating dealers; and

    (e) KPMG is the auditor of the Hong Kong ETFs.

16. Each Hong Kong ETF is a sub-fund of a Hong Kong umbrella unit trust authorised under Section 104 of the Securities and Futures Ordinance (Cap. 571) of Hong Kong.

17. Each Hong Kong ETF is regulated by the Securities and Futures Commission of Hong Kong (**SFC**) and is subject to the following regulatory requirements and restrictions:

(a) Each Hong Kong ETF is subject to a robust risk management framework through prescribed rules on governance, risk, regulation of service providers and safekeeping of assets.

(b) No Hong Kong ETF is a "synthetic ETF", meaning that no Hong Kong ETF will principally rely on an investment strategy that makes use of swaps or other derivatives to gain an indirect financial exposure to the return of an index.

(c) Each Hong Kong ETF is subject to investment restrictions designed to limit its holdings of illiquid securities to 15% or less of its net asset value.

(d) Each Hong Kong ETF holds no more than 10% of its net asset value in securities of other investment funds, unless the other investment funds are subject to certain jurisdictions which have been recognized or otherwise authorized by the SFC, in which case each Hong Kong ETF may hold no more than 30% of its net asset value in such investment funds. To the extent a Hong Kong ETF holds more than 10% of its net asset value in securities of other investment funds, a Fund will not purchase securities of such Hong Kong ETF.

(e) BMO MSCI Asia Pacific Real Estate ETF will not invest in financial derivative instruments for hedging or non-hedging (i.e. investment) purposes. BMO MSCI Japan Hedged to USD ETF will not invest in financial derivative instruments for non-hedging (i.e. investment) purposes, but may engage in currency spot foreign exchange transactions for hedging purposes.

(f) No Hong Kong ETF will engage in securities lending activities.

(g) Each Hong Kong ETF has a prospectus that discloses material facts and that is similar to the disclosure required to be included in a prospectus or simplified prospectus of a Fund.

(h) Each Hong Kong ETF has a product key facts statement which forms part of the prospectus and contains disclosure similar to that required to be included in a fund facts document prepared under National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (**NI 81-101**).

(i) Each Hong Kong ETF is subject to continuous disclosure obligations which are similar to the disclosure obligations under National Instrument 81-106 *Investment Fund Continuous Disclosure*.

(j) Each Hong Kong ETF is required to update information of material significance in the prospectus and to prepare unaudited semi-annual reports and audited annual reports.

(k) Each Hong Kong ETF has a trustee that is required to be bound by the duty of care set out in the trust deed of the particular Hong Kong ETF, under common law and/or by the statutory duty of care as set out in the Trustee Ordinance (Cap. 29) of Hong Kong.

(l) The trustee of the Hong Kong ETFs is required to issue a report to unitholders, which is included in the annual report, on whether, in the trustee's opinion, the manager has managed the Hong Kong ETFs, in all material respects, in accordance with the provisions of their constitutive documents.

(m) Each Hong Kong ETF has an investment fund manager that is required to manage the Hong Kong ETF in the best interests of unitholders.

(n) Each Hong Kong ETF has an investment fund manager that is subject to registration with the SFC permitting it to manage and provide portfolio management advice to the Hong Kong ETFs.

18. Each index tracked by each Hong Kong ETF is transparent, in that the methodology for the selection and weighting of the index components is publicly available.

19. Details of the components of each index tracked by each Hong Kong ETF, such as issuer name, ISIN and weighting within the index are publicly available and updated from time to time.

20. Each index tracked by each Hong Kong ETF includes sufficient component securities so as to be broad-based and is distributed and referenced sufficiently so as to be broadly utilized.

21. Each Hong Kong ETF makes the net asset value of its holdings available to the public on the website of its manager.

Investment by Funds in Hong Kong ETFs

22. The investment objective and strategies of each Fund will be disclosed in each Fund's prospectus or simplified prospectus.

23. The Funds will provide all disclosure mandated for investment funds investing in other investment funds.

24. There will be no duplication of management fees or incentive fees as a result of an investment in a Hong Kong ETF.

25. The amount of loss that could result from an investment by a Fund in a Hong Kong ETF will be limited to the amount invested by the Fund in such Hong Kong ETF.

26. The majority of trading in securities of the Hong Kong ETFs occurs in the secondary market rather than by subscribing or redeeming such securities directly from the Hong Kong ETF.

27. As is the case with the purchase or sale of any other equity security made on an exchange, brokers are typically paid a commission in connection with trading in securities of exchange-traded funds, such as the Hong Kong ETFs.

28. Securities of the Hong Kong ETFs are typically only directly subscribed or redeemed from a Hong Kong ETF in large blocks and it is anticipated that many of the trades conducted by the Funds in Hong Kong ETFs would not be the size necessary for a Fund to be eligible to directly subscribe for securities from the Hong Kong ETF.

29. It is proposed that the Funds will purchase and sell securities of the Hong Kong ETFs on the SEHK.

30. Where a Fund purchases or sells securities of a Hong Kong ETF in the secondary market it will pay commissions to brokers in connection with the purchase and sale of such securities.

31. There will be no duplication of fees payable by an investor in the Fund and the Filer will ensure that there are appropriate restrictions on sales fees and redemption charges for any purchase or sale of securities of a Hong Kong ETF.

Rationale for Investment in Hong Kong ETFs

32. A Fund is not permitted to invest in securities of a Hong Kong ETF unless the requirements of subsection 2.5(2) of NI 81-102 are satisfied.

33. If the securities of a Hong Kong ETF were IPUs within the meaning of NI 81-102, a Fund would be permitted by subsections 2.5(3), (4) and (5) of NI 81-102 to invest in securities of that Hong Kong ETF.

34. Securities of each Hong Kong ETF would be IPUs, but for the requirement in the definition of IPU that the securities be traded on a stock exchange in Canada or the United States.

35. The Filer considers that investments in a Hong Kong ETF provide an efficient and cost effective way for the Funds to achieve diversification and obtain exposure to the markets and asset classes in which the Hong Kong ETFs invest.

36. The investment objectives and strategies of each Fund, which contemplate or will contemplate investment in global or international securities, permit or will permit the allocation of assets to global or international securities. As economic conditions change, the Funds may reallocate assets, including on the basis of industrial sector or geographic region. A Fund will invest in the Hong Kong ETFs to gain exposure to certain unique equity strategies in global or international markets in circumstances where it would be in the best interests of the Fund to do so through ETFs rather than through investments in individual securities. For example, a Fund will invest in the Hong Kong ETFs in circumstances where certain investment strategies preferred by the Fund are either not available or not cost effective.

37. The Filer is not aware of any mutual fund that (i) is subject to NI 81-102; (ii) issues securities that are traded on Canadian or U.S. stock exchanges; and (iii) focuses primarily on the Asian real estate market in the case of BMO MSCI Asia Pacific Real Estate ETF or, core Japanese holdings and is able to trade in local Japan time permitting for tighter and more relevant execution in the case of BMO MSCI Japan Hedged to USD ETF. The Filer believes that the Hong Kong ETFs will be able to provide the Funds with unique exposures.

38. By investing in the Hong Kong ETFs, the Funds will obtain the benefits of diversification, which would be more expensive and difficult to replicate using individual securities. This will reduce single issuer risk.

