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,
RSO 1990, c S.5

AND

IN THE MATTER OF
CIBC WORLD MARKETS INC.,
CIBC INVESTOR SERVICES INC. AND
CIBC SECURITIES INC.

NOTICE OF HEARING
(Section 127 of the Securities Act)

TAKE NOTICE THAT the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to section 127 of the *Securities Act* at the offices of the Commission located at 20 Queen Street West, 17th Floor, on October 28, 2016 at 1:30 p.m. or as soon thereafter as the hearing can be held;

AND TAKE NOTICE that the purpose of the hearing is for the Commission to consider whether it is in the public interest to approve the Settlement Agreement dated October 24, 2016, on a no-contest basis, between Staff of the Commission and CIBC World Markets Inc., CIBC Investor Services Inc. and CIBC Securities Inc.;

BY REASON OF the allegations set out in the Statement of Allegations dated October 25, 2016 and such additional allegations as counsel may advise and the Commission may permit;

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

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

AND TAKE FURTHER NOTICE that 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 25th day of October, 2016.

"Grace Knakowski"
Secretary to the Commission

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

AND

IN THE MATTER OF
CIBC WORLD MARKETS INC.,
CIBC INVESTOR SERVICES INC. AND
CIBC SECURITIES INC.

STATEMENT OF ALLEGATIONS OF
STAFF OF THE ONTARIO SECURITIES COMMISSION

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

I. THE RESPONDENTS

1. CIBC World Markets Inc. ("CIBC WMI") is a corporation incorporated pursuant to the laws of Ontario. It is registered with the Commission as an investment dealer and is a member of the Investment Industry Regulatory Organization of Canada ("IIROC"). The references to CIBC WMI below are restricted to its retail brokerage division, CIBC Wood Gundy.

2. CIBC Investor Services Inc. ("CIBC ISI") and CIBC Securities Inc. ("CIBC SI") are each corporations incorporated pursuant to the laws of Canada. CIBC ISI is a member of IIROC and is registered with the Commission as an investment dealer. The references to CIBC ISI below are restricted to accounts related to its advisory brokerage division, CIBC Imperial Investor Services. CIBC SI is a member of the Mutual Fund Dealers Association ("MFDA") and is registered with the Commission as a mutual fund dealer. Each of CIBC WMI, CIBC SI, and CIBC ISI (collectively the "CIBC Dealers") is a subsidiary of the Canadian Imperial Bank of Commerce ("CIBC").

II. THE CIBC DEALERS' CONDUCT

3. Commencing in March 2015, the CIBC Dealers self-reported to Commission Staff inadequacies in their systems of controls and supervision which formed part of their compliance systems (the "Control and Supervision Inadequacies") which resulted in certain clients paying, directly or indirectly, excess fees that were not detected or corrected by the CIBC Dealers in a timely manner.

4. Commission Staff do not allege, and have found no evidence of dishonest conduct by the CIBC Dealers.

5. The CIBC Dealers had formulated an intention to pay appropriate compensation to clients and former clients when they self-reported the Control and Supervision Inadequacies to Commission Staff. The CIBC Dealers are taking corrective action, including implementing additional controls, supervisory and monitoring systems, to prevent the re-occurrence of the Control and Supervision Inadequacies in the future.

6. Some CIBC WMI clients have fee-based accounts and are charged a fee for investment services received in respect of assets held in the account (the "Fee-Based Accounts"). The investment services fee is based on the client's assets under management (the "Account Fee").

7. CIBC and CIBC Asset Management Inc. ("CAMI"), affiliates of the CIBC Dealers, manage a number of mutual funds that are available in different classes. For certain of these mutual funds, there are two (and for one fund type three) classes of the same mutual fund which differ solely in that the management expense ratio ("MER") of one class, which has a higher minimum investment threshold, is lower than the MER of the other class (the "MER Differential Fund").

8. The Control and Supervision Inadequacies are summarized as follows:

   (a) for some CIBC WMI clients with Fee-Based Accounts, certain non-exchange traded mutual funds mutual funds and structured notes with embedded trailer fees held in Fee-Based Accounts were incorrectly included in Account Fee calculations, resulting in some clients paying excess fees during the period (i) January 1, 2002 to January 31, 2016 for mutual funds and (ii) January 1, 2006 to January 31, 2016 for structured notes;

   (b) for some CIBC WMI clients with Fee-Based Accounts, assets held in their Fee-Based Accounts included certain exchange traded funds with embedded trailer fees, resulting in some clients paying excess fees because CIBC WMI received trailer fees during the period January 1, 2006 to January 31, 2016 in addition to the Account Fee;

(c) for some CIBC WMI clients with Fee-Based Accounts, assets held in their Fee-Based Accounts included certain closed-end funds with embedded trailer fees, resulting in some clients paying excess fees because CIBC WMI received trailer fees during the period January 1, 2006 to January 31, 2016 in addition to the Account Fee; and

(d) beginning in August 2006, some clients of the CIBC Dealers were not advised that they qualified for a lower MER class of an MER Differential Fund and indirectly paid excess fees when they invested in the higher MER class of the same mutual fund.

III. BREACH OF ONTARIO SECURITIES LAW AND CONDUCT CONTRARY TO THE PUBLIC INTEREST

9. In respect of the Control and Supervision Inadequacies, the CIBC Dealers failed to establish, maintain and apply procedures to establish controls and supervision:

(a) sufficient to provide reasonable assurance that the CIBC Dealers, and each individual acting on behalf of the CIBC Dealers, complied with securities legislation, including the requirement to deal fairly with clients with regard to fees; and

(b) that were reasonably likely to identify the non-compliance described in (a) above at an early stage that would have allowed the CIBC Dealers to correct the non-compliant conduct in a timely manner.

10. As a result, these instances of Control and Supervision Inadequacies constituted a breach of section 11.1 of National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. In addition, the failures in the CIBC Dealers' systems of controls and supervision associated with the Control and Supervision Inadequacies were contrary to the public interest.

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

DATED at Toronto, this 25th day of October, 2016.

1.3.2 AAOption et al. – ss. 127(1), 127(10)

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

AND

IN THE MATTER OF
AAOPTION,
GALAXY INTERNATIONAL SOLUTIONS LTD. and
DAVID ESHEL

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 November 23, 2016 at 2:00 p.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 AAOption that:

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

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

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

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

    e. AAOption 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 Galaxy International Solutions Ltd. ("**Galaxy**") that:

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

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

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

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

    e. Galaxy 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 David Eshel ("**Eshel**") that:

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

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

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

d. Eshel 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. such other order or orders as the Commission considers appropriate.

BY REASON of the allegations set out in the Statement of Allegations of Staff of the Commission dated October 26, 2016, and by reason of an order of the Financial and Consumer Affairs Authority of Saskatchewan dated July 14, 2016, and such additional allegations as counsel may advise and the Commission may permit;

AND TAKE FURTHER NOTICE that at the hearing on November 23, 2016 at 2:00 p.m., Staff will bring an application to proceed with the matter by written hearing, in accordance with Rule 11 of the Ontario Securities Commission *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 28th day of October, 2016.

"Grace Knakowski"
Secretary to the Commission

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

AND

IN THE MATTER OF
AAOPTION,
GALAXY INTERNATIONAL SOLUTIONS LTD. and
DAVID ESHEL

STATEMENT OF ALLEGATIONS OF
STAFF OF THE ONTARIO SECURITIES COMMISSION

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

I. OVERVIEW

1. AAOption, Galaxy International Solutions Ltd. ("Galaxy") and David Eshel ("Eshel") (collectively, the "Respondents") are subject to an order made by the Financial and Consumer Affairs Authority of Saskatchewan (the "FCAA") dated July 14, 2016 (the "FCAA Order") that imposes sanctions, conditions, restrictions or requirements upon them.

2. In its findings on liability and sanctions dated June 8, 2016 (the "Findings"), a panel of the FCAA (the "FCAA Panel") found that the Respondents acted as dealers by engaging in the business of trading in securities or holding themselves out as engaging in the business of trading in securities in Saskatchewan, without being registered to do so, in contravention of Saskatchewan securities laws.

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 FCAA PROCEEDINGS

The FCAA Findings

4. The conduct for which the Respondents were sanctioned took place in April 2015 (the "Material Time").

5. Neither Galaxy nor AAOption are registered under the Saskatchewan *Securities Act*, 1988, SS 1988, c S-42.2 (the "Saskatchewan *Securities Act*").

6. Galaxy was incorporated in the jurisdiction of Anguilla. It is now dissolved.

7. According to information currently provided on AAOption's website, "aaoption.com is a brand owned by Pacific Sunrise UK LTD located at Communications House Moston Lane [Manchester] England M40 9WB."

8. The FCAA Panel found that Eshel is an individual associated with Galaxy. The FCAA Panel further found that Eshel was "listed as the administrator in a WhoIs Data search of the domain records for AAOption's website, suggesting that the website was owned and operated by Eshel and/or Galaxy."

9. During the Material Time, the Respondents provided an online trading platform to trade binary options.

10. On April 20, 2015, a Saskatchewan investor opened a trading account with AAOption and deposited $500 USD into the account. In order to open the account, the investor provided proof of his identity, including copies of his credit card, a utility bill, passport and Saskatchewan driver's licence. The investor was contacted later the same day by an AAOption representative, who outlined support services in webinar training and customized training programs offered by AAOption. The investor's account was verified the next day by an email from AAOption Compliance Department.

11. The investor did not do well with his initial trades. On April 22, 2015, the investor was approached by another individual from AAOption, who advised that if the investor increased his investment to $10,000 USD, he could participate in hedge fund trading. The investor was provided with banking information and the beneficiary's address in Anguilla, British West Indies, for the purpose of wiring funds to the company. The investor was also provided a letter of guarantee. The beneficiary's name was Galaxy, but the bank's address was in Sofia, Bulgaria.

12. AAOption representatives continued to contact the investor, offering him access to auto-trading software for an additional $500 USD. On April 28, 2015, an individual identifying himself as a senior VIP broker with AAOption outlined the value of investing $10,000 USD. The broker promised a return of "about 40% on a monthly basis" using his trading methodology, and indicated that there were different levels of accounts: "5K, 10K, 25K, 50K and Premium VIP."

13. The investor later increased the amount in his investment account to $5,000USD, and reported that became more successful once his larger account size entitled him to account manager services to help him with his trades. The investor understood that his trading account had grown to approximately $12,000 USD.

14. After noticing a newspaper article about a cease trade order related to binary options trading, the investor tried unsuccessfully to withdraw funds from his trading account. However, the investor's account manager provided various reasons for AAOption's failure or refusal to return his money.

15. In a Statement of Allegations of FCAA Staff dated December 9, 2015, FCAA Staff alleged that during the Material Time, the Respondents acted as dealers by engaging in the business of trading in securities or exchange contracts or holding themselves out as engaging in the business of trading in securities or exchange contracts in Saskatchewan, contrary to section 27(2) of the Saskatchewan *Securities Act*.

16. In its Findings, the FCAA Panel determined that:

    a. the arrangements between the Saskatchewan investor and AAOption are clearly an investment contract, requiring AAOption to register with the [FCAA] because the Respondents were engaging in the business of trading in securities; and

    b. the Respondents have failed to be properly registered [in Saskatchewan], and are, therefore, in breach of the [Saskatchewan] *Securities Act*.

The FCAA Order

17. The FCAA Order imposed the following sanctions, conditions, restrictions or requirements:

    a. pursuant to subsection 134(l)(a) of the Saskatchewan *Securities Act*, all of the exemptions in Saskatchewan securities law do not apply to the Respondents, permanently;

    b. pursuant to subsection 134(l)(d) of the Saskatchewan *Securities Act*, the Respondents shall cease trading in any securities, including derivatives, in Saskatchewan, permanently;

    c. pursuant to subsection 134(l)(d.l) of the Saskatchewan *Securities Act*, the Respondents shall cease acquiring securities and derivatives, for and on behalf of residents of Saskatchewan, permanently;

    d. pursuant to subsection 134(l)(e) of the Saskatchewan *Securities Act*, the Respondents shall cease giving advice respecting securities and derivatives, for and on behalf of residents of Saskatchewan, permanently;

    e. pursuant to section 135.1 of the Saskatchewan *Securities Act*, the Respondents shall pay an administrative penalty to the FCAA in the amount of $25,000;

    f. pursuant to section 135.6 of the Saskatchewan *Securities Act*, the Respondents shall pay compensation to each person or company found to have sustained financial loss as a result, in whole or in part, of the Respondents' contraventions of the Saskatchewan Securities Act, in an amount to be determined; and

    g. pursuant to section 161(1) of the Saskatchewan *Securities Act*, the Respondents shall pay to the FCAA the costs of or relating to the FCAA's hearing.

III. JURISDICTION OF THE ONTARIO SECURITIES COMMISSION

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

19. 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.

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

21. 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.

22. 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 26th day of October, 2016.

1.5 Notices from the Office of the Secretary

1.5.1 CIBC World Markets Inc. et al.

FOR IMMEDIATE RELEASE
October 25, 2016

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

AND

IN THE MATTER OF
CIBC WORLD MARKETS INC.,
CIBC INVESTOR SERVICES INC. AND
CIBC SECURITIES INC.

TORONTO – The Office of the Secretary issued a Notice of Hearing to consider whether it is in the public interest to approve the Settlement Agreement dated October 24, 2016, on a no-contest basis, between Staff of the Commission and CIBC World Markets Inc., CIBC Investor Services Inc. and CIBC Securities Inc.

The hearing pursuant to subsections 127(1) and 127(2) of the *Securities Act*, RSO 1990, c. S.5 will be held at the offices of the Commission located at 20 Queen Street West, 17th Floor, on October 28, 2016 at 1:30 p.m.