39. Investment by each Fund in a Hong Kong ETF meets, or will meet, the investment objectives of such Fund.

40. In the absence of the Exemption Sought:

(a) the investment restriction in paragraph 2.5(2)(a) of NI 81-102 would prohibit a Fund that is a mutual fund from purchasing or holding securities of the Hong Kong ETFs because the Hong Kong ETFs are not subject to NI 81-102 and NI 81-101 and, because IPUs are currently defined to be securities that are traded on a stock exchange in Canada or the United States only, a Fund would not be able to rely upon the IPU exemption set forth in paragraph 2.5(3)(a) of NI 81-102;

(b) the investment restriction in paragraph 2.5(2)(a.1) of NI 81-102 would prohibit a Fund that is a non-redeemable investment fund from purchasing or holding securities of the Hong Kong ETFs unless the Hong Kong ETFs are subject to NI 81-102 and, because IPUs are currently defined to be securities that are traded on a stock exchange in Canada or the United States only, a Fund would not be able to rely upon the IPU exemption set forth in paragraph 2.5(3)(a) of NI 81-102;

(c) the investment restriction in paragraph 2.5(2)(c) of NI 81-102 would prohibit a Fund that is a mutual fund from purchasing or holding securities of the Hong Kong ETFs unless the Hong Kong ETFs are reporting issuers in the local jurisdiction and, because IPUs are currently defined to be securities that are traded on a stock exchange in Canada or the United States only, a Fund would not be able to rely upon the IPU exemption in paragraph 2.5(3)(a) of NI 81-102;

(d) the investment restriction in paragraph 2.5(2)(c.1) of NI 81-102 would prohibit a Fund that is a non-redeemable investment fund from purchasing or holding securities of the Hong Kong ETFs unless the Hong Kong ETFs are reporting issuers in the local jurisdiction and, because IPUs are currently defined to be securities that are traded on a stock exchange in Canada or the United States only, a Fund would not be able to rely upon the IPU exemption in paragraph 2.5(3)(a) of NI 81-102; and

(e) the investment restriction in paragraph 2.5(2)(e) of NI 81-102 would prohibit a Fund from paying sales fees or redemption fees in relation to its purchases or redemptions of securities of the Hong Kong ETFs because they are managed by the Filer or an affiliate or associate of the Filer and, because IPUs are currently defined to be securities that are traded on a stock exchange in Canada or the United States only, a Fund would not be able to rely upon the IPU exemption in paragraph 2.5(5) of NI 81-102.

41. Each investment by a Fund in securities of a Hong Kong ETF will represent the business judgement of responsible persons uninfluenced by considerations other than the best interests of the Fund.

Decision

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

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

(a) the investment by a Fund in securities of the Hong Kong ETFs is in accordance with the fundamental investment objectives of the Fund;

(b) none of the Hong Kong ETFs are synthetic ETFs, meaning that they will not principally rely on an investment strategy that makes use of swaps or other derivatives to gain an indirect financial exposure to the return of an index;

(c) the relief from paragraph 2.5(2)(e) of NI 81-102 only applies to brokerage fees payable in connection with the purchase or sale of securities of the Hong Kong ETFs;

(d) the prospectus of each Fund that is relying on the Exemption Sought discloses the fact that the Fund has obtained relief to invest in the Hong Kong ETFs and, in the case of a Fund that is a mutual fund, the matters required to be disclosed under NI 81-101 in respect of fund of fund investments, provided that:

(i) any Fund that is a mutual fund and in existence as of the date of this decision makes the required disclosure no later than the next time the simplified prospectus of the Fund is renewed after the date of this decision, and

(ii) any Fund that is a non-redeemable investment fund and in existence as of the date of this decision makes the required disclosure no later than the next time the annual information form of the Fund is filed after the date of this decision;

(e) the investment by a Fund in the Hong Kong ETFs otherwise complies with section 2.5 of NI 81-102;

(f) a Fund does not invest more than 10% of its net asset value in securities issued by a single Hong Kong ETF and does not invest more than 20% of its net asset value in securities issued by Hong Kong ETFs in aggregate; and

(g) a Fund shall not acquire any additional securities of a Hong Kong ETF, and shall dispose of any securities of a Hong Kong ETF then held, in the event the regulatory regime applicable to the Hong Kong ETF is changed in any material way.

The Exemption Sought will terminate six months after the coming into force of any amendments to paragraphs 2.5(a), (a.1), (c), (c.1) or (e) of NI 81-102 that further restrict or regulate a Fund's ability to invest in the Hong Kong ETFs.

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

Appendix "A"

Hong Kong ETFs

BMO MSCI Asia Pacific Real Estate ETF

BMO MSCI Japan Hedged to USD ETF

2.2 Orders

2.2.1 Africo Resources Ltd.

Headnote

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

Applicable Legislative Provisions

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

July 28, 2016

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

AND

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

AND

IN THE MATTER OF
AFRICO RESOURCES LTD.
(the Filer)

ORDER

Background

1 The securities regulatory authority or regulator in each of the Jurisdictions (Decision Maker) has received an application from the Filer for an order under the securities legislation of the Jurisdictions (the Legislation) that the Filer has ceased to be a reporting issuer in all jurisdictions of Canada in which it is a reporting issuer (the Order Sought).

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

(a) British Columbia is the principal regulator for this application,

(b) the Filer has provided notice that subsection 4C.5(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in Alberta, Ontario and Quebec, and

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

Interpretation

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

Representations

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

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

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

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

4. the Filer is applying for an order that the Filer has ceased to be a reporting issuer in all of the jurisdictions of Canada in which it is a reporting issuer; and

5. the Filer is not in default of securities legislation in any jurisdiction.

Order

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

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

"Robert Kirwin"
Director, Corporate Finance
British Columbia Securities Commission

2.2.2 Axia NetMedia Corporation

Headnote

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

Applicable Legislative Provisions

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

Citation: Re Axia NetMedia Corporation, 2016 ABASC 220

August 4, 2016

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

AND

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

AND

IN THE MATTER OF
AXIA NETMEDIA CORPORATION
(the Filer)

ORDER

Background

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

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

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

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

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

Interpretation

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

Representations

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

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

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

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

4. the Filer is applying for an order that the Filer has ceased to be a reporting issuer in all of the jurisdictions of Canada in which it is a reporting issuer; and

5. the Filer is not in default of securities legislation in any jurisdiction.

Order

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

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

"Denise Weeres"
Manager, Legal
Corporate Finance

2.2.3 Waverley Corporate Financial Services Ltd. and Donald McDonald – s. 8(4)

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

AND

IN THE MATTER OF
WAVERLEY CORPORATE FINANCIAL SERVICES LTD.

AND

DONALD MCDONALD

ORDER
(Subsection 8(4))

WHEREAS:

1. Waverley Corporate Financial Services Ltd. ("Waverley") is registered as an exempt market dealer and Donald McDonald ("McDonald") is registered as the Ultimate Designated Person and Chief Compliance Officer of Waverley;

2. on July 15, 2016, the Director of the Compliance and Registrant Regulation branch (the "Director") of the Ontario Securities Commission (the "Commission") issued a decision with respect to the registration of Waverley that:

   a. Waverley cease all activity conducted under the Issuer-Connected DR Model and shall not sponsor a dealing representative, except in accordance with Ontario securities law, effective 30 days from the date of her decision to allow for an orderly transition; and

   b. McDonald is required to successfully complete, and provide proof thereof, the Osgoode Certificate in Regulatory Compliance and Legal Risk Management for Financial Institutions, by no later than July 15, 2017;

   (the "Director's Decision")

3. on July 20, 2016, Waverley (the "Applicant") requested a hearing and review of the Director's Decision by the Commission pursuant to s. 8(2) of the *Securities Act*, RSO 1990, c S.5, as amended (the "Act") (the "Hearing and Review") and pursuant to s. 8(4) of the Act, the Applicant requested a stay of the Director's Decision pending the disposition of the Hearing and Review;

4. Staff did not oppose the requested stay of the Director's Decision provided that certain terms were imposed on the Applicant as part of the stay order whereas the Applicant sought a stay order without terms;

5. upon reviewing the affidavit of Donald McDonald sworn August 3, 2016, the written submissions of the parties and upon hearing the submissions of counsel for the Applicant and Staff;

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

IT IS ORDERED THAT

1. the Director's Decision be stayed, subject to the following condition:

   a. Waverley shall not file any applications for any new dealing representatives that are connected to an issuer within the meaning of the definition of "connected issuer" found at section 1.1 of National Instrument 33-105 *Underwriting Conflicts*, pending the Commission's decision on the Hearing and Review;

2. the stay order shall continue in force until a decision is rendered by the Panel presiding over the Hearing and Review;

3. the Applicant shall serve and file the record of the proceeding before the Director, any statement of fact and law and shall comply with Rule 14.5 of the OSC *Rules of Procedure* by August 22, 2016;

4. Staff of the Commission shall deliver any record in response, any statement of fact and law and shall comply with Rule 14.5 by September 2, 2016; and

5. the Hearing and Review shall commence on September 12, 2016, at 10:00 a.m. and shall continue on September 15, 2016 at 9:00 a.m.