A copy of the Notice of Hearing dated October 25, 2016 and Statement of Allegations of Staff of the Ontario Securities Commission dated October 25, 2016 are available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY

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media_inquiries@osc.gov.on.ca

For investor inquiries:

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

1.5.2 CIBC World Markets Inc. et al.

FOR IMMEDIATE RELEASE
October 28, 2016

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

AND

IN THE MATTER OF
CIBC WORLD MARKETS INC.,
CIBC INVESTOR SERVICES INC. AND
CIBC SECURITIES INC.

TORONTO – Following a hearing held today, the Commission issued an Order in the above named matter approving the Settlement Agreement reached between Staff of the Commission and CIBC World Markets Inc., CIBC Investor Services Inc. and CIBC Securities Inc. and the Reasons and Decision.

A copy of the Order dated October 28, 2016, Settlement Agreement dated October 24, 2016 and Reasons and Decision dated October 28, 2016 are available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

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1.5.3 Krishna Sammy

FOR IMMEDIATE RELEASE
October 28, 2016

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

AND

IN THE MATTER OF
A REQUEST FOR A HEARING AND REVIEW OF
THE DECISION OF A HEARING PANEL OF
THE INVESTMENT INDUSTRY REGULATORY
ORGANIZATION OF CANADA

AND

IN THE MATTER OF
KRISHNA SAMMY

TORONTO – The Commission issued an Order in the above named matter which provides that Sammy's application for a hearing and review of the IIROC Decision is dismissed.

A copy of the Order dated October 28, 2016 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

For media inquiries:

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For investor inquiries:

OSC Contact Centre
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1.5.4 AAOption et al.

FOR IMMEDIATE RELEASE
October 31, 2016

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

AND

IN THE MATTER OF
AAOPTION,
GALAXY INTERNATIONAL SOLUTIONS LTD. and
DAVID ESHEL

TORONTO – The Office of the Secretary issued a Notice of Hearing pursuant to Subsections 127(1) and 127(10) of the *Securities Act* setting the matter down to be heard on November 23, 2016 at 2:00 p.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 October 28, 2016 and Statement of Allegations of Staff of the Ontario Securities Commission dated October 26, 2016 are available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Natcore Technology Inc. and Dutchess Opportunity Fund, II, LP

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Securities Act, s. 48 – exemption from registration requirement – A lender under an equity line of credit wants relief from the requirement to register as an underwriter – The lender will not solicit any offers to purchase the securities it acquires from the issuer and will resell any securities through an exchange, using a registered dealer unaffiliated with the issuer or the lender.

Securities Act, s. 71(1) – exemption from prospectus delivery requirement – A lender under an equity line of credit wants relief from the requirement to deliver a prospectus – The issuer will file a supplement to its base shelf prospectus describing the terms of the equity purchase agreement; the issuer will issue a news release upon entering into the equity purchase agreement and file the agreement on SEDAR; the news release will indicate that the shelf prospectus and supplement have been filed and will specify where and how purchasers may obtain a copy.

National Instrument 44-101, s. 8.1 – exemption from short form prospectus form requirements – Disclosure – An issuer wants relief from the requirement to include in the prospectus a statement of purchasers' statutory rights in the prescribed form – The issuer is distributing securities to purchasers on the TSX-V through a lender under an equity line of credit; the purchasers will have all statutory rights except those rights triggered by delivery of the prospectus; the issuer will provide an amended statement of rights in the prospectus so that the prospectus properly describes applicable rights and purchasers are not misled.

National Instrument 44-102, s. 11.1 – exemption from shelf prospectus form requirements – An issuer wants relief from the requirement to include certain disclosure in the base shelf prospectus – The issuer is distributing securities to purchasers on the TSX-V through a lender under an equity line of credit; the purchasers will have all statutory rights except those rights triggered by delivery of the prospectus; the issuer will include in its base shelf prospectus all disclosure required under s. 5.5 but will eliminate or modify statements that specifically refer to delivery of the prospectus.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 25, 71(1), 74(1).
National Instrument 44-101 Short Form Prospectus Distributions, s. 8.1.
Form 44-101F1 Short Form Prospectus.
National Instrument 44-102 Shelf Distributions, ss. 5.5, 11.1.

September 30, 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 IN MULTIPLE JURISDICTIONS

AND

IN THE MATTER OF
NATCORE TECHNOLOGY INC.
(the Issuer)

AND

DUTCHESS OPPORTUNITY FUND, II, LP
(the Purchaser and, together with the Issuer and the Purchaser, the Filers)

DECISION

Background

1 The securities regulatory authority or regulator in each the Jurisdictions (the Decision Makers) have received an application from the Filers for a decision under the securities legislation of the Jurisdiction of the principal regulator (the Legislation) that:

(a) the following disclosure requirements under the Legislation (the Prospectus Disclosure Requirements) do not fully apply to the Issuer in connection with the Distribution (as defined below);

(i) the statement in the Prospectus Supplement (as defined below) respecting statutory rights of withdrawal and rescission in the form prescribed by Item 20 of Form 44-101F1 of National Instrument 44-101 *Short Form Prospectus Distributions* (NI 44-101); and

(ii) the statements in the Base Shelf Prospectus (as defined below) required by subsections 5.5(2) and (3) of National Instrument 44-102 *Shelf Distributions* (NI 44-102);

(b) the prohibition from acting as a dealer or underwriter unless the person or company is registered as such (the Registration Requirement) does not apply to the Purchaser in connection with the Distribution (as defined below); and

(c) the requirement under the Legislation that a dealer send a copy of the Prospectus (as defined below) to a subscriber or purchaser in the context of a distribution (the Prospectus Delivery Requirement), and a purchaser's right to withdrawal, revocation or rescission within two days of receipt of the Prospectus, do not apply to the Issuer, the Purchaser or the dealer(s) through whom the Purchaser distributes the Shares (as defined below) and that, as a result, rights of withdrawal or rights of rescission, price revision or damages for non-delivery of the Prospectus do not apply in connection with the Distribution (as defined below) (the relief contemplated in paragraph (a), (b) and (c) being together referred to as the Exemptive Relief Sought).

Under the National Policy 11-203 – *Process for Exemptive Relief Applications in Multiple Jurisdictions* (NP 11-203) (for a dual application):

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

(b) the Filers have provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in Alberta and Nova Scotia; 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 Filers:

The Issuer

1. the Issuer is a corporation incorporated under the *Business Corporations Act* (British Columbia) with its head office located in Rochester, New York, USA;

2. the Issuer is a reporting issuer in the provinces of British Columbia, Alberta, Nova Scotia and Ontario (the Jurisdictions) and is not in default of securities legislation in any jurisdiction of Canada; the Issuer is also a reporting company in the United States;

3. the Issuer's authorized share capital currently consists of an unlimited number of common shares (the Shares) of which 60,289,302 Shares were outstanding as at July 13, 2016; as of the same date, an aggregate of 5,501,500 Shares are issuable on exercise of outstanding stock options and an aggregate of 21,892,070 Shares are issuable on the exercise of outstanding common share purchase warrants;

4. the Shares are listed for trading on the TSX Venture Exchange (the TSXV) under the symbol "NXT"; based on the closing price of $0.315 of the Shares on the TSXV on September 16, 2016, the current market capitalization of the Issuer is approximately $19,306,130;

5. on May 26, 2016, the Issuer filed a notice of intention to be qualified to file a short form prospectus pursuant to Section 2.6 of NI 44-101 and is eligible to file a short form prospectus under Section 2.2 of NI 44-101 and a base shelf prospectus under Section 2.2 of NI 44-102;

6. the Issuer has filed a registration statement with the United States Securities and Exchange Commission in relation to the Offering which became effective on October 6, 2015;

7. the Issuer intends to file with the securities regulators in each of the Jurisdictions a base shelf prospectus pertaining to various securities of the Issuer, including the Shares (such base shelf prospectus and any amendment thereto and renewal thereof, being referred to herein as the Base Shelf Prospectus);

8. the statements required by subsections 5.5(2) and (3) of NI 44-102 to be included in the (final) Base Shelf Prospectus will be qualified by adding "*except in cases where an exemption from such delivery requirements has been obtained*" to the end of the required disclosure;

The Purchaser

9. the Purchaser is a Delaware limited partnership and its head office is located at 50 Commonwealth Avenue, Suite 2, Boston, Massachusetts, 02116, USA;

10. the Purchaser has been established to purchase and sell, as principal, securities of publicly traded entities, using various investment structures, including without limitation, equity securities pursuant to equity lines of credit;

11. the Purchaser is not a reporting issuer or registered as a registered firm as that term is defined National Instrument 31-103 *Registration Requirements and Exemptions* in any jurisdiction of Canada;

12. the Purchaser is not in default of securities legislation in any jurisdiction of Canada;

13. the Purchaser is an "accredited investor" as defined in National Instrument 45-106 – *Prospectus and Registration Exemptions*;

The Distribution Agreement and Proposed Distribution Arrangement

14. the Issuer has entered into an investment agreement (the Investment Agreement) pursuant to which the Purchaser has agreed to purchase, and the Issuer has the right, but not the obligation, exercisable from time to time for a period of 36 months (the Commitment Period), to issue and sell, up to US$5,000,000 of Shares (the Aggregate Commitment Amount);

15. the Issuer proposes to enter into an amended and restated investment agreement (the Distribution Agreement) in order to amend certain items relating to the transactions contemplated thereby;

16. the Distribution Agreement will provide the Issuer with the ability to raise capital as needed from time to time; the Purchaser regularly engages in such transactions; the Purchaser may, in some cases, finance its commitment to subscribe for Shares on a draw down through resales from existing holdings of the Issuer's securities;

17. under the Distribution Agreement, the Issuer will, subject to paragraph 18, be entitled to deliver to the Purchaser, at any time during the Commitment Period, a draw down notice (a Draw Down Notice), which notice shall (i) notify the Purchaser of its intention to draw down funds under the facility, (ii) specify the amount of the proposed draw down, (iii) specify the pricing period which will establish the price per share at which the Issuer will issue Shares in connection with such Draw Down Notice, which price, may not be below the greater of (a) US$0.30 per Share or (b) the last closing price of the Shares on the TSXV on the trading day immediately prior to the Draw Dawn Notice less the permitted discount set by the TSXV (the Minimum Price);

18. the Issuer may not deliver a Draw Down Notice during the period beginning 10 trading days before the Issuer's next subsequent annual financial statements or quarterly financial statements are to be public released and ending two trading days after such report is released, or during any other period in which the Issuer is in possession of material non-public information;

19. the maximum amount that the Issuer shall be entitled to drawn down pursuant to any Draw Down Notice shall not exceed the greater of (i) USD$200,000 or (ii) 200% of the product of the average daily trading volume of Shares on the TSXV during the three days immediately preceding the date of such Draw Down Notice and the average of the closing price of the Shares on the TSXV during such three-day period;

20. the subscription price of the Shares to be issued pursuant to a Draw Down Notice (the Purchase Price) will equal 95% of the lowest daily volume-weighted average price of the Shares traded on the TSXV over a period of five trading days commencing immediately after the date of the Draw Down Notice (the Draw Down Pricing Period), provided, however, that the subscription price shall not be less than the Minimum Price;

21. on the day following the expiry of the Draw Down Pricing Period, the Purchaser shall deliver to the Issuer a settlement document setting forth, among other things, the number of Shares to be purchased and the Purchase Price. On the date which is no later than three (3) trading days following the last day of the Draw Down Pricing Period (a Settlement Date), the amount of the drawdown will be paid by the Purchaser against delivery of the relevant number of Shares to be issued by the Issuer;

22. the Distribution Agreement will provide that, at the time of each Draw Down Notice and at each Settlement Date, the Issuer will make a representation to the Purchaser that the Base Shelf Prospectus, as supplemented (the Prospectus) contains full, true and plain disclosure of all material facts relating to the Issuer and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made. The Issuer would therefore be unable to issue Shares under the Distribution Agreement when it is in possession of undisclosed information that would constitute a material fact or a material change;

23. on or after the Settlement Date for any drawdown, the Purchaser may seek to sell all or a portion of the Shares issued to it pursuant to the applicable Draw Down Notice;

24. during the term of the Distribution Agreement, the Purchaser, its affiliates, associates, partners or insiders (together the Purchaser Group), agree not to own at any time, directly or indirectly, Shares representing more than 9.99% of all issued and outstanding Shares at such time;

25. the Purchaser Group will not sell the Issuer's shares short during the term of the Distribution Agreement and for a period of 40 days thereafter. Specifically, each of the Purchaser Group will not:

    (a) borrow Shares to be sold;

    (b) borrow Shares to cover a short position; or

    (c) hold a net short position in the Shares;

26. disclosure of the activities of the Purchaser Group, as well as the restrictions thereon, will be included in the Prospectus Supplement (as defined below); in addition, the Issuer will include in the Prospectus Supplement, the following risk factors: (a) that the Purchaser may engage in resales or other hedging strategies to reduce or eliminate investment risks associated with a draw down and that such risk factor will disclose the possibility that such transactions could have a significant effect on the price of the Shares; (b) that the transactions contemplated by the Distribution Agreement may result in significant dilution to existing shareholders of the Issuer; and (c) that the Purchaser Group may sell Shares issued to them pursuant to the Distribution Agreement during its term and that such sales may have a significant effect on the price of the Shares;

27. no extraordinary commission or consideration will be paid by the Purchaser to a person or company in respect of the dispositions of Shares by the Purchaser to purchasers who acquire them from the Purchaser;

28. in effecting any re-sales of the Shares, the Purchaser will not to engage in any sales, marketing or solicitation activities of the type undertaken by dealers or underwriters in the context of a public offering; specifically, the Purchaser will not (a) advertise or otherwise hold itself out as a dealer, (b) purchase or sell securities as principal from or to customers, (c) carry a dealer inventory in securities, (d) quote a market in securities, (e) extend or arrange for the extension of credit in connection with securities transactions, (f) run a book of repurchase and reverse repurchase agreements, (g) use a carrying broker for securities transactions, (h) lend securities for customers, (i) guarantee contract performance or indemnify the Issuer for any loss or liability from the failure of the transaction to be successfully consummated, (j) participate in a selling group (k) effect any disposition of Shares which would not be in compliance with the Legislation of the securities laws of the United States, (l) provide investment advice or (m) issue or originate securities;

29. the Purchaser will not solicit offers to purchase Shares in any jurisdiction in Canada and will complete all sales of Shares to TSXV Purchasers (as defined below) via the facilities of a Recognized Exchange (as defined below), through registered dealer(s) unaffiliated with the Purchaser or the Issuer;

The Prospectus Supplements

30. the Issuer intends to file with the securities regulatory authority in each of the Jurisdictions: (a) a prospectus supplement to the Base Shelf Prospectus (the Prospectus Supplement) as soon as commercially reasonable following the date on which the Base Shelf Prospectus is receipted by the applicable securities regulatory authorities; and (b) a pricing supplement (each, a Pricing Supplement) within two business days after the Settlement Date for each drawdown under the Distribution Agreement.

31. the Prospectus Supplement will disclose (i) the Aggregate Commitment Amount, (ii) the formula to calculate the Purchase Price, (iii) in addition to the information otherwise required by NI 44-102, the disclosure required by subsection 9.1(3) of NI 44-102, (iv) certain other information required by NI 44-101 omitted from the Base Shelf Prospectus in accordance with NI 44-102 and (v) the following statement:

> *Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment are not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. However, such rights and remedies will not be available to purchasers of common shares distributed under this Prospectus Supplement because the Prospectus, the Prospectus Supplement and the relevant Pricing Supplement, will not be delivered to purchasers, as permitted under a decision document issued by the British Columbia Securities Commission on ●, 2016.*
>
> *The securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contain a misrepresentation, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. Such remedies remain unaffected by the non-delivery of the prospectus, as permitted under the decision document referred to above.*
>
> *The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.*
>
> (the Amended Statement of Rights).

32. each Pricing Supplement will disclose (i) the number of Shares issued to the Purchaser on the applicable Settlement Date, (ii) the applicable Purchase Price, (iii) the aggregate Purchase Price;

33. the Base Shelf Prospectus, as supplemented by the Prospectus Supplement and the relevant Pricing Supplement, will: (a) qualify the distribution of Shares to the Purchaser on the Settlement Date of the drawdown disclosed in the relevant Pricing Supplement; and (b) qualify the distribution of Shares to purchasers who purchase them from the Purchaser through the TSXV or another exchange recognized or exempted from recognition by the securities regulator in the Jurisdiction (each a Recognized Exchange) through registered dealer(s) engaged by the Purchaser (the TSXV Purchasers) during the period that commences on the first day of the relevant Drawdown Pricing Period and ends on the earlier of (i) the date on which the distribution of such Shares has ended or (ii) the 40th day following the relevant Settlement Date (collectively, a Distribution);

34. the Prospectus Delivery Requirements are not workable in the context of a Distribution because the TSXV Purchasers will not be readily identifiable as the dealer(s) acting on behalf of the Purchaser may combine the sell orders made under the Prospectus with other sell orders and the dealer(s) acting on behalf of the TSXV Purchasers may combine a number of purchase orders;

35. the Prospectus Supplement will contain an underwriter's certificate in the form set out in section 2.2 of Appendix B to NI 44-102 signed by the Purchaser;

36. at least three business days prior to the filing of the Prospectus Supplement to be filed as described in paragraph 30, the Issuer will provide for comment to the Decision Makers a draft of such Prospectus Supplement;

Continuous Disclosure

37. after execution of the Distribution Agreement the Issuer will:

    (a) promptly issue and file a news release disclosing the amendment of the Investment Agreement to become the Distribution Agreement and disclosing the material terms thereof, including reiterating the Aggregate Commitment Amount, the maximum amount of any draw down, the Minimum Price, the restrictions on short sales described in paragraph 25 and the formula to calculate the Purchase Price; and

    (b) within ten days:

        (i) file a material change report disclosing, at a minimum, the information required in paragraph (a); and

        (ii) file a copy of the Distribution Agreement on SEDAR. The Investment Agreement has been previously filed on SEDAR by the Issuer;

38. in the event of: (i) the termination of the Distribution Agreement; or (ii) a change in (A) the Aggregate Commitment Amount; (B) the restrictions on short sales described in paragraph 25 above, or (C) the formula to calculate the Purchase Price, the Issuer will:

    (a) promptly issue and file on SEDAR a news release disclosing such information and:

        (i) that the Base Shelf Prospectus, the Prospectus Supplement and each Pricing Supplement will be available on SEDAR and specifying how a copy of these documents can be obtained; and

        (ii) the Amended Statement of Rights; and

    (b) within ten days file a material change report with respect to such event if it constitutes a material change under applicable securities legislation;

39. promptly after delivery of each Draw Down Notice to the Purchaser, the Issuer will issue and file a news release disclosing in each case, the amount of that drawdown, the maximum number of Shares to be issued and the applicable Minimum Price, as well as the fact that the Base Shelf Prospectus and the Prospectus Supplement are available on SEDAR and specifying how a copy of those documents can be obtained;

40. in respect of each Settlement Date the Issuer will:

    (a) promptly issue and file on SEDAR a news release disclosing:

        (i) the number of Shares issued to the Purchaser and the Purchase Price in the relevant drawdown;

        (ii) that the Base Shelf Prospectus, the Prospectus Supplement and the relevant Pricing Supplement are available on SEDAR and specifying how a copy of these documents can be obtained; and

        (iii) the Amended Statement of Rights; and

    (b) within ten days file a material change report if the Distribution constitutes a material change disclosing, at a minimum, the information required in paragraph (a);

41. the Issuer will disclose in its financial statements and management's discussion and analysis filed on SEDAR pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*, for each financial period, (a) the

number and price of Shares issued to the Purchaser pursuant to the Distribution Agreement, and (b) that the Base Shelf Prospectus, the Prospectus Supplement and the relevant Pricing Supplements are available on SEDAR and specifying where and how a copy of these documents can be obtained;

Deliveries upon Request

42. the Issuer will deliver to the Decision Makers and to the TSXV, upon request, a copy of each Draw Down Notice delivered by the Issuer to the Purchaser under the Distribution Agreement; and

43. the Purchaser will provide to the Decision Makers, upon request, full particulars of trading and hedging activities by the Purchaser (and, if required, trading and hedging activities by its affiliates, associates, partners or insiders) in relation to securities of the Issuer during the term of the Distribution Agreement.

Decision

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

The decision of the Decision Makers under the Legislation is that the Exemptive Relief Sought is granted, provided that:

(a) the number of Shares distributed by the Issuer under the Distribution Agreement does not exceed, in any 12-month period, 19.9% of the aggregate number of Shares outstanding calculated at the beginning of such period;

(b) as it relates to the Prospectus Disclosure Requirements, the Issuer complies with the representations in paragraphs 8, 22, 26, 30, 31, 32, 33, 36, 37, 38, 39, 40, 41, 42 and 43 and the Purchaser complies with the representations in paragraph 35;

(c) as it relates to the Registration Requirements and the Prospectus Delivery Requirements, the Purchaser complies with the representations in paragraphs 24, 25, 27, 28, 29, 35 and 43; and

(d) this decision will terminate 25 months after date of the receipt for the final Base Shelf Prospectus.

“Robert Kirwin”
Director, Corporate Finance
British Columbia Securities Commission

2.1.2 Nautilis, Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Application by a reporting issuer for an order that it is not a reporting issuer – To the knowledge of the reporting issuer, and based on diligent enquiry, residents of Canada (i) do not directly or indirectly beneficially own more than 2% of each class or series of outstanding securities of the reporting issuer worldwide, and (ii) do not directly or indirectly comprise more than 2.4% of the total number of shareholders of the Filer worldwide – Issuer is subject to U.S. securities law and requirements of the New York Stock Exchange – Issuer has undertaken that it will concurrently deliver to its Canadian securityholders all disclosure material it is required under U.S. securities laws and exchange requirements to deliver to U.S. resident securityholders – Issuer has provided notice through a press release that it has submitted an application to cease to be a reporting issuer in Ontario.

Applicable Legislative Provisions

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

August 18, 2016

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

AND

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

AND

IN THE MATTER OF
NAUTILUS, INC.
(the "Filer")

DECISION

Background

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

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

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

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

Interpretation

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

Representations

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

1. The Filer is a corporation that was incorporated under the laws of the State of California in 1986 and became a Washington corporation in 1993. The Filer's registered and head office is 17750 S.E. 6th Way, Vancouver, Washington 98683.

2. The Filer is an American based manufacturing company in the business of manufacturing exercise equipment. The Filer's management is located in Vancouver, Washington.

3. The Filer does not have any operations, employees or offices in Canada.

4. The Filer is a reporting issuer in each of the Jurisdictions and is not in default of securities legislation in any jurisdiction of Canada other than as described in paragraph 17. The Filer is not a reporting issuer in any other jurisdiction of Canada.

5. The Filer's authorized share capital is 75 million shares of common stock with no par value (the "**Shares**"). As of November, 2015 there were 30,929,347 Shares issued and outstanding worldwide. The Filer has no other securities, including debt securities, issued or outstanding other than the Shares.

6. The Shares have been listed on listed on the New York Stock Exchange ("**NYSE**") since May 21, 2002 under the trading symbol NLS. The Filer is not in default of any of the requirements of the NYSE.

7. The Shares were previously listed on January 28, 1993 on the Toronto Stock Exchange (the "**TSX**") in substitution for the listed shares of Stratford Software Corporation as a result of the merger between Stratford Software Corporation and the Filer (then known as Bow-Flex of America, Inc.) which was completed on or about January 25, 1993. The Shares were de-listed from the TSX at the Filer's request as of the close of trading on May 4, 1999.

8. In support of the representations set forth in paragraphs 9 and 10 below concerning the percentage

of outstanding securities and the total number of security holders in Canada, the Filer determined the number of Canadian securityholders directly or indirectly beneficially owning the Shares through a review of the shareholder register kept by its registrar and transfer agent and with respect to beneficial securityholders in accordance with the process set out in National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*. The Filer also retained Laurel Hill Advisory Group ("**Laurel Hill**"), a leading, independent, cross-border shareholder communications firm with offices in Vancouver, Toronto, New York and Boston. The Filer directed Laurel Hill to undertake a thorough and diligent examination of its share register, various reports and public filings for the purposes of determining the number, holdings, identity and geographic location of the holders of its Shares.

9. Based on the Filer's diligent inquires described above and information provided by Laurel Hill, as of November, 2015, the Filer had 30,929,347 Shares outstanding, of which the number of Shares held by residents of Canada, whether through the American share register or in Canada, beneficially and of record, is 520,207 shares representing 1.68% of the total outstanding shares. Further, residents of Canada represent 181 of the Filer's 7549 worldwide securityholders and therefore residents of Canada comprise 2.40% of the Filer's worldwide securityholders.

10. Accordingly, based on the foregoing, as of November, 2015, residents of Canada:

- do not, directly or indirectly, beneficially own more than 2% of each class or series of outstanding securities of the issuer worldwide; and
- do not, directly or indirectly, comprise more than 2.40% of the total number of securityholders of the Filer worldwide.

11. The Filer is unable to rely on the simplified procedure set out in CSA Notice 12-307 *Applications for a Decision that an Issuer is not a Reporting Issuer* in order to apply for the relief sought because the Filer's securities are traded on the NYSE, the Filer is a reporting issuer in British Columbia and it has more than 50 security holders in total worldwide. The Filer could not voluntarily surrender its status as a reporting issuer in British Columbia under BC Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status* because the Filer has more than 50 securityholders and the Shares are traded through or quoted on an exchange or quotation system.

12. The Filer has no current intention to seek public financing by way of an offering of securities in any jurisdiction in Canada.

13. In the 12 months before applying for the decision, the Filer has not taken any steps that indicate there is a market for its securities in Canada. In particular, since 1999, the Filer has not maintained a listing on a Canadian marketplace or exchange or distributed any securities in Canada.

14. None of the Filer's securities are listed, traded or quoted on a marketplace in Canada as defined in National Instrument 21-101 *Marketplace Operation* and the Filer does not intend to have its securities listed, traded or quoted on such marketplace in Canada.

15. The Filer is subject to all applicable corporate requirements of a corporation formed under the laws of the United States and the applicable rules of the NYSE, which is a major foreign exchange. The Filer is not in default of any of the requirements of the laws of the United States applicable to it.

16. The Filer files continuous disclosure reports under U.S. securities laws and is listed on the NYSE. Such continuous disclosure reports are available to securityholders on the Filer's website at www.nautilusinc.com/investors/sec-filings/ and on Electronic Data Gathering, Analysis and Retrieval system ("**EDGAR**") at www.sec.gov/edgar.

17. The Filer qualifies as a "designated foreign issuer" under National Instrument 71-102 *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers* ("**NI 71-102**") and has relied on and complied with the exemptions from Canadian continuous disclosure requirements afforded to designated foreign issuers under Part 4 of NI 71-102 with respect to financial statements, AIFs and MD&A. However, the Filer has not filed on SEDAR certain news releases and documents filed with or furnished to the U.S. Securities and Exchange Commission ("**SEC**") required to be filed in order to rely on certain of the exemptions in Part 4 of NI 71-102 (collectively, the "**Unfiled Documents**") and, as a result, is in default of its disclosure obligations under the Legislation with respect to the Unfiled Documents. The Unfiled Documents have been filed in the U.S. on EDGAR and are available on the Filer's website.