DATED at Toronto, this 4th day of August, 2016.

"Alan Lenczner"

2.2.4 Nodal Exchange, LLC – s. 144 of the Act and ss. 38 and 78 of the CFA

Headnote

Section 144 of the *Securities Act* (Ontario) (OSA) and sections 38 and 78 of the *Commodity Futures Act* (Ontario) (CFA) – variation of an order exempting Nodal Exchange, LLC from the requirement to be registered as a commodity futures exchange under section 15 of the CFA and recognized as an exchange under section 21 of the OSA – exemption from the registration requirement under section 22 of the CFA with respect to trades in contracts on Nodal Exchange by banks listed in Schedule I to the Bank Act (Canada) entering orders as principal and only for their own accounts.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 21, 144.
Commodity Futures Act, R.S.O. c. C.20. as am., ss. 15, 22, 38, 78.

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

AND

IN THE MATTER OF
THE COMMODITY FUTURES ACT,
R.S.O. 1990, CHAPTER C.20, AS AMENDED
(THE CFA)

AND

IN THE MATTER OF
NODAL EXCHANGE, LLC

ORDER
(Section 144 of the OSA and sections 38 and 78 of the CFA)

WHEREAS the Ontario Securities Commission (**Commission**) issued an order (**Exemption Order**) dated October 7, 2014 exempting Nodal Exchange, LLC (**Nodal Exchange**) from the requirement to be recognized as an exchange under subsection 21(1) of the OSA and the requirement to be registered as a commodity futures exchange under subsection 15(1) of the CFA (**Exchange Relief**);

AND WHEREAS the Exemption Order also exempts trades in Nodal Contracts (as defined below) by a "hedger" as defined in subsection 1(1) of the CFA from the registration requirement under section 22 of the CFA (**Hedger Relief**);

AND WHEREAS Nodal Exchange has filed an application under section 144 of the OSA and under section 78 of the CFA requesting that the Commission issue an order varying the Exemption Order to remove references to LCH.Clearnet Ltd.;

AND WHEREAS Nodal Exchange has also applied for an order pursuant to section 38 of the CFA exempting trades in Nodal Contracts by a bank listed in Schedule I to the *Bank Act* (Canada) (**Bank**) entering orders as principal and only for its own account from the registration requirement under section 22 of the CFA (**Bank Relief** and, together with the Hedger Relief, **Registration Relief**);

AND WHEREAS, based on the application and the representations made to the Commission by Nodal Exchange, the Commission has determined that it is not prejudicial to the public interest to vary the Exemption Order and to grant the Bank Relief;

IT IS ORDERED, pursuant to section 144 of the Act and Sections 38 and 78 of the CFA, that the Exemption Order is varied and restated as follows:

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

AND

IN THE MATTER OF
THE COMMODITY FUTURES ACT,
R.S.O. 1990, CHAPTER C.20, AS AMENDED
(THE CFA)

AND

IN THE MATTER OF
NODAL EXCHANGE, LLC

ORDER
(Section 147 of the OSA and sections 38 and 80 of the CFA)

WHEREAS the Ontario Securities Commission (**Commission**) issued an order (**Exemption Order**) dated October 7, 2014 exempting Nodal Exchange, LLC (**Nodal Exchange**) from the requirement to be recognized as an exchange under subsection 21(1) of the OSA and the requirement to be registered as a commodity futures exchange under subsection 15(1) of the CFA (**Exchange Relief**);

AND WHEREAS the Exemption Order also exempts trades in Nodal Contracts (as defined below) by a "hedger" as defined in subsection 1(1) of the CFA (**Hedger**) from the registration requirement under section 22 of the CFA (**Hedger Relief**);

AND WHEREAS Nodal Exchange has filed an application under section 144 of the OSA and under section 80 of the CFA requesting that the Commission issue an order varying the Exemption Order to remove references to LCH.Clearnet Ltd.;

AND WHEREAS Nodal Exchange has also applied for an order pursuant to section 38 of the CFA exempting trades in Nodal Contracts by a bank listed in Schedule I to the *Bank Act* (Canada) (**Bank**) entering orders as principal and only for its own account from the registration requirement under section 22 of the CFA (**Bank Relief** and, together with the Hedger Relief, **Registration Relief**);

AND WHEREAS OSC Rule 91-503 *Trades in Commodity Futures Contracts and Commodity Futures Options Entered into on Commodity Futures Exchanges Situate Outside of Ontario (***Rule 91-503**) exempts trades of commodity futures contracts or commodity futures options made on commodity futures exchanges not registered with or recognized by the Commission under the CFA from sections 25 and 53 of the OSA;

AND WHEREAS the deemed rule titled *In the Matter of Trading in Commodity Futures Contracts and Commodity Futures Options Entered into on Commodity Futures Exchanges in the United States of America* provides that section 33 of the CFA does not apply to trades entered into a commodity futures exchange designated by the United States (**U.S.**) Commodity Futures Trading Commission (**CFTC**) under the U.S. Commodity Exchange Act (**CEA**);

AND WHEREAS Nodal Exchange has represented to the Commission that:

1. Nodal Exchange is a limited liability company organized under the laws of the State of Delaware in the U.S. and is a wholly owned subsidiary of Nodal Exchange Holdings, LLC, a privately held limited liability company organized under the laws of the State of Delaware;

2. Nodal Exchange receives a majority of its revenue from transaction fees, which include electronic trading fees, surcharges for privately-negotiated transactions and other volume-related charges for contracts executed through the Nodal Exchange trading venue;

3. Nodal Exchange Holdings, LLC, as the holding company for Nodal Exchange, does not have operations of its own, does not have employees, relies upon the profits paid by its subsidiary and has limited contractual arrangements. Nodal Exchange is the primary employer and retains operational control;

4. Nodal Exchange is a designated contract market (**DCM**) by the CFTC, within the meaning of that term under the CEA. Nodal Exchange is subject to regulatory supervision by the CFTC, a U.S. federal regulatory agency. Nodal Exchange is

obligated under the CEA to give the CFTC access to all records unless prohibited by law or such records are subject to solicitor-client privilege. The CFTC reviews, assesses and enforces Nodal Exchange's adherence to the CEA and regulations thereunder on an ongoing basis, including DCM core principles (**DCM Core Principles**) relating to the operation and oversight of Nodal Exchange's markets, including financial resources, systems and controls, maintenance of an orderly market, execution and settlement of transactions, rule-making and investor protection;

5. The CFTC's Division of Market Oversight, Market Compliance Section conducts regular in-depth reviews of each DCM's ongoing compliance with CFTC regulations in order to enforce its rules, prevent market manipulation and customer and market abuses, and to ensure the recording and safe storage of trade information. The results of these rule enforcement reviews are in most cases summarized in reports by the CFTC which are made available to the public and posted on the CFTC's website;

6. Nodal Exchange provides trading services for sophisticated commercial entities transacting in cash settled commodity futures contracts offered by Nodal Exchange that are based on electric power and natural gas (**Nodal Contracts**). Nodal Exchange offers over 1,000 power contracts settling to monthly peak or off-peak hours for hub, zone, or node locations within the organized power markets in the U.S. Nodal Exchange's commercial customers are comprised of both buy and sell side investors, including commercial and investment banks, corporations, money managers, proprietary trading firms, hedge funds, and other institutional customers. Until October 19, 2015, all Nodal Contracts were cleared through LCH.Clearnet Ltd. (**LCH.Clearnet)**, which is recognized by the Commission as a clearing agency under section 21.2 of the OSA, by LCH.Clearnet clearing members. Since October 19, 2015, all Nodal Contracts are cleared through Nodal Clear, LLC (**Nodal Clear**), by Nodal Clear clearing members (**Nodal Clear Clearing Member**). Nodal Clear is currently carrying on business pursuant to an order of the Commission dated July 11, 2016 exempting it from the requirement to be recognized as a clearing agency under section 21.2 of the OSA;

7. Nodal Exchange maintains and operates an electronic trading system known as Nodal LiveTrade, that functions as the electronic central limit order book (**Trading System**) where entities trade Nodal Contracts on a principal-to-principal basis for their proprietary accounts without the capability to trade through an intermediary in a fiduciary capacity such as a dealer or futures commission merchant (**FCM**);