18. On December 29, 2015, the Filer issued and filed a press release announcing that it has submitted an application to the Decision Makers for a decision that is not a reporting issuer in the Jurisdictions and, if that decision is granted, the Filer will no longer be a reporting issuer or the equivalent in any jurisdiction in Canada.

19. The Filer has provided an undertaking in favour of the securities regulatory authorities of the Jurisdictions that it will deliver to its security-holders resident in Canada, in the same manner and at the same time as delivered to its U.S.

resident securityholders, all disclosure material required by U.S. securities law or exchange requirements to be delivered to U.S. resident securityholders.

20. As a result, securityholders resident in Canada will continue to receive all continuous disclosure documents delivered to securityholders of the Filer who are resident in the U.S.

21. The Filer will not be a reporting issuer in any jurisdiction in Canada immediately following the granting of the Exemptive Relief Sought.

Decision

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

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

"Grant Vingoe"
Vice-Chair
Ontario Securities Commission

"Tim Moseley"
Commissioner
Ontario Securities Commission

2.1.3 Discovery Air Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions and Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions – exemption from the requirement to obtain separate minority approval from each class of affected securities in connection with a proposed related party transaction so that minority approval would be obtained from the affected classes of securities of the issuer voting together as a single class – issuer is subject to the Canada Transportation Act and its dual-class share structure has been established solely to ensure that it is compliant with the foreign voting control restrictions in such legislation – with the exception that one class may be beneficially owned and controlled, directly or indirectly, only by persons who are Canadians and the other class may be beneficially owned and controlled, directly or indirectly, only by persons who are not Canadians, the issuer's two classes of shares are the same in all other respects – no difference in interest between the holders of each class of shares in connection with the proposed related party transaction – requiring a class-by-class vote could give a *de facto* veto right to a very small group of shareholders – exemption sought granted, subject to conditions, including that the issuer will otherwise comply with all of the requirements of MI 61-101 applicable to the proposed transaction.

Applicable Legislative Provisions

Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions, ss. 8.1(1), 9.1(2).
Companion Policy 61-101CP to Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions, s. 3.3.

October 7, 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
DISCOVERY AIR INC.
(the "Filer")

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer for a decision under the securities legislation of the principal regulator (the "**Legislation**") for an exemption from the requirement to obtain separate minority approval from each class of affected securities of the Filer, as set out in Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"), in respect of the Proposed Transaction (as defined below), which transaction constitutes a "related party transaction" for purposes of MI 61-101 (the "**Exemption Sought**").

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

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

(b) the Filer has provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* ("**MI 11-102**") is intended to be relied upon in Québec.

Interpretation

Terms defined in National Instrument 14-101 *Definitions*, MI 11-102, and MI 61-101 have the same meaning if used in this decision, unless otherwise defined. For the purpose of this decision, the following terms have the meaning ascribed to them hereinafter:

"CTA" shall mean *Canada Transportation Act*; and

"TSX" shall mean the Toronto Stock Exchange.

Representations

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

1. The Filer is governed by the *Canada Business Corporations Act*.

2. The Filer's head office is located at 170 Attwell Drive, Suite 370, Toronto, Ontario, M9W 5Z5.

3. The Filer is a reporting issuer in all of the provinces and territories of Canada. The Filer is not in default of its obligations under the securities legislation in any of the jurisdictions of Canada.

4. The Filer operates primarily in the aviation industry and is subject to the CTA, which requires that holders of licences to operate a domestic air service be "Canadian" within the meaning of the CTA. In order to ensure that the Filer is able to maintain its Canadian status under the CTA, the Filer has two classes of common shares: Class A common voting shares (the "**Class A Shares**") and Class B common voting shares (the "**Class B Shares**", and together with the Class A Shares, the "**Common Shares**"). This dual-class share structure has been established solely to ensure that the Filer is compliant with foreign voting control restrictions in the CTA.

5. Class A Shares may be beneficially owned and controlled, directly or indirectly, only by persons who are Canadians, and Class B Shares may be beneficially owned or controlled, directly or indirectly, only by persons who are not Canadians. With the exception of this distinction, Class A Shares and Class B Shares of the Filer are the same in all other respects, including the right to receive dividends, if any, the right to vote, and the right to receive the property and assets of the Filer in the event of dissolution, liquidation, or winding-up of the Filer.

6. An investor does not control or choose which class of Common Shares it acquires and holds. There are no unique features of either class of Common Shares which an existing or potential investor can choose to acquire, exercise or dispose of. The class of Common Shares that an investor can acquire ultimately depends only on the investor's Canadian or non-Canadian status. Moreover, if after having acquired Common Shares a holder's Canadian or non-Canadian status changes, the Common Shares will convert accordingly and automatically, without formality or regard to any other consideration.

7. As at October 1, 2016, the Filer's outstanding share capital consisted of 79,286,721 Class A Shares (representing approximately 96.7% of all Common Shares) and 2,710,754 Class B Shares (representing approximately 3.3% of all Common Shares). The Class A Shares are listed for trading on the TSX.

8. The Filer entered into a definitive agreement (the "**Agreement**") with MAG DS Corp., MAG Holdings Canada Corp. and 2531599 Ontario Limited (together, the "**Buyers**" and each a "**Buyer**") to sell its wholly-owned subsidiary, Discovery Air Fire Services Inc., for consideration of approximately $15.4 million (the "**Proposed Transaction**"). After the completion of the Proposed Transaction, the Filer will operate its business and remaining divisions in the ordinary course, and will continue its activities as a reporting issuer.

9. The Proposed Transaction will constitute a related party transaction because certain funds or co-investors of Clairvest Group Inc. (collectively, "**Clairvest**"), a related party of the Filer, are substantial direct or indirect shareholders in the Buyers.

10. As a related party transaction, the Filer must, *inter alia*, obtain a formal valuation of its wholly-owned

subsidiary being sold pursuant to the Agreement and obtain minority approval for the Proposed Transaction.

11. Pursuant to subsection 8.1(1) of MI 61-101, the Proposed Transaction must be approved by a majority of the votes cast by the holders of Class A Shares and the Class B Shares, in each case voting separately as a class, excluding the votes attached to the Class A Shares and Class B Shares, respectively, by any party specified in subsection 8.1(2) of MI 61-101 (such excluded holders, each, an "**Interested Party**"). The only Interested Party in respect of the Proposed Transaction is Clairvest.

12. As at October 1, 2016, Clairvest owns, controls or directs, directly or indirectly, 64,539,293 Class A Shares and 1,883,313 Class B Shares, representing approximately 81.4% of the Class A Shares and approximately 69.5% of the Class B Shares (representing, together, approximately 81.0% of all voting rights attached to the issued and outstanding Common Shares).

13. As of October 1, 2016, the holders of Class B Shares (other than the Interested Party) held approximately 827,441 Class B Shares (representing approximately 1% of the votes attaching to the Common Shares). A separate vote for the holders of Class B Shares would have the effect of granting disproportionate importance to a small group of holders of Common Shares, as holders of approximately 413,721 Class B Shares (representing approximately 0.5% of all voting rights attached to the Common Shares, and approximately 2.7% of all voting rights attached to the Common Shares (excluding those Common Shares held by the Interested Party)) could have the power to "veto" the Proposed Transaction.

14. The Proposed Transaction does not terminate the interests of holders of Class A Shares and/or Class B Shares, nor does it affect the holders of Class A Shares and Class B Shares in any different manner.

15. The Proposed Transaction is subject to a number of mechanisms to ensure that the interests of all holders of Common Shares are protected, including:

    (i) the creation of a special committee of three independent directors (the "**Special Committee**") by the Filer in order to negotiate and review the terms and conditions of the Proposed Transaction with their advisors and to make a recommendation to the Filer's board of directors. The Special Committee met ten times prior to the Filer entering into the Agreement and, following an extensive negotiation and review process, unanimously recommended that holders of Common Shares approve the Proposed Transaction, which recommendation was unanimously approved by the Filer's board of directors;

    (ii) the calling and holding of a special meeting of all holders of Common Shares in order to consider and, if deemed advisable, approve the Proposed Transaction by a majority of votes cast by holders of Common Shares (excluding the votes attached to the Common Shares held by the Interested Party), voting together as single class;

    (iii) the preparation and delivery of a management information circular prepared in accordance with applicable securities law requirements, including section 5.3 of MI 61-101, in order to provide shareholders with sufficient information to enable them to make an informed decision in respect of the Proposed Transaction;

    (iv) the preparation and delivery of a fairness opinion and formal valuation in accordance with section 5.4 of MI 61-101; and

    (v) that other than the requirement to obtain minority approval from the holders of Class A Shares and the holders of Class B Shares, each voting separately as a class, the Filer will comply with all of the requirements of MI 61-101 applicable to the Proposed Transaction

    (together, the "**Safeguard Measures**").

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 all the Safeguard Measures (as defined in paragraph 15 of this Decision) are implemented and remain in place as described herein.

"Naizam Kanji"
Director, Office of Mergers & Acquisitions
Ontario Securities Commission

2.1.4 Chorus Aviation Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Dual application – Application for relief from take-over bid and early warning requirements so that the applicable thresholds be triggered on a combined basis rather than on a per class basis – Relief to address foreign investment concerns – Dual class structure implemented solely for compliance with foreign ownership requirements in the aviation industry – Both classes of securities are freely tradable, have identical economic attributes and are automatically and mandatorily inter-convertible based on the holder's Canadian or non-Canadian status.

Applicable Legislative Provisions

National Instrument 51-102 Continuous Disclosure Obligations.
National Instrument 62-103 The Early Warning System and Related Take-Over Bid and Insider Reporting Issues.
National Instrument 62-104 Take-Over Bids and Issuer Bids.

October 14, 2016

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

AND

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

AND

IN THE MATTER OF
CHORUS AVIATION INC.
(the Filer)

DECISION

Background

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

(a) an offeror that makes an offer to acquire outstanding Class A Variable Voting Shares of the Filer (**Variable Voting Shares**) or outstanding Class B Voting Shares of the Filer (**Voting Shares**, and collectively with the Variable Voting Shares, the **Shares**), which would constitute a take-over bid under the Legislation as a result of the securities subject to the offer to acquire, together with the offeror's securities of that class, constituting in the aggregate 20% or more of the outstanding Variable Voting Shares or Voting Shares, as the case may be, at the date of the offer to acquire, be exempted under Section 6.1 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* (**NI 62-104**) from the take-over bid requirements contained in NI 62-104 (the TOB Rules) (the **TOB Relief**);

(b) an acquiror who acquires beneficial ownership of, or the power to exercise control or direction over, Variable Voting Shares or Voting Shares, or securities convertible into such shares, that, together with the acquiror's securities of that class, would constitute 10% or more of the outstanding Variable Voting Shares or Voting Shares, as the case may be, be exempted from the early warning requirements contained in the Legislation (the **Early Warning Relief**);

(c) an acquiror who acquires, during a take-over bid or an issuer bid, beneficial ownership of, or the power to exercise control or direction over, Variable Voting Shares or Voting Shares, or securities convertible into such shares, that, together with the acquiror's securities of that class, would constitute 5% or more of the outstanding Variable Voting Shares or Voting Shares, as the case may be, be exempted from the requirement to issue and file a news release set out in section 5.4 of NI 62-104 (the **News Release Relief**);

(d) an eligible institutional investor subject to the early warning requirements of the Legislation be entitled to rely on alternative eligibility criteria from those set forth in section 4.5 of National Instrument 62-103 *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues* (**NI 62-103**) in order to benefit from the exemption contained in section 4.1 of NI 62-103 (the **Alternative Monthly Reporting Criteria**); and

(e) the Filer be entitled to rely on alternative disclosure requirements from those set forth in Item 6.5 of Form 51-102F5 *Information Circular* (**Form 51-102F5**) of National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**) (the **Alternative Disclosure Requirements** and, collectively with the TOB Relief, the

Early Warning Relief, the News Release Relief and the Alternative Monthly Reporting Criteria, the **Exemption Sought**).

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

(a) the Nova Scotia Securities Commission 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 British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Prince Edward Island, Newfoundland and Labrador, Northwest Territories, Yukon and Nunavut, and

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

Interpretation

Terms defined in National Instrument 14-101 *Definitions*, NI 62-103, NI 62-104 or MI 11-102, including without limitation, "offeror", "offeror's securities", "offer to acquire", "acquiror", "acquiror's securities", "early warning requirements", "eligible institutional investor", and "securityholding percentage", have the same meaning if used in this decision, unless otherwise defined herein. For the purpose of this decision, the following terms have the meaning ascribed to them hereinafter:

"CTA" means *Canada Transportation Act*; and

"TSX" means the Toronto Stock Exchange.

Representations

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

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

2. The chief executive office of the Filer is located at 3 Spectacle Lake Drive, Dartmouth, Nova Scotia, B3B 1W8.

3. The Filer is a reporting issuer in all of the provinces and territories of Canada and is not in default of any requirement of the securities legislation in any of these jurisdictions.

4. The Filer is a holding company with various aviation interests, including its wholly-owned subsidiaries, Jazz Aviation LP (**Jazz**) and Voyageur Aviation Corp. (**Voyageur**).

5. As licensed carriers, the Filer's wholly-owned subsidiaries, Jazz and Voyageur, are subject to the requirements of the CTA. The CTA requires that air carriers which provide domestic services be controlled in fact by Canadians (as defined in the CTA), and that non-Canadians cannot hold or control more than 25% of the voting interests in a licensed domestic carrier.

6. The Government of Canada's Bill C-10, the *Budget Implementation Act 2009*, contains provisions whereby the restrictions relating to voting securities in the CTA would be amended to provide the Governor in Council with flexibility to increase the foreign voting interest ownership limit from the existing 25% level to a maximum of 49%. These provisions will come into force on a date to be fixed by order of the Governor in Council.

7. The authorized share capital of the Filer is comprised of: an unlimited number of Variable Voting Shares and an unlimited number of Voting Shares. As of April 4, 2016, the most recent date such information was available, 8,025,026 Variable Voting Shares and 114,206,571 Voting Shares were outstanding. In addition, as of August 30, 2016, the Filer had 2,201,729 restricted share units outstanding, each of which when vested entitles the holder to one Variable Voting Share or one Voting Share (110,304 of which Shares are issuable by the Filer and the remainder of which must be purchased over the market) and 6,250,000 options outstanding, each of which entitles its holder to purchase one Variable Voting Share or one Voting Share.

8. The Voting Shares may only be held, beneficially owned and controlled, directly or indirectly, by Canadians (as defined in the CTA). An outstanding Voting Share is converted into one Variable Voting Share, automatically and without any further act of the Filer or the holder, if such Voting Share becomes held, beneficially owned or controlled, directly or indirectly, otherwise than by way of security only, by a person who is not a Canadian.

9. The Variable Voting Shares may only be held, beneficially owned or controlled, directly or indirectly, by persons who are not Canadians. An outstanding Variable Voting Share is converted into one Voting Share, automatically and without any further act of the Filer or the holder, if such Variable Voting Share becomes held, beneficially owned and controlled, directly or indirectly, otherwise than by way of security only, by a Canadian.

10. Each Voting Share confers the right to one vote. Each Variable Voting Share confers the right to one vote unless: (i) the number of Variable Voting Shares outstanding, as a percentage of the total number of all Shares of the Filer outstanding

exceeds 25% (or any higher percentage that the Governor in Council may by regulation specify), or (ii) the total number of votes cast by or on behalf of holders of Variable Voting Shares at any meeting exceeds 25% (or any higher percentage that the Governor in Council may by regulation specify) of the total number of votes that may be cast at such meeting. If either of the above noted thresholds would otherwise be surpassed at any time, the vote attached to each Variable Voting Share decreases proportionately such that: (i) the Variable Voting Shares as a class do not carry more than 25% (or any higher percentage that the Governor in Council may by regulation specify) of the aggregate votes attached to all outstanding Shares of the Filer and (ii) the total number of votes cast by or on behalf of holders of Variable Voting Shares at any meeting do not exceed 25% (or any higher percentage that the Governor in Council may by regulation specify) of the total number of votes that may be cast at such meeting.

11. Aside from the differences in voting rights stated above, the Variable Voting Shares and Voting Shares are similar in all other respects, including the right to receive dividends if any, and the right to receive the property and assets of the Filer in the event of dissolution, liquidation, or winding up of the Filer.

12. The articles of the Filer contain coattail provisions pursuant to which Variable Voting Shares may be converted into Voting Shares in the event an offer is made to purchase Voting Shares and the offer is one which is required to be made to all or substantially all the holders of Voting Shares. Similar coattail provisions are contained in the terms of the Voting Shares and provide for the conversion of Voting Shares into Variable Voting Shares in the event an offer is made to purchase Variable Voting Shares and the offer is one which is required to be made to all or substantially all the holders of Variable Voting Shares. Since these coattail provisions, in their existing form, do not specify the threshold at which the offer is required to be made to all the holders of a class of Shares, they do not need to be amended as a result of the decision to grant the Exemption Sought.

13. Both classes of Shares of the Filer have, since May 24, 2016, been listed on the TSX under the same ticker symbol: “CHR”. Prior to that date, both classes of Shares of the Filer were listed under separate ticker symbols, but historically traded at the same price or within a narrow price range, demonstrating that the market essentially assigns the same value to Variable Voting Shares and Voting Shares.

14. The Filer’s dual class structure was implemented solely to ensure compliance with the requirements of the CTA.

15. An investor does not control or choose which class of Shares it acquires and holds. There are no unique features of either class of Shares which an existing or potential investor can choose to acquire, exercise or dispose of. The class of Shares ultimately available to an investor is a function of the investor's Canadian or non-Canadian status only. Moreover, if after having acquired Shares, a holder's Canadian or non-Canadian status changes, the Shares will convert accordingly and automatically, without formality or regard to any other consideration.

16. The Variable Voting Shares are not considered “restricted voting securities” for the purposes of the Legislation.

17. The TOB Rules and early warning requirements apply to the acquisition of securities of a class. Because of the current significantly smaller public float of Variable Voting Shares (compared to the public float of Voting Shares), it is more difficult for non-Canadian investors to acquire Shares in the ordinary course without the apprehension of inadvertently triggering the TOB Rules and early warning requirements, thus restricting the interest of non-Canadian investors in the Shares for reasons unrelated to their investment objectives. As a result, although the Filer has a flexible capital structure that is designed to permit non-Canadian investors to become shareholders of the Filer, the relatively small number of outstanding Variable Voting Shares appears to have limited the investment interest of non-Canadian investors. Therefore, aggregating Variable Voting Shares and Voting Shares for the purpose of the TOB Rules and early warning requirements would facilitate investment in Variable Voting Shares.

18. To the extent that the Variable Voting Shares and Voting Shares are aggregated for purposes of the TOB Rules, the early warning requirements and alternative monthly reporting requirements, the Filer should not be required to disclose the number of Variable Voting Shares and Voting Shares on a per-class basis in its management information circular.

Decision

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

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

(a) the Filer shall publicly disclose the terms of the Exemption Sought in a news release filed on SEDAR promptly following the issuance of this decision document;

(b) the Filer shall disclose the terms and conditions of the Exemption Sought in all of its annual information forms and management proxy circulars filed on SEDAR following the issuance of this decision document;

(c) with respect only to the TOB Relief, the Variable Voting Shares or Voting Shares, as the case may be, subject to the offer to acquire of an offeror, together with the Variable Voting Shares and Voting Shares beneficially owned, or over which control or direction is exercised, on the date of the offer to acquire, by the offeror or by any person acting jointly or in concert with the offeror, would not constitute, at the date of the offer to acquire, in the aggregate 20% or more of the outstanding Variable Voting Shares and Voting Shares on a combined basis;

(d) with respect only to the Early Warning Relief, the Variable Voting Shares or Voting Shares, or securities convertible into such shares, as the case may be, over which the acquiror acquires beneficial ownership of, or the power to exercise control or direction over, together with the securities of the Filer beneficially owned, or over which control or direction is exercised, by the acquirer or any person acting jointly or on concert with the acquiror, would not constitute 10% or more of the outstanding Variable Voting Shares and Voting Shares on a combined basis;

(e) with respect only to the News Release Relief, the Variable Voting Shares or Voting Shares, or securities convertible into such shares, as the case may be, over which the acquiror acquires beneficial ownership of, or the power to exercise control or direction over, together with the securities of the Filer beneficially owned, or over which control or direction is exercised, by the acquirer or any person acting jointly or on concert with the acquiror, would not constitute 5% or more of the outstanding Variable Voting Shares and Voting Shares on a combined basis;

(f) with respect only to the Alternative Monthly Reporting Criteria, the eligible institutional investor will meet any of the eligibility criteria contained in section 4.5 of NI 62-103 by calculating its security-holding percentage using (i) a denominator comprised of all of the outstanding Variable Voting Shares and Voting Shares on a combined basis, and (ii) a numerator including all of the Variable Voting Shares and Voting Shares, as the case may be, beneficially owned or over which control or direction is exercised by the eligible institutional investor; and

(g) with respect only to the Alternative Disclosure Requirements, the Filer will meet the disclosure requirements contained in Item 6.5 of Form 51-102F5 by calculating the securityholding percentage using (i) a denominator comprised of all of the outstanding Variable Voting Shares and Voting Shares on a combined basis; and (ii) a numerator including all of the Variable Voting Shares and Voting Shares, as the case may be, beneficially owned, or over which control or direction is exercised, directly or indirectly, by any person who, to the knowledge of the Filer's directors or executive officers, beneficially owns, controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to the outstanding Variable Voting Shares and Voting Shares on a combined basis.

"Paul E. Radford"
Chair
Nova Scotia Securities Commission

"Shirley P. Lee"
Vice-chair
Nova Scotia Securities Commission

2.1.5 Aralez Pharmaceuticals Inc.

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – exemption granted from requirement to provide audited financial statements of the acquired business in a BAR – it is impracticable to prepare financial statements – filer granted relief to include alternative financial information, comprised of statement of assets acquired and liabilities assumed and statement of operations, as financial statement disclosure for a significant acquisition

Applicable Legislative Provisions

National Instrument 51-102 Continuous Disclosure Obligations, ss. 8.4, 13.1.
National Instrument 44-101 Short Form Prospectus Distributions, s. 8.1.
Form 44-101F1 Short Form Prospectus, s. 10.2.

October 28, 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
ARALEZ PHARMACEUTICALS INC.
(the "Filer")

DECISION

Background

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

(a) a decision pursuant to section 13.1 of National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**") that the requirement under section 8.4 of NI 51-102 and Item 3 of Form 51-102F4 *Business Acquisition Report* ("**Form 51-102F4**") to provide certain historical financial statements of a business that constitutes a significant acquisition, together with an auditor's report on such financial statements (collectively, the "**Historical Financial Statements**") in a business acquisition report (or any document or series of documents that are furnished to the SEC in connection with a business acquisition containing all of the information, including financial statements, required to be included in a business acquisition report) (a "**BAR**") not apply to the Filer in connection with the Acquisition (as defined below); and

(b) a decision pursuant to section 8.1 of National Instrument 44-101 *Short Form Prospectus Distributions* ("**NI 44-101**") that the Historical Financial Statements be included or incorporated by reference in any short form prospectus which the Filer files pursuant to NI 44-101 (a "**Prospectus**"), as required by Item 10.2(4) of Form 44-101F1 – *Short Form Prospectus* ("**Form 44-101F1**"), not apply to the Filer in connection with the Acquisition

(collectively, the "**Exemption Sought**").

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

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

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

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.

Representation

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

1. The Filer is a corporation incorporated under the *Business Corporations Act* (British Columbia) and is a reporting issuer or the equivalent thereof in each of the Ontario, Alberta, British Columbia, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland (the "*Jurisdictions*"), and to the best of its knowledge, information and belief, is not in default of any requirement of securities legislation applicable in the Jurisdictions.

2. The Filer is an "SEC issuer" as defined in NI 51-102. The Filer is a U.S. domestic issuer and not a "foreign private issuer" within the meaning of Rule 405 under the *Securities Exchange Act of 1934* of the United States of America.

3. The common shares of the Filer are listed and posted for trading on the TSX under the symbol "ARZ" and on the NASDAQ Global Market under the symbol "ARLZ".

4. The Filer's financial year-end is December 31. The Filer reports in U.S. GAAP and U.S. Dollars.

5. On September 6, 2016, the Filer acquired the U.S. and Canadian rights to Zontivity® (the "**Acquired Assets**") pursuant to an asset purchase agreement (the "**Acquisition**") with Merck & Company, Inc. ("**Merck**").

6. No employees were transferred to the Filer as part of the Acquisition.

7. The purchase price of the Acquired Assets consists of:

   a. a payment of US$25 million by the Filer to Merck, which was made on the closing date;

   b. certain milestone payments payable by the Filer subsequent to the closing date upon the occurrence of certain milestone events based on the annual aggregate net sale of Zontivity, any combination product containing vorapazar sulphate and one or more other active pharmaceutical ingredients or any line extension thereof, which in no event will exceed US$80 million in the aggregate; and

   c. certain royalty payments based on the annual aggregate net sale of Zontivity, any combination product containing vorapazar sulphate and one or more other active pharmaceutical ingredients or any line extension thereof.

8. Pursuant to the terms of the asset purchase agreement related to the Acquisition, the Filer assumed, among other things, liabilities arising out of or relating to any Zontivity that is manufactured or sold on or after the closing date and Merck retained certain liabilities relating to pre-closing activities.

9. The asset purchase agreement for the Acquisition was executed on the same day as the closing date of the Acquisition, being September 6, 2016 (the "**Acquisition Date**").

10. Details of the Acquisition and the asset purchase agreement related to the Acquisition can be found in the Current Report on Form 8-K (News Release) filed on SEDAR by the Filer on September 8, 2016 and a material change report filed on SEDAR by the Filer on September 16, 2016.

11. Pursuant to section 8.3 of NI 51-102 and section 81.(4) of Companion Policy 51-102CP – *Continuous Disclosure Obligations* ("**51-102CP**"), the Filer has concluded that the Acquisition constitutes as "significant acquisition" of a "business". Accordingly the Filer will be required to file a BAR within 75 days of September 6, 2016, being November 20, 2016.

12. In addition, in connection with the filing of any Prospectus following completion of the Acquisition, the Filer would be required to include in any such Prospectus, in accordance with Form 44-101F1 Item 10(4)(a) or (b), financial

statements and other information that is required to be included in, or incorporated by reference into, a BAR filed under Part 8 of NI 51-102 or satisfactory alternative financial statements or other information.

13. Section 8.4 of NI 51-102 requires that the Filer include in the BAR the following financial statements for the Acquired Assets:

    a. comparative annual financial statements, including:

        i. a statement of comprehensive income, a statement of changes in equity and a statement of cash flows for (i) the audited annual period ended December 31, 2015; and (ii) the annual period ended December 31, 2014;

        ii. an audited statement of financial position as at December 31, 2015;

        iii. a statement of financial position as at December 31, 2014; and

        iv. notes to the annual financial statements; and

    b. an interim financial report for June 30, 2016 and 2015.