8. Nodal Exchange also performs clearing support services that are administrative processes that enable participants to access Nodal Clear in order to clear Nodal Contracts that were executed off-exchange (**Block Trades**) and on the Trading System. These clearing support services are administrative roles that consist of two primary functions: 1) verifying that each account holder's trading activity does not cause their account to exceed the trade risk limit (**TRL**) provided by the Nodal Clear Clearing Member and 2) systems support for position keeping and clearinghouse administration;

9. Nodal Exchange does not have any offices or maintain other physical installations in Ontario or any other Canadian province or territory;

10. Nodal Exchange offers direct access in Ontario to its Trading System and facilities to prospective participants in Ontario (**Ontario Participants**). To obtain direct access to the Trading System and facilities of Nodal Exchange, an Ontario Participant must execute (i) a participant agreement with Nodal Exchange that requires, among other things, compliance with the rules of Nodal Exchange and all applicable laws relating to the use of Nodal Exchange, and (ii) a clearing agreement with a Nodal Clear Clearing Member unless the Ontario Participant is a Nodal Clear Clearing Member clearing for their own proprietary account (such participants on Nodal Exchange shall herein be referred to as **Nodal Exchange Participants**). Nodal Exchange Participants can transmit orders and trades directly into Nodal Exchange with the guarantee of a Nodal Clear Clearing Member;

11. Nodal Exchange expects that Ontario Participants will be certain Canadian financial institutions (within the meaning of such term in subsection 1.1(3) of National Instrument 14-101 *Definitions*) and certain other market participants that have a head office or principal place of business in Ontario, such as (i) dealers that are engaged in the business of trading commodity futures contracts in Ontario; (ii) utilities and other commercial enterprises that are exposed to risks attendant upon fluctuations in the price of a commodity; and (iii) institutional investors and proprietary trading firms. In each case, Nodal Exchange expects that Ontario Participants will be (i) dealers that are engaged in the business of trading commodity futures contracts and commodity futures options in Ontario for their proprietary accounts, (ii) Hedgers, or (iii) Banks;

12. Nodal Contracts fall within the definition of "commodity futures contract" as defined in section 1 of the CFA. As a result, Nodal Exchange is considered a "commodity futures exchange" as defined in section 1 of the CFA. Therefore, Nodal Exchange is prohibited from carrying on business in Ontario unless it is registered or exempt from registration as a commodity futures exchange under subsection 15(1) of the CFA;

13. As Nodal Exchange intends to provide Ontario Participants with access in Ontario to its Trading System and facilities to trade Nodal Contracts, Nodal Exchange is considered to be "carrying on business as a commodity futures exchange in Ontario";

14. Nodal Exchange is not registered with or recognized by the Commission as a commodity futures exchange under the CFA and none of the Nodal Contracts have been accepted by the Director (as defined in the OSA) under the CFA. As a result, Nodal Contracts are also considered "securities" under paragraph (p) of the definition of "security" in section 1 of the OSA and Nodal Exchange is considered to be an "exchange" under the OSA. Therefore, Nodal Exchange is prohibited from carrying on business in Ontario unless it is recognized or exempt from recognition under subsection 21(1) of the OSA;

15. Further, while Nodal Contracts are also considered "securities" under paragraph (p) of the definition of "security" in section 1 of the OSA for the reasons outlined in the preceding paragraph, Nodal Contracts would not be considered "securities" under any other paragraph contained in that definition, nor would any Nodal Contract be considered a "derivative" as defined in section 1(1) of the OSA;

16. Similar to paragraph 12 above, since Nodal Exchange seeks to provide Ontario Participants with access in Ontario to trade Nodal Contracts, Nodal Exchange is considered to be "carrying on business as an exchange in Ontario";

17. Additionally, the exemption from registration in subsection 32(a) of the CFA applies for trades "by a hedger through a dealer". This exemption will not be available for trades in Nodal Contracts by Ontario resident Hedgers that become Nodal Exchange Participants since they will have direct access to Nodal Exchange but will not be considered to be executing "through a dealer". For this reason, Nodal Exchange is seeking Commission approval for the Hedger Relief;

18. Section 35.1 of the OSA provides that financial institutions are exempt from the requirement to be registered under the OSA to act as dealers provided that the conditions of the exemption are met. However, there is no corresponding exemption from registration for trades by financial institutions in the CFA. For this reason, Nodal Exchange is seeking Commission approval for the Bank Relief.

19. Nodal Exchange ensures that all applicants to become Nodal Exchange Participants must satisfy certain criteria, including, among other things: validly organized and in good standing, good reputation, business integrity and adequate financial resources to assume the responsibilities and privileges of being a Nodal Exchange Participant;

20. All Nodal Clear Clearing Members holding customer accounts to guarantee the trades of Nodal Exchange Participants under paragraph 10 will be registered FCMs with the CFTC. Such Nodal Clear Clearing Members are subject to the compliance requirements of the CEA, the CFTC, and the National Futures Association as they relate to customer accounts, including various know-your-client, suitability, risk disclosure, anti-money laundering and anti-fraud requirements. These requirements, in conjunction with the margin requirements for Nodal Contracts applicable to Nodal Clear Clearing Members, and subsequently to their clients whose trades they guarantee, ensure that Ontario Participants seeking to become Nodal Exchange Participants that are not also Nodal Clear Clearing Members are subjected to appropriate due diligence procedures and fitness criteria. In addition, Nodal Exchange Participants are responsible for, among other things, compliance with the rules of Nodal Exchange, as those rules relate to the entering and executing of transactions, and to comply with all applicable laws pertaining to the use of Nodal Exchange;

21. Based on the facts set out in the Application, Nodal Exchange satisfies the criteria for exemption set out in Appendix 1 of Schedule A to this order;

AND WHEREAS the Commission will monitor developments in international and domestic capital markets and Nodal Exchange's activities on an ongoing basis to determine whether it is appropriate for the Commission to continue to grant the Exchange Relief or Registration Relief and, if so, whether it is appropriate for the Exchange Relief and Registration Relief to continue to be granted subject to the terms and conditions set out in Schedule A to this order;

AND WHEREAS Nodal Exchange has acknowledged to the Commission that the scope of the Exchange Relief or Registration Relief and the terms and conditions imposed by the Commission set out in Schedule A to this order may change as a result of its monitoring of developments in international and domestic capital markets or Nodal Exchange's activities, or as a result of any changes to the laws in Ontario affecting trading in derivatives, commodity futures contracts, commodity futures options or securities;

AND WHEREAS based on the Application, together with the representations made by and acknowledgements of Nodal Exchange to the Commission, the Commission has determined that:

a. Nodal Exchange satisfies the criteria for exemption set out in Appendix 1 of Schedule A;

b. The granting of the Exchange Relief would not be prejudicial to the public interest; and

c. The granting of the Registration Relief would not be prejudicial to the public interest;

IT IS HEREBY ORDERED by the Commission that:

a. Pursuant to section 147 of the OSA, Nodal Exchange continues to be exempt from recognition as an exchange under subsection 21(1) of the OSA;

b. Pursuant to section 80 of the CFA, Nodal Exchange continues to be exempt from registration as a commodity futures exchange under subsection 15(1) of the CFA;

c. Pursuant to section 38 of the CFA, trades in Nodal Contracts by Hedgers who are Ontario Participants continue to be exempt from the registration requirement under section 22 of the CFA; and

d. Pursuant to section 38 of the CFA, trades in Nodal Contracts by Banks who are Ontario Participants entering orders as principal and only for their own accounts are exempt from the registration requirement under section 22 of the CFA;

PROVIDED THAT

a. Nodal Exchange complies with the terms and conditions attached hereto as Schedule A.

b. The Bank Relief shall expire on the earliest of:

(i) the expiry of any transition period as may be provided by law, after the effective date of the repeal of the CFA;

(ii) six months, or such other transition period as may be provided by law, after the coming into force of any amendment to Ontario commodity futures law or Ontario securities law (as defined in the OSA) that affects the dealer registration requirements in the CFA; and

(iii) five years after the date of this order.

DATED October 7, 2014 as varied and restated on August 5, 2016.