14. Section 8.4(5) requires that the Filer include:

    a. a *pro forma* statement of financial position of the Filer as at the date of the Filer's most recent statement of financial position filed that gives effect, as if the Acquisition has taken place as at the date of the *pro forma* statement of financial position, to the Acquisition; and

    b. a *pro forma* income statement that gives effect to significant acquisitions completed since January 1, 2015 (including the Acquisition) for (i) the annual period ended December 31, 2015; and (ii) the most recent interim period of the Filer that ended immediately before September 6, 2016.

15. Section 10.2(4) of Form 44-101F1 requires that, in any Prospectus filed after completion of a significant acquisition for which the Filer has not yet filed a BAR under NI 51-102, the Filer include the financial statements that would be required under NI 51-102, as outlined above, or satisfactory alternative financial statements or other information.

16. Merck has advised the Filer that it did not treat the Acquired Assets as a separate and distinct business or division for accounting purposes, and, as a result, Merck did not prepare or maintain stand-alone financial statements specific to the Acquired Assets.

17. The Filer has been further advised by Merck that it is impracticable to prepare "carve-out" financial statements for the Acquired Assets in accordance with the requirements under section 8.4 of NI 51-102 for the following reasons:

    a. Merck has not maintained the distinct and separate accounts necessary to prepare the full financial statements for the Acquired Assets and the Acquired Assets are not accounted for as a separate entity, subsidiary or division of Merck and do not represent a separate legal entity. Accordingly, Merck has informed the Filer that it is unable to prepare carve-out financial statements;

    b. the Acquired Assets represented an inconsequential part of the operations of Merck. The estimated revenue of the Acquired Assets for the year ended December 31, 2015 was $2 million, which represents less than 0.01% of Merck's 2015 total revenue of $39 billion. The Acquired Assets' estimated asset value represents 0.30% of Merck's total assets as of December 31, 2015;

    c. the Acquired Assets were integrated into other businesses of Merck and did not represent a separate reporting or operating segment of Merck. Due to the nature of the Acquired Assets, which relied on shared infrastructure, Merck is unable to systematically isolate discrete financial information for indirect activities and related balance sheet accounts as they were integrated with other parts of Merck's business;

    d. Merck did not maintain separate sales and marketing or general and administrative support functions (such as finance and accounting, treasury, human resources, public relations, tax, information systems, legal, accounts receivable and accounts payable) for the Acquired Assets;

    e. as a result of the integration of Merck's business with the Acquired Assets, Merck is unable to objectively allocate certain corporate expenses to the Acquired Assets and, as a result, any allocation would be subjective;

f. consistent with the foregoing, Merck's systems and procedures do not provide sufficient information for the preparation of stand-alone income tax and interest/capital cost provisions for the Acquired Assets, nor was this required for internal, regulatory or tax purposes as the Acquired Assets were not operated as a separate business or legal entity;

g. as a result of the integration of the Acquired Assets in Merck's business, there is no reasonable basis to allocate interest expense; and

h. separate cash balances were not maintained for the Acquired Assets; instead, cash receipts and disbursements were aggregated with Merck's other cash activities.

18. The records are insufficiently detailed to extract information specific to the Acquired Assets as would be required to produce the financial statements as set out in Part 8 of NI 51-102 (and, accordingly, Item 10(4)(a) of Form 44-101F1) and, in the Filer's view, it is impracticable to do so. As a result of the factors set out above, the assumptions and estimates required for the Filer to "carve-out" a complete set of financial statements for the Acquired Assets would by necessity be arbitrary and speculative and undermine the reliability of those statements. Any such statements would not reflect the true nature of the Acquired Assets or be useful to shareholders or investors.

19. The Filer proposes to include the following financial statements in the BAR and in any Prospectus (collectively, the "**Abbreviated Financial Statements**"):

a. an audited statement of the assets to be acquired and liabilities to be assumed by the Filer as at December 31, 2015 with an audited comparative statement of assets and liabilities as at December 31, 2014 (each, a "**Statement of Assets Acquired and Liabilities Assumed**"), prepared in accordance with United States generally accepted accounting principles ("**U.S. GAAP**") that:

i. includes all assets acquired and liabilities assumed;

ii. includes a statement that the Statement of Assets Acquired and Liabilities Assumed is prepared using accounting policies that are permitted by U.S. GAAP;

iii. includes a description of the accounting policies used to prepare the Statement of Assets Acquired and Liabilities Assumed; and

iv. includes an auditor's report that reflects the fact that the Statement of Assets Acquired and Liabilities Assumed was prepared in accordance with the basis of presentation disclosed in the notes to the Statement of Assets Acquired and Liabilities Assumed;

b. an audited statement of the Acquired Assets' direct revenues and expenses for the year ended December 31, 2015 with an audited comparative statement of direct revenues and expenses for the year ended December 31, 2014 (the "**Statement of Direct Revenues and Expenses**"). These statements will be prepared in accordance with U.S. GAAP and include direct revenues generated by the Acquired Assets less expenses directly attributable to the Acquired Assets and will include notes to the statements outlining the basis of preparation and assumptions used. The notes will include the assumptions used for any allocated costs (e.g. distribution and certain selling, general and administrative costs) and the nature of any costs excluded (e.g. treasury, tax, legal, information technology, human resources, interest expense and taxes). The Statement of Direct Revenues and Expenses will:

i. include a statement that the operating statements are prepared using accounting policies that are permitted by U.S. GAAP;

ii. include a description of the accounting policies used to prepare the operating statements; and

iii. include an auditor's report that reflects the fact that the operating statements were prepared in accordance with the basis of presentation disclosed in the notes to the operating statements;

c. an unaudited statement of the assets to be acquired and liabilities to be assumed by the Filer as at June 30, 2016, reporting in a manner consistent with the Statement of Assets Acquired and Liabilities Assumed referred to in paragraph (a) above (the "**Interim Statement of Assets Acquired and Liabilities Assumed**"), as well as an unaudited statement of the Acquired Assets' direct revenues and expenses as at June 30, 2016, reporting direct revenues and expenses in a manner consistent with the Statement of Direct Revenues and Expenses referred to in paragraph (b) above (the "**Interim Statement of Direct Revenues and Expenses**");

d. a *pro forma* balance sheet as at June 30, 2016 that includes the Interim Statement of Assets Acquired and Liabilities Assumed (the "**Pro Forma Balance Sheet**"); and

e. a *pro forma* income statement for the year ended December 31, 2015 that includes the Filer's consolidated statements of income and comprehensive income for the year ended December 31, 2015 and a constructed statement of the Acquired Assets' direct revenues and expenses for the twelve-month period ended December 31, 2015 and a *pro forma* income statement for the interim period ended June 30, 2016 (the "**Pro Forma Operating Statements**").

20. Based on the financial information relating to the Acquired Assets, the Filer believes that it would be impracticable to prepare a statement of cash flows. Likewise, there is not sufficient data to prepare information about the operating, investing and financing cash flows of the Acquired Assets.

21. The Filer believes that the Abbreviated Financial Statements will provide investors with sufficient information material to their understanding of the Acquired Assets.

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 the Filer includes the Abbreviated Financial Statements in the BAR and in any Prospectus filed by the Filer that would be required to include or incorporate by reference the Historical Financial Statements.

"Sonny Randhawa"
Deputy Director, Corporate Finance Branch
Ontario Securities Commission

2.2 Orders

2.2.1 Prism Medical 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).

October 25, 2016

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

AND

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

AND

IN THE MATTER OF
PRISM MEDICAL LTD.
(the Filer)

ORDER

Background

The principal regulator in the Jurisdiction has received an application from the Filer for an order under the securities legislation of the Jurisdiction of the principal regulator (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 passport application):

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

(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 and Alberta.

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

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

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

"Michael Balter"
Manager, Corporate Finance
Ontario Securities Commission

2.2.2 DBRS Limited

Headnote

National Policy 11-205 Process for Designation of Credit Rating Organizations in Multiple Jurisdictions – Application by a designated rating organization to amend and restate its designation order to include a Mexican affiliate as a "DRO affiliate".

Applicable Legislative Provisions

Securities Act (Ontario), R.S.O. 1990, c. S.5, as am., ss. 22. 144.
National Instrument 25-101 Designated Rating Organizations, s. 6.

October 27, 2016

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

AND

IN THE MATTER OF
THE PROCESS FOR DESIGNATION OF
CREDIT RATING ORGANIZATIONS
IN MULTIPLE JURISDICTIONS

AND

IN THE MATTER OF
DBRS LIMITED
(the Filer or DBRS Canada)

AMENDED AND RESTATED
DESIGNATION ORDER

Background

The principal regulator in the Jurisdiction previously designated the Filer as a designated rating organization, as contemplated by National Instrument 25-101 *Designated Rating Organizations* (**NI 25-101**), pursuant to the October 2012 Designation (defined below).

The principal regulator in the Jurisdiction has received an application from the Filer for an amended and restated decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) that permits the addition of DBRS México (defined below) as a DRO affiliate of the Filer, as contemplated by NI 25-101.

Under the Process for Designation of Credit Rating Organizations in Multiple Jurisdictions (for a passport application):

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

(b) the Filer has provided notice that section 4B.6 of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Québec, Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador, the Northwest Territories, Yukon and Nunavut (the **Passport Jurisdictions**).

Interpretation

Terms defined in National Instrument 14-101 *Definitions*, MI 11-102 or NI 25-101 have the same meanings in this decision, unless otherwise defined herein.

Representations

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

The Filer

1. The Filer is a corporation governed by the *Business Corporations Act* (Ontario) with its registered and principal offices located in Toronto, Ontario.

2. The Filer provides credit rating opinions to a broad range of financial institutions, corporate entities, government bodies and various structured finance product groups in North America, Europe, Australasia and South America.

3. Affiliates of DBRS Canada are incorporated in the United States of America, the European Union and Mexico as follows:

   (a) DBRS, Inc. (**DBRS US**), an affiliate of DBRS Canada, is a corporation existing under the laws of Delaware. DBRS US is registered with the SEC as a nationally recognized statistical rating organization (**NRSRO**), and DBRS Canada is a credit rating affiliate (as that term is defined in SEC Form NRSRO) of DBRS US;

   (b) DBRS Ratings Limited (**DBRS UK**), an affiliate of DBRS, is a company incorporated in England and Wales and is a registered credit rating agency in the EU. DBRS UK is not a credit rating affiliate (as that term is defined in SEC Form NRSRO) of DBRS US;

   (c) DBRS Ratings México, Institución Calificadora de Valores, S.A. de C.V. (**DBRS México**), an affiliate of DBRS, is a company existing under the laws of México. DBRS México is a credit rating affiliate (as that term is defined in SEC Form NRSRO) of DBRS US.

DRBS US, DBRS UK and DBRS México are hereinafter collectively referred to as the **Affiliates**.

4. The Filer is privately owned and operated and is not a reporting issuer. DBRS was acquired in 2015 by a consortium led by The Carlyle Group (a global alternative asset manager) and Warburg Pincus (a global private equity firm). Currently, the Filer, together with the Affiliates, rates more than 1,000 different companies and single-purpose vehicles that issue commercial paper, term debt and preferred shares in the global capital markets.

5. On April 30, 2012, the Commission temporarily designated:

   (a) the Filer as a designated rating organization under the Legislation, and

   (b) each of DBRS US and DBRS UK as DRO affiliates (the **April 2012 Designation**).

   The April 2012 Designation subsequently expired and was replaced by a permanent decision dated October 31, 2012 (the **October 2012 Designation**), which also designated the Filer as a designated rating organization under the Legislation and each of DBRS US and DBRS UK as DRO affiliates.

6. The Filer was granted exemptive relief from certain aspects of NI 25-101 pursuant to an order granted by the Principal Regulator on October 31, 2012 (the **Exemption Order**).

Compliance with NI 25-101

7. The Filer has established a board of directors or supervisory board (each, a **Board**) for each of DBRS Canada, DBRS US, DBRS UK and DBRS México. Each Board includes two non-executive independent directors. At least two members of each Board (including one independent member) have in-depth knowledge and experience at a senior level regarding the markets for structured finance products. The Board of DBRS Canada complies with the composition requirements in section 8 of NI 25-101 and section 2.22 of Appendix A to NI 25-101.

8. The Filer has adopted and implemented its Business Code of Conduct for the DBRS Group of Companies (the **Business Code**) which reflects adherence to the International Organization of Securities Commission's Code of Conduct Fundamentals for Credit Rating Agencies (the **IOSCO Code**) and which has been revised to satisfy the requirements of NI 25-101. Each of DBRS US, DBRS UK and DBRS México are subject to the Business Code.

9. The Filer has also adopted and implemented a range of globally applicable policies, procedures and internal controls (**Policies**) that are designed to achieve the objectives set out in the IOSCO Code and satisfy regulatory requirements that the Filer implements globally. The Policies satisfy the requirements of NI 25-101.

10. The Board of the Filer has responsibility for performing the functions prescribed by Part 3 of NI 25-101 and sections 2.22 through 2.25 of Appendix A of NI 25-101.

11. The Filer has appointed a designated compliance officer to fulfill the functions prescribed by Part 5 of NI 25-101. The designated compliance officer has a direct reporting relationship to the Board of the Filer.

12. The Business Code and the Policies are consistent in all material respects with the objectives of NI 25-101 and enable the Filer to:

    (a) accommodate the global nature of the Filer's operations;

    (b) ensure the objectivity and integrity of its credit ratings and the transparency of its operations; and

    (c) meet specific jurisdictional requirements, in addition to those which are reflected in the Business Code.

13. The Filer is in compliance in all material respects with the October 2012 Designation, the Exemption Order, NI 25-101 and the securities legislation applicable to credit rating organizations in each jurisdiction in Canada and in any other jurisdiction in which the Filer or the Affiliates operate.

14. DBRS México conducts it day to day operations and provides regulatory reporting to the Comisión Nacional Bancaria y de Valores in Spanish. The Filer has undertaken to the Commission that it will provide Commission staff with English translations of any relevant documents that:

    (a) were originally prepared in the Spanish language and relate to DBRS México or ratings of DBRS México, and

    (b) are reasonably requested by Commission staff in the course of a compliance review or any other investigation or review under the Legislation.

15. The Filer is subject to the requirements set out in the Legislation and the securities legislation in each of the Passport Jurisdictions.

Decision

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

The decision of the Principal Regulator under the Legislation is that:

(a) the October 2012 Designation is hereby revoked,

(b) the Filer is designated as a designated rating organization under the Legislation; and

(c) each of DBRS US, DBRS UK and DBRS México are designated as DRO affiliates.

"Grant Vingoe"
Vice-Chair
Ontario Securities Commission

"Maureen Jensen"
Chair
Ontario Securities Commission

2.2.3 Krishna Sammy

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

AND

IN THE MATTER OF
A REQUEST FOR A HEARING AND REVIEW OF
THE DECISION OF A HEARING PANEL OF
THE INVESTMENT INDUSTRY REGULATORY
ORGANIZATION OF CANADA

AND

IN THE MATTER OF
KRISHNA SAMMY

ORDER

WHEREAS:

1. On February 18, 2016, Krishna Sammy filed with the Ontario Securities Commission (the **Commission**) a notice of application requesting a hearing and review of a decision of a Hearing Panel of the Investment Regulatory Organization of Canada (**IIROC**) dated January 22, 2016 (the **IIROC Decision**);

2. on September 13, 2016, the Commission gave Sammy notice that his application had not been perfected;

3. on September 15, 2016, Sammy requested that the deadline for perfecting his application be extended;

4. the Commission extended, on a peremptory basis, the deadline for perfecting Sammy's application until October 15, 2016;

5. Sammy did not perfect his application for a hearing and review as required by Rule 14.4(3) of the Commission's *Rules of Procedure* (2014), 37 OSCB 4168; and

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

IT IS ORDERED that Sammy's application for a hearing and review of the IIROC Decision is dismissed.

DATED at Toronto, this 28th day of October 2016.

"Christopher Portner"

2.2.4 Novra Technologies Inc. – s. 1(11)(b)

Headnote

Subsection 1(11)(b) – Order that the issuer is a reporting issuer for the purposes of Ontario securities law – Issuer is already a reporting issuer in Alberta, British Columbia and Quebec – Issuer's securities listed for trading on the TSX Venture Exchange – Continuous disclosure requirements in Alberta, British Columbia and Quebec are substantially the same as those in Ontario – Issuer has a significant connection to Ontario.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., s. 1(11)(b).

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

AND

IN THE MATTER OF
NOVRA TECHNOLOGIES INC.

ORDER
(section 1(11)(b))

UPON the application (the **Application**) of Novra Technologies Inc. (the **Applicant**) to the Ontario Securities Commission (the **Commission**) for a designation order pursuant to clause 1(11)(b) of the Act, that the Applicant is a reporting issuer for the purposes of Ontario securities law;

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

AND UPON the Applicant representing to the Commission as follows:

1. The Applicant was incorporated under the *Canada Business Corporations Act* on April 24, 1997. The address of the Applicant's registered and head office is 900 – 330 St. Mary Avenue, Winnipeg, Manitoba, R3C 3Z5.

2. The Applicant is a reporting issuer in British Columbia, Alberta and Quebec. The Applicant became a reporting issuer in Alberta and British Columbia on November 26, 1999 and in Quebec on June 15, 2016. The Applicant is not a reporting issuer or the equivalent in any jurisdiction in Canada other than British Columbia, Alberta, and Quebec.

3. The Applicant's authorized capital consists solely of an unlimited number of common shares and unlimited number of class "A" preferred shares. As of the date hereof there are 29,077,335 common shares issued and outstanding.

4. The Applicant's common shares are listed on the Toronto Venture Exchange (the **TSX-V**) under the symbol "NVI". The common shares of the Applicant were listed on the TSX-V on November 29, 1999.

5. The common shares of the Applicant are not listed or posted for trading, and are not anticipated to be listed or posted for trading, on any other stock exchange in Canada.

6. The continuous disclosure materials filed by the Applicant are available on the System for Electronic Document Analysis and Retrieval (**SEDAR**).

7. The Applicant is not in default of any of the rules, regulations or policies of the TSXV.

8. On June 15, 2016 as part of a three-corner amalgamation, International Datacasting Corporation (**IDC**), a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland (the **Reporting Jurisdictions**), and 9711350 Canada Inc., a wholly owned subsidiary of the Applicant, amalgamated (the **Arrangement**). The Arrangement was approved by the shareholders of IDC and the directors of the Applicant.

9. As part of the Arrangement, the shareholders of IDC exchanged their shares for shares and warrants of the Applicant as follows:

(a) for every ten (10) shares of IDC, the shareholder received one (1) common share of the Applicant;

(b) for every five (5) shares of IDC, the shareholder received one (1) warrant to purchase a common share of the Applicant;

(c) for every one (1) share of IDC, the shareholder received one (1) redeemable preferred share of the Applicant.

10. The redeemable preferred shares were redeemed for cash immediately on closing of the Arrangement. The amalgamated entity retained the name of the predecessor IDC. The Applicant is the sole shareholder of the IDC.

11. On June 20, 2016, the TSX-V delisted the shares of IDC. On July 11, 2016, IDC filed an application for an order that it is not a reporting issuer in the Reporting Jurisdictions.

12. Pursuant to the policies of the TSXV, a listed-Issuer, which is not otherwise a reporting issuer in Ontario, must assess whether it has a "significant connection to Ontario" (as defined in the policies of the TSXV) and, upon becoming aware that it has a significant connection to Ontario, promptly make a bona fide application to the Commission to be deemed a reporting issuer in Ontario.

13. The Applicant has determined that it has a significant connection to Ontario. The Applicant's Chief Financial Officer is located in Ontario, and a significant number of registered shareholders of the Applicant are located in Ontario.

14. Neither the Applicant nor any of its officers, directors, nor, to the knowledge of the Applicant or its officers and directors, any shareholder holding sufficient securities of the Applicant to affect materially the control of the Applicant, has:

(a) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority;

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

(c) been the subject of any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

15. Neither the Applicant nor any of its officers, directors, nor, to the knowledge of the Applicant or its officers and directors, any shareholder holding sufficient securities of the Applicant to affect materially the control of the Applicant, is or has been subject to:

(a) any known ongoing or concluded investigations by:

i. a Canadian securities regulatory authority; or

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

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

16. Neither any of the officers or directors of the Applicant, nor, to the knowledge of the Applicant or its officers and directors, any shareholder holding sufficient securities of the Applicant to affect materially the control of the Applicant, is or has been an officer or director of any other issuer which is, or was at the time of the two events described in (a) and (b) below (if applicable), subject to:

(a) any cease trade order or similar order, or order that denied access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days, within the past 10 years; or

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

17. As of the date hereof, the Applicant is not on the default list of the securities regulatory authority in any jurisdiction in Canada in which it is a reporting issuer.

18. The principal regulator of the Applicant will continue to be British Columbia.

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

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

DATED this 31st day of October, 2016.

"Winnie Sanjoto"
Manager, Corporate Finance
Ontario Securities Commission

2.2.5 Gold Mountain Mining Corporation

Headnote

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

Applicable Legislative Provisions

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

October 27, 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
GOLD MOUNTAIN MINING CORPORATION
(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) the British Columbia 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 Alberta, 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

2.2.6 Anthem United Inc.

Headnote

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

Applicable Legislative Provisions

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

October 27, 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
ANTHEM UNITED INC.
(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) the British Columbia 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 Alberta, 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

2.2.7 TransGlobe Apartment Real Estate Investment Trust

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).

October 31, 2016

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

AND

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

AND

IN THE MATTER OF
TRANSGLOBE APARTMENT
REAL ESTATE INVESTMENT TRUST
(THE FILER)

ORDER

Background

The principal regulator in the Jurisdiction has received an application from the Filer for an order under the securities legislation of the Jurisdiction of the principal regulator (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 passport application):

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

(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, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island, Saskatchewan, and Yukon.

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

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

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

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

2.2.8 Mines Management, Inc.

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).

October 31, 2016

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

AND

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

AND

IN THE MATTER OF
MINES MANAGEMENT, INC.
(THE FILER)

ORDER

Background

The principal regulator in the Jurisdiction has received an application from the Filer for an order under the securities legislation of the Jurisdiction of the principal regulator (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 passport application):

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

(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, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Prince Edward Island, and Saskatchewan.

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

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

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

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

2.2.9 Canadian National Railway Company and The Toronto-Dominion Bank – s. 6.1 of NI 62-104 Take-Over Bids and Issuer Bids

Headnote

Section 6.1 of NI 62-104 – Issuer bid – relief from the requirements applicable to issuer bids in Part 2 of NI 62-104 – issuer proposes to purchase, pursuant to a repurchase program and at a discounted purchase price, up to a specified number of its common shares under its normal course issuer bid from a third party – the third party will abide by the requirements governing normal course issuer bids as though it was the issuer, subject to certain modifications, including that the third party will not make any purchases under the program pursuant to a pre-arranged trade – common shares delivered to the issuer for cancellation will be common shares from the third party's existing inventory – due to the discounted purchase price, the common shares cannot be acquired through the TSX trading system – but for the fact that the common shares cannot be acquired through the TSX trading system, the Issuer could otherwise acquire such shares in accordance with TSX rules and in reliance upon the issuer bid exemption available under section 4.8 of NI 62-104 – the third party will purchase common shares under the program on the same basis as if the Issuer had conducted the bid in reliance on the normal course issuer bid exemptions set out in securities legislation – no adverse economic impact on, or prejudice to, the Issuer or its security holders – acquisition of securities exempt from the requirements applicable to issuer bids in Part 2 of NI 62-104, subject to conditions, including that the number of common shares transferred by the third party from its existing inventory to the issuer for purchase under the program be equivalent to the number of common shares that the third party has purchased, or had purchased on its behalf, on Canadian markets.

Statutes Cited

National Instrument 62-104 Take-Over Bids and Issuer Bids, Part 2 and s. 6.1.

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

AND

IN THE MATTER OF
CANADIAN NATIONAL RAILWAY COMPANY AND
THE TORONTO-DOMINION BANK

ORDER
(Section 6.1 of National Instrument 62-104)

UPON the application (the "**Application**") of Canadian National Railway Company (the "**Issuer**") and The Toronto-Dominion Bank ("**TD**", and together with the Issuer, the "**Filers**") to the Ontario Securities Commission (the "**Commission**") for an order pursuant to section 6.1 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* ("**NI 62-104**") exempting the Issuer from the requirements applicable to issuer bids in Part 2 of NI 62-104 (the "**Issuer Bid Requirements**") in respect of the proposed purchases by the Issuer of up to that number of its common shares (the "**Common Shares**") equal to the Program Maximum (as defined below) from TD pursuant to a repurchase program (the "**Program**");

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

AND UPON the Issuer having represented to the Commission the matters set out in paragraphs 1, 2, 3 4, 9 to 18, inclusive, 21 to 26, inclusive, 30, 32, 34, 35, 36, 37, 39, and 40;

AND UPON TD and TD Securities Inc. ("**TDSI**", and together, the "**TD Entities**") having represented to the Commission the matters set out in paragraphs 5, 6, 7, 8, 17 to 22, inclusive, 25 to 31, inclusive, 33, 38, 40, and 41 as they relate to the TD Entities:

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

2. The registered and head office of the Issuer is located at 935 de La Gauchetière Street West, Montréal, Quebec, H3B 2M9.

3. The Issuer is a reporting issuer in each of the provinces and territories of Canada (the "**Jurisdictions**") and the Common Shares are listed for trading on the Toronto Stock Exchange (the "**TSX**") and the New York Stock Exchange (the "**NYSE**") under the symbols "CNR" and "CNI", respectively. The Issuer is not in default of any requirement of the securities legislation of the Jurisdictions.

4. The authorized common share capital of the Issuer consists of an unlimited number of Common Shares, of which 769,270,884 were issued and outstanding as of September 28, 2016.

5. TD is a full service Schedule 1 Bank under the *Bank Act* (Canada). The corporate headquarters of TD are located in the Province of Ontario.

6. TD does not directly or indirectly own more than 5% of the issued and outstanding Common Shares.

7. TD is the beneficial owner of at least that number of Common Shares equal to the Program Maximum, none of which were acquired by, or on behalf of, TD in anticipation or contemplation of resale to the Issuer (such Common Shares over which TD has beneficial ownership, the "**Inventory Shares**"). No Common Shares were purchased by, or on behalf of, TD on or after August 31, 2016, being the date that was 30 days prior to the date of the Application, in anticipation or contemplation of a sale of Common Shares by TD to the Issuer.

8. TD is at arm's length to the Issuer and is not an "insider" of the Issuer or "associate" of an "insider" of the Issuer, or an "associate" or "affiliate" of the Issuer, as such terms are defined in the *Securities Act* (Ontario) (the "**Act**"). TD is an "accredited investor" within the meaning of National Instrument 45-106 *Prospectus Exemptions*.

9. Subject to the approval of its board of directors, the Issuer intends to announce, on October 25, 2016, that it is engaging in a normal course issuer bid (the "**Normal Course Issuer Bid**") to purchase up to 33,000,000 Common Shares (or approximately 5.1% of the Issuer's public float of Common Shares (calculated as of the date specified in the Notice of Intention to Make a Normal Course Issuer Bid (the "**Notice**"))). The Notice will specify that purchases under the Normal Course Issuer Bid will be conducted through the facilities of the TSX and the NYSE or alternative trading systems, if eligible, or by such other means as may be permitted by the TSX in accordance with sections 628 to 629.3 of Part VI of the TSX Company Manual (the "**TSX Rules**") or a securities regulatory authority, including under automatic trading plans and by private agreements or share repurchase programs under issuer bid exemption orders issued by securities regulatory authorities. The Notice was submitted to, and has been accepted by, the TSX.