“Monica Kowal”

“D. Grant Vingoe”

SCHEDULE "A"

TERMS AND CONDITIONS

Meeting Criteria for Exemption

1. Nodal Exchange will continue to meet the criteria for exemption included in Appendix 1 to this schedule.

Regulation and Oversight of Nodal Exchange

2. Nodal Exchange will maintain its registration as a DCM with the CFTC and will continue to be subject to the regulatory oversight of the CFTC.

3. Nodal Exchange will continue to comply with the ongoing requirements applicable to it as a DCM registered with the CFTC.

4. Nodal Exchange must do everything within its control, which would include cooperating with the Commission as needed, to carry out its activities as an exchange exempted from recognition under subsection 21(1) of the OSA, as a commodity futures exchange exempted from registration under subsection 15(1) of the CFA, and in compliance with Ontario securities law and Ontario commodity futures law.

Access

5. Nodal Exchange will maintain and operate a Trading System where Nodal Exchange Participants trade on a principal-to-principal basis for their own proprietary accounts without the capability to trade through an intermediary in a fiduciary capacity such as a dealer or FCM.

6. Nodal Exchange will not provide direct access to an Ontario Participant unless the Ontario Participant is appropriately registered to trade in Nodal Contracts, is a Hedger, or is a Bank; in making this determination, Nodal Exchange may reasonably rely on a written representation from the Ontario Participant that specifies either that it is appropriately registered to trade in Nodal Contracts, is a Hedger, or is a Bank, and Nodal Exchange will notify such Ontario Participant that this representation is deemed to be repeated each time it enters an order for a Nodal Contract.

7. Each Ontario Participant that intends to rely on the Hedger Relief will be required to, as part of its application documentation or continued access to trading in Nodal Contracts:

   (a) represent that it is a Hedger;

   (b) acknowledge that Nodal Exchange deems the Hedger representation to be repeated by the Ontario Participant each time it enters an order for a Nodal Contract and that the Ontario Participant must be a Hedger for the purposes of each trade resulting from such an order;

   (c) agree to notify Nodal Exchange if it ceases to be a Hedger;

   (d) represent that it will only enter orders for its own account;

   (e) acknowledge that it is a market participant under the CFA and is subject to applicable requirements; and

   (f) acknowledge that its ability to continue to rely on the Hedger Relief in accessing trading on Nodal Exchange will be dependent on the Commission continuing to grant the relief and may be affected by changes to the terms and conditions imposed in connection with the Hedger Relief or by changes to Ontario securities laws or Ontario commodity futures laws pertaining to derivatives, commodity futures contracts, commodity futures options or securities.

8. Each Ontario Participant that intends to rely on the Bank Relief will be required to, as part of its application documentation or continued access to trading in Nodal Contracts:

   (a) represent that it will only enter orders as principal and for its own account only;

   (b) represent that it is a Bank;

(c) acknowledge that the Bank Relief may be affected by changes to the terms and conditions imposed in connection with the Bank Relief or by changes to Ontario securities laws or Ontario commodity futures laws pertaining to derivatives, commodity futures contracts, commodity futures options or securities; and

(d) represent that it is not engaging in activities prohibited by its governing legislation.

9. Nodal Exchange will require Ontario Participants to notify Nodal Exchange if their applicable registration has been revoked, suspended or amended by the Commission or if they have ceased to be eligible for the Registration Relief and, following notice from the Ontario Participant or the Commission and subject to applicable laws, Nodal Exchange will promptly restrict the Ontario Participant's access to Nodal Exchange if the Ontario Participant is no longer appropriately registered with the Commission, or is no longer eligible for the Registration Relief.

10. Nodal Exchange must make available to Ontario Participants appropriate training for each person who has access to trade in Nodal Contracts.

Trading by Ontario Participants

11. Nodal Exchange will not provide access to an Ontario Participant to trading in exchange-traded products of an exchange other than those of Nodal Exchange, unless such other exchange has sought and received appropriate regulatory standing in Ontario.

12. Nodal Exchange will not provide access to an Ontario Participant to trading in Nodal Contracts other than those that meet the definition of "commodity futures contract" or "commodity futures option" as defined in subsection 1(1) of the CFA, and which also fall under paragraph (p) of the definition of "security" in subsection 1(1) of the OSA, without prior Commission approval.

Submission to Jurisdiction and Agent for Service

13. With respect to a proceeding brought by the Commission arising out of, related to, concerning or in any other manner connected with the Commission's regulation and oversight of the activities of Nodal Exchange in Ontario, Nodal Exchange will submit to the non-exclusive jurisdiction of (i) the courts and administrative tribunals of Ontario and (ii) an administrative proceeding in Ontario.

14. Nodal Exchange will file with the Commission a valid and binding appointment of an agent for service in Ontario upon whom the Commission may serve a notice, pleading, subpoena, summons or other process in any action, investigation or administrative, criminal, quasi-criminal, penal or other proceeding arising out of or relating to or concerning the Commission's regulation and oversight of Nodal Exchange's activities in Ontario.

Disclosure

15. Nodal Exchange will provide to its Ontario Participants disclosure that states that:

(a) rights and remedies against Nodal Exchange may only be governed by the laws of the U.S., rather than the laws of Ontario, and may be required to be pursued in the U.S. rather than in Ontario; and

(b) the rules applicable to trading on Nodal Exchange may be governed by the laws of the U.S., rather than the laws of Ontario.

Filings with the CFTC

16. Nodal Exchange will promptly provide staff of the Commission copies of all material rules of Nodal Exchange, and material amendments to those rules, that it files with the CFTC under the regulations pertaining to self-certification and/or approval.

17. Nodal Exchange will promptly provide staff of the Commission copies of all material contract specifications and material amended contract specifications that it files with the CFTC under the regulations pertaining to self-certification and/or approval.

18. Nodal Exchange will promptly provide staff of the Commission the following information to the extent it is required to file such information with the CFTC:

(a) the annual Board of Directors' report regarding the activities of the Board and its committees;

(b) the annual financial statements of Nodal Exchange;

(c) details of any material legal proceeding instituted against Nodal Exchange;

(d) notification that Nodal Exchange has instituted a petition for a judgment of bankruptcy or insolvency or similar relief, or to wind up or liquidate Nodal Exchange or has a proceeding for any such petition instituted against it; and

(e) the appointment of a receiver or the making of any voluntary arrangement with creditors.

Prompt Notice or Filing

19. Nodal Exchange will promptly notify staff of the Commission of any of the following:

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

(i) changes to the regulatory oversight by the CFTC;

(ii) the corporate governance structure of Nodal Exchange;

(iii) the access model, including eligibility criteria, for Ontario Participants;

(iv) systems and technology; and

(v) the clearing and settlement arrangements for Nodal Exchange;

(b) any change in Nodal Exchange's regulations or the laws, rules and regulations in the U.S. relevant to futures and options where such change may materially affect its ability to meet the criteria set out in Appendix 1 to this schedule;

(c) any condition or change in circumstances whereby Nodal Exchange is unable or anticipates it will not be able to continue to meet the DCM Core Principles or any applicable requirements of the CEA or CFTC regulations;

(d) any revocation or suspension of, or amendment to, Nodal Exchange's registration as a DCM by the CFTC or if the basis on which Nodal Exchange's registration as a DCM was granted has significantly changed;

(e) any known investigations of, or disciplinary action against, Nodal Exchange by the CFTC or any other regulatory authority to which it is subject;

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

(g) any default, insolvency, or bankruptcy of any Nodal Exchange Participant known to Nodal Exchange or its representatives that may have a material, adverse impact upon Nodal Exchange or any Ontario Participant.

20. Nodal Exchange will promptly file with staff of the Commission copies of any Rule Enforcement Review report regarding Nodal Exchange once issued as final by the CFTC.

Quarterly Reporting

21. Nodal Exchange will maintain the following updated information and submit such information in a manner and form acceptable to the Commission on a quarterly basis (within 30 days of the end of each calendar quarter), and at any time promptly upon the request of staff of the Commission:

(a) a current list of all Ontario Participants, specifically identifying for each Ontario Participant:

(i) its status as a Nodal Exchange Participant for Nodal Exchange, and

(ii) the basis upon which it represented to Nodal Exchange that it could be provided with direct access (i.e., that it is appropriately registered to trade in Nodal Contracts, is a Hedger, or is a Bank);

(b) a list of all Ontario Participants against whom disciplinary action has been taken in the last quarter by Nodal Exchange or, to the best of Nodal Exchange's knowledge, by the CFTC with respect to such Ontario Participants' activities on Nodal Exchange;

(c) a list of all referrals to the Nodal Exchange Chief Regulatory Officer by the Nodal Exchange Surveillance Team concerning Ontario Participants;

(d) a list of all Ontario applicants for status as an Ontario Participant who were denied such status or access to Nodal Exchange during the quarter;

(e) a list of all new by-laws, rules, and contract specifications, and changes to by-laws, rules and contract specifications, not already reported under sections 15 and 16 of this schedule;

(f) a list of all Nodal Contracts available for trading during the quarter, identifying any additions, deletions or changes since the prior quarter;

(g) for each Nodal Contract,

(i) the total trading volume and value originating from Ontario Participants, presented on a per Ontario Participant basis, and

(ii) the proportion of worldwide trading volume and value on Nodal Exchange conducted by Ontario Participants, presented in the aggregate for such Ontario Participants; and

(h) a list outlining each incident of a significant system outage that occurred at any time during the quarter for any system impacting Ontario Participants' trading activity, including trading, routing or data, specifically identifying the date, duration and reason for the outage, and noting any corrective action taken.

Annual Reporting

22. Nodal Exchange will arrange to have the annual audited financial statements of Nodal Exchange filed with the Commission promptly after their issuance.

Reporting

23. If an IT Service Auditor's Report (**Report**) is prepared for Nodal Exchange, Nodal Exchange will promptly file with the Commission the Report after the Report is issued as final by its independent auditor.

Information Sharing

24. Nodal Exchange will provide information (including additional periodic reporting) as may be requested from time to time by, and otherwise cooperate with, the Commission or its staff, subject to any applicable privacy or other laws (including solicitor-client privilege) governing the sharing of information and the protection of personal information.

APPENDIX 1

CRITERIA FOR EXEMPTION

PART 1 REGULATION OF THE EXCHANGE

1.1 Regulation of the Exchange

The exchange is regulated in an appropriate manner in another jurisdiction by a foreign regulator (Foreign Regulator).

1.2 Authority of the Foreign Regulator

The Foreign Regulator has the appropriate authority and procedures for oversight of the exchange. This includes regular, periodic oversight reviews of the exchange by the Foreign Regulator.

PART 2 GOVERNANCE

2.1 Governance

The governance structure and governance arrangements of the exchange ensure:

(a) effective oversight of the exchange,

(b) that business and regulatory decisions are in keeping with its public interest mandate,

(c) fair, meaningful and diverse representation on the board of directors (Board) and any committees of the Board, including:

  (i) appropriate representation of independent directors, and

  (ii) a proper balance among the interests of the different persons or companies using the services and facilities of the exchange,

(d) the exchange has policies and procedures to appropriately identify and manage conflicts of interest, and

(e) there are appropriate qualifications, remuneration, limitation of liability and indemnity provisions for directors, officers and employees of the exchange.

2.2 Fitness

The exchange has policies and procedures under which it will take reasonable steps, and has taken such reasonable steps, to ensure that each director and officer is a fit and proper person.

PART 3 REGULATION OF PRODUCTS

3.1 Review and Approval of Products

The products traded on the exchange and any changes thereto are reviewed by the Foreign Regulator, and are either approved by the Foreign Regulator or are subject to requirements established by the Foreign Regulator that must be met before implementation of a product or changes to a product.

3.2 Product Specifications

The terms and conditions of trading the products are in conformity with the usual commercial customs and practices for the trading of such products.

3.3 Risks Associated with Trading Products

The exchange maintains adequate provisions to measure, manage and mitigate the risks associated with trading products on the exchange including, but not limited to, margin requirements, intra-day margin calls, daily trading limits, price limits, position limits, and internal controls.

PART 4 ACCESS

4.1 Fair Access

(a) The exchange has established appropriate written standards for access to its services including requirements to ensure

(i) participants are appropriately registered as applicable under Ontario securities laws or Ontario commodity futures laws, or exempted from these requirements,

(ii) the competence, integrity and authority of systems users, and

(iii) systems users are adequately supervised.

(b) The access standards and the process for obtaining, limiting and denying access are fair, transparent and applied reasonably.

(c) The exchange does not unreasonably prohibit, condition or limit access by a person or company to services offered by it.

(d) The exchange does not

(i) permit unreasonable discrimination among participants, or

(ii) impose any burden on competition that is not reasonably necessary and appropriate.

PART 5 REGULATION OF PARTICIPANTS ON THE EXCHANGE

5.1 Regulation

The exchange has the authority, resources, capabilities, systems and processes to allow it to perform its regulation functions, whether directly or indirectly through a regulation services provider, including setting requirements governing the conduct of its participants, monitoring their conduct, and appropriately disciplining them for violations of exchange requirements.

PART 6 RULEMAKING

6.1 Purpose of Rules

(a) The exchange has rules, policies and other similar instruments (Rules) that are designed to appropriately govern the operations and activities of participants.

(b) The Rules are not contrary to the public interest and are designed to

(i) ensure compliance with applicable legislation,

(ii) prevent fraudulent and manipulative acts and practices,

(iii) promote just and equitable principles of trade,

(iv) foster co-operation and co-ordination with persons or companies engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in the products traded on the exchange,

(v) provide a framework for disciplinary and enforcement actions, and

(vi) ensure a fair and orderly market.

PART 7 DUE PROCESS

7.1 Due Process

For any decision made by the exchange that affects a participant, or an applicant to be a participant, including a decision in relation to access, exemptions, or discipline, the exchange ensures that:

(a) parties are given an opportunity to be heard or make representations, and

(b) it keeps a record of, gives reasons for, and provides for appeals or reviews of its decisions.

PART 8 CLEARING AND SETTLEMENT

8.1 Clearing Arrangements

The exchange has appropriate arrangements for the clearing and settlement of transactions through a clearing house.

8.2 Regulation of the Clearing House

The clearing house is subject to acceptable regulation.

8.3 Authority of Regulator

A foreign regulator has the appropriate authority and procedures for oversight of the clearing house. This includes regular, periodic regulatory examinations of the clearing house by the foreign regulator.

8.4 Access to the Clearing House

(a) The clearing house has established appropriate written standards for access to its services.

(b) The access standards for clearing members and the process for obtaining, limiting and denying access are fair, transparent and applied reasonably.

8.5 Sophistication of Technology of Clearing House

The exchange has assured itself that the information technology used by the clearing house has been adequately reviewed and tested and provides at least the same level of safeguards as required of the exchange.

8.6 Risk Management of Clearing House

The exchange has assured itself that the clearing house has established appropriate risk management policies and procedures, contingency plans, default procedures and internal controls.

PART 9 SYSTEMS AND TECHNOLOGY

9.1 Systems and Technology

Each of the exchange's critical systems has appropriate internal controls to ensure completeness, accuracy, integrity and security of information, and, in addition, has sufficient capacity and business continuity plans to enable the exchange to properly carry on its business. Critical systems are those that support the following functions:

(a) order entry,

(b) order routing,

(c) execution,

(d) trade reporting,

(e) trade comparison,

(f) data feeds,

(g) market surveillance,

(h) trade clearing, and

(i) financial reporting.

9.2 Information Technology Risk Management Procedures

The exchange has appropriate risk management procedures in place including those that handle trading errors, trading halts and circuit breakers.

PART 10 FINANCIAL VIABILITY

10.1 Financial Viability

The exchange has sufficient financial resources for the proper performance of its functions and to meet its responsibilities.

PART 11 TRANSPARENCY

11.1 Transparency

The exchange has adequate arrangements to record and publish accurate and timely trade and order information. This information is provided to all participants on an equitable basis.

PART 12 RECORD KEEPING

12.1 Record Keeping

The exchange has and maintains adequate systems in place for the keeping of books and records, including, but not limited to, those concerning the operations of the exchange, audit trail information on all trades, and compliance with, and/or violations of exchange requirements.

PART 13 OUTSOURCING

13.1 Outsourcing

Where the exchange has outsourced any of its key services or systems to a service provider, it has appropriate and formal arrangements and processes in place that permit it to meet its obligations and that are in accordance with industry best practices.

PART 14 FEES

14.1 Fees

(a) All fees imposed by the exchange are reasonable and equitably allocated and do not have the effect of creating an unreasonable condition or limit on access by participants to the services offered by the exchange.

(b) The process for setting fees is fair and appropriate, and the fee model is transparent.

PART 15 INFORMATION SHARING AND OVERSIGHT ARRANGEMENTS

15.1 Information Sharing and Regulatory Cooperation

The exchange has mechanisms in place to enable it to share information and otherwise co-operate with the Commission, self-regulatory organizations, other exchanges, clearing agencies, investor protection funds, and other appropriate regulatory bodies.

15.2 Oversight Arrangements

Satisfactory information sharing and oversight agreements exist between the Ontario Securities Commission and the Foreign Regulator.

PART 16 IOSCO PRINCIPLES

16.1 IOSCO Principles

To the extent it is consistent with the laws of the foreign jurisdiction, the exchange adheres to the standards of the International Organisation of Securities Commissions (IOSCO) including those set out in the “Principles for the Regulation and Supervision of Commodity Derivative Markets” (2011).

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
Hi Ho Silver Resources Inc.	17 December 2015	30 December 2015	30 December 2016	04 August 2016

Failure to File Cease Trade Orders

Company Name	Date of Order	Date of Revocation
Boost Capital Corp.	05 August 2016	
Burnstone Ventures Inc.	05 August 2016	
LeoNovus Inc.	05 May 2016	08 August 2016
Matica Enterprises Inc.*	03 August 2016	
Nightingale Informatix Corporation	05 August 2016	
Nuinsco Resources Limited	05 May 2016	04 August 2016

*The MCTO is revoked and replaced with a FFCTO effective August 3, 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
Matica Enterprises Inc.*	17 May 2016	30 May 2016	30 May 2016	03 August 2016	

*The MCTO is revoked and replaced with a FFCTO effective August 3, 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
DataWind Inc.	06 July 2016	18 July 2016	18 July 2016		
Matica Enterprises Inc.*	17 May 2016	30 May 2016	30 May 2016	03 August 2016	
Northern Power Systems Corp.	31 March 2016	13 April 2016	13 April 2016		
Starrex International Ltd.	30 December 2015	11 January 2016	11 January 2016		

*The MCTO is revoked and replaced with a FFCTO effective August 3, 2016.

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Chapter 7

Insider Reporting

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

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

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

Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
Alternate Health Corp.
Type and Date:
Preliminary Long Form Prospectus dated July 28, 2016
(Preliminary) Receipted on August 3, 2016
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2512829

Issuer Name:
Aphria Inc. (formerly, Black Sparrow Capital Corp.)
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated August 3, 2016
NP 11-202 Preliminary Receipt dated August 4, 2016
Offering Price and Description:
$30,000,000.00 - 15,000,000 Common Shares
Price: $2.00 per Common Share
Underwriter(s) or Distributor(s):
CLARUS SECURITIES INC.
SPROTT PRIVATE WEALTH LP
CORMARK SECURITIES INC.
MACKIE RESEARCH CAPITAL CORPORATION
Promoter(s):
Cole Cacciavillani
John Cervini
Project #2512046

Issuer Name:
AuRico Metals Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated August 8, 2016
NP 11-202 Preliminary Receipt dated August 8, 2016
Offering Price and Description:
C$10,000,000.00 - 10,000,000 Common Shares
Price: C$1.00 per Common Share
Underwriter(s) or Distributor(s):
NATIONAL BANK FINANCIAL INC.
MACQUARIE CAPITAL MARKETS CANADA LTD.
MACKIE RESEARCH CAPITAL CORPORATION
CANACCORD GENUITY CORP.
DUNDEE SECURITIES LTD.
PARADIGM CAPITAL INC.
Promoter(s):
-
Project #2513843

Issuer Name:
Genworth MI Canada Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Shelf Prospectus dated August 3, 2016
NP 11-202 Preliminary Receipt dated August 3, 2016
Offering Price and Description:
$2,500,000,000.00 - Debt Securities, Preferred Shares, Common Shares, Subscription Receipts, Warrants, Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2513882

Issuer Name:
Gran Tierra Energy Inc.
Principal Regulator - Alberta
Type and Date:
Preliminary Prospectus - MJDS dated August 2, 2016
NP 11-202 Preliminary Receipt dated August 2, 2016
Offering Price and Description:
Common Stock, Preferred Stock, Debt Securities, Warrants, Subscription Receipts
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2513467

Issuer Name:
Northwest Arm Capital Inc.
Principal Regulator - Nova Scotia
Type and Date:
Preliminary CPC Prospectus dated August 5, 2016
Received on August 5, 2016
Offering Price and Description:
$300,000.00 - 3,000,000 Common Shares
Price: $0.10 per Common Share
Underwriter(s) or Distributor(s):
Haywood Securities Inc.
Promoter(s):
James Davison
Jim Megann
Project #2515201

Issuer Name:
Pure Industrial Real Estate Trust
Principal Regulator - British Columbia
Type and Date:
Preliminary Shelf Prospectus dated August 3, 2016
NP 11-202 Preliminary Receipt dated August 3, 2016
Offering Price and Description:
$750,000,000.00 – Units, Debt Securities, Warrants, Subscription Receipts
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2513973

Issuer Name:
RIOCAN REAL ESTATE INVESTMENT TRUST
Principal Regulator - Ontario
Type and Date:
Preliminary Shelf Prospectus dated August 3, 2016
NP 11-202 Preliminary Receipt dated August 3, 2016
Offering Price and Description:
$3,000,000,000.00 - Debt Securities, (Senior Unsecured), Units, Preferred Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2513893

Issuer Name:
StorageVault Canada Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated August 2, 2016
NP 11-202 Preliminary Receipt dated August 3, 2016
Offering Price and Description:
$50,000,400.00 - 58,824,000 Common Shares
Price: $0.85 per Common Share
Underwriter(s) or Distributor(s):
NATIONAL BANK FINANCIAL INC.
GMP SECURITIES L.P.
CANACCORD GENUITY CORP.
INDUSTRIAL ALLIANCE SECURITIES INC.
RAYMOND JAMES LTD.
Promoter(s):
-
Project #2511092

Issuer Name:
Student Transportation Inc. (formerly,Student Transportation of America Ltd.)
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus (NI 44-101) dated August 2, 2016
NP 11-202 Preliminary Receipt dated August 2, 2016
Offering Price and Description:
$85,000,000.00 - 5.25% Convertible Unsecured Subordinated Debentures
Price: $1,000 per Debenture
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
Raymond James Ltd.
TD Securities Inc.
Promoter(s):
-
Project #2510961

Issuer Name:
Brandes Emerging Markets Value Fund (formerly Brandes Emerging Markets Equity Fund)
Brandes Global Equity Class
Brandes Global Equity Fund
Brandes Global Opportunities Fund
Brandes International Equity Fund
Sionna Canadian Equity Fund (formerly Brandes Sionna Canadian Equity Fund)
Sionna Canadian Equity Private Pool
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated July 25, 2016 to Final Simplified Prospectus dated April 22, 2016
NP 11-202 Receipt dated August 5, 2016
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
Brandes Investments Partners & Co.
Project #2456455

Issuer Name:
Canadian Dollar Cash Management Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated July 29, 2016
NP 11-202 Receipt dated August 2, 2016
Offering Price and Description:
Corporate Series units
Underwriter(s) or Distributor(s):
-
Promoter(s):
Invesco Canada Ltd.
Project #2494576

Issuer Name:
Canadian Dollar Cash Management Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated July 29, 2016
NP 11-202 Receipt dated August 2, 2016
Offering Price and Description:
The Northern Trust Canada Series units
Underwriter(s) or Distributor(s):
-
Promoter(s):
Invesco Canada Ltd.
Project #2494605

Issuer Name:
Canadian Dollar Cash Management Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated July 29, 2016
NP 11-202 Receipt dated August 2, 2016
Offering Price and Description:
Institutional Series units
Underwriter(s) or Distributor(s):
-
Promoter(s):
Invesco Canada Ltd.
Project #2494590

Issuer Name:
Canadian Dollar Cash Management Fund
U.S. Dollar Cash Management Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated July 29, 2016
NP 11-202 Receipt dated August 2, 2016
Offering Price and Description:
Series I units
Underwriter(s) or Distributor(s):
-
Promoter(s):
Invesco Canada Ltd.
Project #2494562

Issuer Name:
Fidelity Global Monthly Income Currency Neutral Fund
Fidelity Strategic Income Currency Neutral Fund
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated July 28, 2016 to Final Simplified Prospectus dated April 22, 2016
NP 11-202 Receipt dated August 5, 2016
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Fidelity Investments Canada ULC
Promoter(s):
Fidelity Investments Canada ULC
Project #2430583

Issuer Name:
First Asset Investment Grade Bond ETF
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated July 28, 2016
NP 11-202 Receipt dated August 2, 2016
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
First Asset Investment Management Inc.
Project #2498271

Issuer Name:
Gran Tierra Energy Inc.
Principal Regulator - Alberta
Type and Date:
Final Prospectus - MJDS dated August 5, 2016
NP 11-202 Receipt dated August 5, 2016
Offering Price and Description:
Common Stock
Preferred Stock
Debt Securities
Warrants
Subscription Receipts
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2513467

Issuer Name:
Invesco Allocation Fund
Invesco Canada Money Market Fund
Invesco Canadian Balanced Fund
Invesco Canadian Premier Growth Class
Invesco Canadian Premier Growth Fund
Invesco Core Canadian Balanced Class
Invesco Emerging Markets Debt Fund
Invesco European Growth Class
Invesco Global Bond Fund
Invesco Global Growth Class
Invesco Global Real Estate Fund
Invesco Indo-Pacific Fund
Invesco Intactive 2023 Portfolio
Invesco Intactive 2028 Portfolio
Invesco Intactive 2033 Portfolio
Invesco Intactive 2038 Portfolio
Invesco Intactive Balanced Growth Portfolio
Invesco Intactive Balanced Growth Portfolio Class
Invesco Intactive Balanced Income Portfolio
Invesco Intactive Balanced Income Portfolio Class
Invesco Intactive Diversified Income Portfolio
Invesco Intactive Diversified Income Portfolio Class
Invesco Intactive Growth Portfolio
Invesco Intactive Growth Portfolio Class
Invesco Intactive Maximum Growth Portfolio
Invesco Intactive Maximum Growth Portfolio Class
Invesco Intactive Strategic Yield Portfolio
Invesco International Growth Class
Invesco International Growth Fund
Invesco Select Canadian Equity Fund
Invesco Short-Term Income Class
PowerShares 1-5 Year Laddered Corporate Bond Index Fund
PowerShares Canadian Dividend Index Class
PowerShares Canadian Low Volatility Index Class
PowerShares Canadian Preferred Share Index Class
PowerShares FTSE RAFI® Canadian Fundamental Index Class
PowerShares FTSE RAFI® Emerging Markets Fundamental Class
PowerShares FTSE RAFI® Global+ Fundamental Fund
PowerShares FTSE RAFI® U.S. Fundamental Fund
PowerShares Global Dividend Achievers Fund
PowerShares High Yield Corporate Bond Index Fund
PowerShares Monthly Income Fund (formerly PowerShares Diversified Yield Fund)
PowerShares Real Return Bond Index Fund
PowerShares Tactical Bond Fund
PowerShares U.S. Low Volatility Index Fund
Invesco Advantage Bond Fund (formerly, Trimark Advantage Bond Fund)
Invesco Canadian Bond Class (formerly, Trimark Canadian Bond Class)
Invesco Canadian Bond Fund (formerly, Trimark Canadian Bond Fund)
Trimark Canadian Class
Trimark Canadian Endeavour Fund
Trimark Canadian Fund
Trimark Canadian Opportunity Class
Trimark Canadian Opportunity Fund
Trimark Canadian Plus Dividend Class
Trimark Canadian Small Companies Fund
Trimark Diversified Yield Class
Trimark Emerging Markets Class
Trimark Energy Class
Trimark Europlus Fund
Invesco Floating Rate Income Fund (formerly, Trimark Floating Rate Income Fund)
Trimark Fund
Trimark Global Balanced Class
Trimark Global Balanced Fund
Trimark Global Diversified Income Fund
Trimark Global Dividend Class
Trimark Global Endeavour Class
Trimark Global Endeavour Fund
Trimark Global Fundamental Equity Class
Trimark Global Fundamental Equity Fund
Invesco Global High Yield Bond Fund (formerly, Trimark Global High Yield Bond Fund)
Trimark Global Small Companies Class
Trimark Income Growth Fund
Trimark Interest Fund
Trimark International Companies Class
Trimark International Companies Fund
Trimark Resources Fund
Trimark Select Balanced Fund
Invesco Short-Term Bond Fund (formerly, Trimark Short-Term Income Fund)
Trimark U.S. Companies Class
Trimark U.S. Companies Fund
Trimark U.S. Money Market Fund
Trimark U.S. Small Companies Class
Principal Regulator - Ontario

Type and Date:
Final Simplified Prospectus dated July 29, 2016
NP 11-202 Receipt dated August 2, 2016

Offering Price and Description:
-

Underwriter(s) or Distributor(s):
-

Promoter(s):
-

Project #2494482

Issuer Name:
PIMCO Balanced Income Fund (Canada)
PIMCO Canadian Short Term Bond Fund
PIMCO Canadian Total Return Bond Fund
PIMCO Global Advantage Strategy Bond Fund (Canada)
PIMCO Investment Grade Credit Fund (Canada)
PIMCO Monthly Income Fund (Canada)
PIMCO Unconstrained Bond Fund (Canada)
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated July 28, 2016
NP 11-202 Receipt dated August 2, 2016
Offering Price and Description:
Series A, Series F, Series I, Series M, Series O, Series A(US$), Series F(US$), Series I(US$), Series M(US$), Series O(US$) and Series H units units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2499702

Issuer Name:
Precision Drilling Corporation
Principal Regulator - Alberta
Type and Date:
Final Shelf Prospectus dated August 5, 2016
NP 11-202 Receipt dated August 5, 2016
Offering Price and Description:
$1,000,000,000.00 - Common Shares, Preferred Shares, Debt Securities, Warrants, Subscription Receipts, Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2511727

Issuer Name:
Shopify Inc.
Principal Regulator - Ontario
Type and Date:
Final Shelf Prospectus dated August 5, 2016
NP 11-202 Receipt dated August 5, 2016
Offering Price and Description:
$500,000,000.00 - Class A Subordinate Voting Shares, Preferred Shares, Debt Securities, Warrants, Subscription Receipts, Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2511675

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Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Voluntary Surrender	Javelin Partners Inc.	Exempt Market Dealer	August 2, 2016
Name Change	From: CES Securities Canada ULC To: Citadel Securities Canada ULC	Investment Dealer	July 22, 2016
Voluntary Surrender	Tempest Funds General Partnership	Portfolio Manager and Investment Fund Manager	August 4, 2016
Voluntary Surrender	Lombard Odier & Cie (Canada), Société en Commmandite	Portfolio Manager and Investment Fund Manager	August 5, 2016
New Registration	Graticule Asia Macro Advisors LLC	Exempt Market Dealer	August 8, 2016
New Registration	IEPP Investment Management Inc.	Portfolio Manager	August 4, 2016

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Chapter 13

SROs, Marketplaces, Clearing Agencies and Trade Repositories

13.2 Marketplaces

13.2.1 Nodal Exchange, LLC – Variation of Exemption Order – Notice

NODAL EXCHANGE, LLC

NOTICE OF COMMISSION ORDER

On August 5, 2016, the Commission issued a variation order

- pursuant to section 144 of the *Securities Act* (Ontario) (**OSA**) and section 78 of the *Commodity Futures Act* (Ontario) (**CFA**) to remove references to LCH Clearnet Ltd. in Nodal Exchange, LLC's (**Nodal Exchange**) order exempting it from recognition as an exchange; and

- pursuant to section 38 of the CFA exempting trades in commodity futures contracts on Nodal Exchange by a bank listed in Schedule I to the *Bank Act* (Canada) from the registration requirement under section 22 of the CFA, provided such trades are made as principal and only for the bank's own account.

A copy of the order is published in Chapter 2 of this Bulletin.

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