10. The Normal Course Issuer Bid will be conducted in reliance upon the exemption from the Issuer Bid Requirements set out in subsection 4.8(2) of NI 62-104 (the "**Designated Exchange Exemption**").

11. The Normal Course Issuer Bid will also be conducted in the normal course on the NYSE and other permitted published markets (collectively with the NYSE, the "**Other Published Markets**") in reliance upon the exemption from the Issuer Bid Requirements set out in subsection 4.8(3) of NI 62-104 (the "**Other Published Markets Exemption**", and together with the Designated Exchange Exemption, the "**Exemptions**").

12. Pursuant to the TSX Rules, the Issuer will appoint Scotia Capital Inc. as its designated broker in Canada, and Citigroup Global Markets Inc. as its designated broker in the United States, in each case, in respect of the Normal Course Issuer Bid (the "**Responsible Brokers**").

13. The Issuer may, from time to time, appoint a non-independent purchasing agent (a "**Plan Trustee**") to fulfill requirements for the delivery of Common Shares under the Issuer's security-based compensation plans (the "**Plan Trustee Purchases**"). A Plan Trustee has not been appointed by the Issuer and no Plan Trustee Purchases will be required during the Program Term (as defined below).

14. Effective October 30, 2016, the Issuer intends to implement an automatic repurchase plan (the "**ARP**") to permit the Issuer to make purchases under the Normal Course Issuer Bid at such times when the Issuer would not be permitted to trade in its securities, including regularly scheduled quarterly blackout periods and other internal blackout periods (each such time, a "**Blackout Period**"). The ARP will be submitted to, and pre-cleared by the TSX prior to its implementation, and will be in compliance with the TSX Rules and applicable securities law. The ARP will not be in effect during the Program Term.

15. The maximum number of Common Shares that the Issuer is permitted to repurchase under the Normal Course Issuer Bid will be reduced by the number of Plan Trustee Purchases and purchases under the ARP, if any.

16. To the best of the Issuer's knowledge, the "public float" (calculated in accordance with the TSX Rules) for the Common Shares as at September 28, 2016 consisted of 650,222,331 Common Shares. The Common Shares are "highly liquid securities", as that term is defined in section 1.1 of OSC Rule 48-501 *Trading during Distributions, Formal Bids and Share Exchange Transactions* ("**OSC Rule 48-501**") and section 1.1 of the Universal Market Integrity Rules ("**UMIR**").

17. The Commission granted the Issuer an order on July 22, 2016 pursuant to section 6.1 of NI 62-104 exempting the Issuer from the Issuer Bid Requirements in connection with the proposed purchases by the Issuer of up to 5,600,000 Common Shares (the "**Initial TD Program Maximum**") from TD pursuant to a share repurchase program (the "**Initial**

TD Program") during and as part of the Issuer's normal course issuer bid for the 12-month period ending on October 29, 2016 (the "**2015-16 NCIB**"). As at September 29, 2016, the Issuer has purchased 903,172 Common Shares under the Initial TD Program and although purchases under the Initial TD Program will continue until the expiry of the 2015-16 NCIB, it is expected that the Initial TD Program will terminate (by virtue of the expiry of the 2015-16 NCIB) prior to the Issuer having purchased the Initial TD Program Maximum from TD thereunder.

18. The Filers wish to participate in the Program during, and as part of, the Normal Course Issuer Bid to enable the Issuer to purchase from TD, and for TD to sell to the Issuer, that number of Common Shares equal to the Initial TD Program Maximum less the aggregate number of Common Shares purchased by the Issuer under the Initial TD Program (the "**Program Maximum**").

19. TD has retained TDSI to acquire Common Shares through the facilities of the TSX and on Other Published Markets in Canada (each, a "**Canadian Other Published Market**" and collectively with the TSX, the "**Canadian Markets**") under the Program. No Common Shares will be acquired under the Program on any Other Published Markets other than Canadian Other Published Markets.

20. TDSI is registered as an investment dealer under the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, Newfoundland and Labrador, New Brunswick, Prince Edward Island, Yukon, the Northwest Territories and Nunavut. It is also registered as a futures commission merchant under the *Commodity Futures Act* (Ontario), as a derivatives dealer under the *Derivatives Act* (Québec), and as dealer (futures commission merchant) under *The Commodity Futures Act* (Manitoba). TDSI is a member of the Investment Industry Regulatory Organization of Canada ("**IIROC**") and the Canadian Investor Protection Fund, a participating organization or member of the TSX, TSX Venture Exchange and Canadian Securities Exchange, and an approved participant of the Bourse de Montréal. The head office of TDSI is located in Toronto, Ontario.

21. The Program will be governed by, and conducted in accordance with, the terms and conditions of a Repurchase Program Agreement (the "**Program Agreement**") that will be entered into among the Filers and TDSI prior to the commencement of the Program and a copy of which will be delivered by the Filers to the Commission promptly thereafter.

22. The Program will begin on November 3, 2016 and will terminate on the earlier of December 23, 2016 and the date on which the Issuer will have purchased the Program Maximum under the Program (the "**Program Term**"). Neither the Issuer nor any of the TD Entities may unilaterally terminate the Program Agreement during the Program Term, except in the case of an event of default by a party thereunder.

23. At least two clear trading days prior to the commencement of the Program, the Issuer will issue a press release that has been pre-cleared by the TSX that describes the material features of the Program and discloses the Issuer's intention to participate in the Program during the Normal Course Issuer Bid (the "**Press Release**").

24. The Program Maximum will be less than the number of Common Shares remaining that the Issuer is entitled to acquire under the Normal Course Issuer Bid, calculated as at the date of the Program Agreement.

25. The Program Term may include Blackout Periods. During a Blackout Period, the Program would be an "automatic securities purchase plan" as defined in National Instrument 55-104 *Insider Reporting Requirements and Exemptions* and TD will conduct the Program in its sole discretion, in accordance with the irrevocable instructions established by the Issuer, and conveyed by the Issuer to TD, at a time when the Issuer was not in a Blackout Period, in compliance with exchange and securities regulatory requirements applicable to automatic repurchase plans. The TSX has (a) been advised of the Issuer's intention to enter into the Program, (b) been provided with a copy of the Program Agreement, and (c) pre-cleared the Program.

26. At such times during the Program Term when the Issuer is not in a Blackout Period, TDSI will purchase Common Shares on the applicable Trading Day (as defined below) in accordance with instructions received by TDSI from the Issuer prior to the opening of trading on such day, which instructions will be the same instructions that the Issuer would have given to Scotia Capital Inc., as its designated Responsible Broker in Canada, if the Issuer was conducting the Normal Course Issuer Bid in reliance on the Exemptions.

27. All Common Shares acquired for the purposes of the Program by TDSI on a day during the Program Term on which Canadian Markets are open for trading (each, a "**Trading Day**") must be acquired on Canadian Markets in accordance with the TSX Rules and any by-laws, rules, regulations or policies of any Canadian Markets upon which purchases are carried out (collectively, the "**NCIB Rules**") that would be applicable to the Issuer in connection with the Normal Course Issuer Bid, provided that:

(a) the aggregate number of Common Shares to be acquired on Canadian Markets by TDSI on each Trading Day shall not exceed the maximum daily limit that is imposed upon the Normal Course Issuer Bid pursuant to the TSX Rules, determined with reference to an average daily trading volume that is based on the trading volume of the Common Shares on all Canadian Markets rather than being limited to the trading volume on the TSX only (the "**Modified Maximum Daily Limit**"), it being understood that the aggregate number of Common Shares to be acquired on the TSX by TDSI on each Trading Day will not exceed the maximum daily limit that is imposed on the Normal Course Issuer Bid pursuant to the TSX Rules; and

(b) notwithstanding the block purchase exception provided for in the TSX Rules, no purchases will be made by TDSI on any Canadian Markets pursuant to a pre-arranged trade.

28. The aggregate number of Common Shares acquired by TDSI in connection with the Program:

(a) shall not exceed the Program Maximum; and

(b) on Canadian Other Published Markets shall not exceed that number of Common Shares remaining eligible for purchase by the Issuer pursuant to the Other Published Markets Exemption, calculated as at the date of the Program Agreement.

29. On every Trading Day, TDSI will purchase the Number of Common Shares. The "**Number of Common Shares**" will be no greater than the least of:

(a) the quotient of an agreed upon daily Canadian dollar amount divided by the Discounted Price;

(b) the Program Maximum less the aggregate number of Common Shares previously purchased by TDSI under the Program; and

(c) on a Trading Day where trading ceases on the TSX or some other event that would impair TDSI's ability to acquire Common Shares on Canadian Markets occurs (a "**Market Disruption Event**"), the number of Common Shares acquired by TDSI on such Trading Day up until the time of the Market Disruption Event (such number of Common Shares, the "**Acquired Shares**").

The "**Discounted Price**" per Common Share will be equal to (i) the volume weighted average price of the Common Shares on the Trading Day on which purchases were made less an agreed upon discount, or (ii) upon the occurrence of a Market Disruption Event, the volume weighted average price of the Common Shares at the time of the Market Disruption Event less an agreed upon discount.

30. TD will deliver to the Issuer that number of Inventory Shares equal to the number of Common Shares purchased by TDSI on a Trading Day under the Program on the second Trading Day thereafter, and the Issuer will pay TD a purchase price equal to the Discounted Price for each such Inventory Share. Each Inventory Share purchased by the Issuer under the Program will be cancelled upon delivery to the Issuer.

31. TD will not sell any Inventory Shares to the Issuer under the Program unless TDSI has purchased the equivalent number of Common Shares on Canadian Markets. The number of Common Shares that are purchased by TDSI on Canadian Markets on a Trading Day will be equal to the Number of Common Shares for such Trading Day. TDSI will provide the Issuer with a daily written report of TDSI's purchases, which report will indicate, inter alia, the aggregate number of Common Shares acquired, the Canadian Market on which such Common Shares were acquired, and the Modified Maximum Daily Limit.

32. During the Program Term, the Issuer will (a) not purchase any Common Shares (other than Inventory Shares purchased under the Program), (b) prohibit the Responsible Brokers from acquiring any Common Shares on its behalf, (c) prohibit the Plan Trustee from undertaking any Plan Trustee Purchases, and (d) prohibit the designated broker under the ARP from acquiring any Common Shares on its behalf.

33. All purchases of Common Shares under the Program will be made by TDSI and neither of the TD Entities will engage in any hedging activity in connection with the conduct of the Program.

34. The Issuer will report its purchases of Common Shares under the Program to the TSX in accordance with the TSX Rules. In addition, immediately following the completion of the Program, the Issuer will: (a) report the total number of Common Shares acquired under the Program to the TSX and the Commission; and (b) file a notice on the System for Electronic Document Analysis and Retrieval (SEDAR) disclosing the number of Common Shares acquired under the Program and the aggregate dollar amount paid for such Common Shares.

35. The Issuer is of the view that (a) it will be able to purchase Common Shares from TD at a lower price than the price at which it would be able to purchase an equivalent quantity of Common Shares under the Normal Course Issuer Bid in reliance on the Exemptions, and (b) the purchase of Common Shares pursuant to the Program is in the best interests of the Issuer and constitutes a desirable use of the Issuer's funds.

36. But for the fact that the Discount Price will be at a discount to the prevailing market price and below the prevailing bid-ask price for the Common Shares on the TSX at the time that the Issuer purchases Common Shares from TD, the Issuer could otherwise acquire such Common Shares through the facilities of the TSX as a "block purchase" in accordance with the block purchase exception in paragraph 629(1)7 of the TSX Rules and the Designated Exchange Exemption.

37. The entering into of the Program Agreement, the purchase of Common Shares by TDSI in connection with the Program, and the sale of Inventory Shares by TD to the Issuer will not adversely affect the Issuer or the rights of any of the Issuer's security holders and it will not materially affect control of the Issuer.

38. The sale of Inventory Shares to the Issuer by TD will not be a "distribution" (as defined in the Act).

39. The Issuer will be able to acquire the Inventory Shares from TD without the Issuer being subject to the dealer registration requirements of the Act.

40. At the time that the Issuer and the TD Entities enter into the Program Agreement, neither the Issuer, nor any member of the Equity Derivatives group of TD, nor any personnel of either of the TD Entities that negotiated the Program Agreement or made, participated in the making of, or provided advice in connection with, the decision to enter into the Program Agreement and sell the Common Shares, will be aware of any "material change" or "material fact" (each as defined in the Act) with respect to the Issuer or the Common Shares that has not been generally disclosed (the "**Undisclosed Information**").

41. Each of the TD Entities:

    (a) has policies and procedures in place to ensure that the Program will be conducted in accordance with, among other things, the Program Agreement and this Order, and to preclude those persons responsible for administering the Program from acquiring any Undisclosed Information during the conduct of the Program; and

    (b) will, prior to entering into the Program Agreement, (i) ensure that its systems are capable of adhering to, and performing in accordance with, the requirements of the Program and this Order, and (ii) provide all necessary training and take all necessary actions to ensure that the persons administering and executing the purchases under the Program are aware of, and understand the terms of this Order.

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

IT IS ORDERED pursuant to section 6.1 of NI 62-104 that the Issuer be exempt from the Issuer Bid Requirements in respect of the purchase of Inventory Shares from TD pursuant to the Program, provided that:

(a) at least two clear trading days prior to the commencement of the Program, the Issuer issues the Press Release;

(b) all purchases of Common Shares under the Program are made on Canadian Markets by TDSI, and are

    (i) made in accordance with the NCIB Rules applicable to the Normal Course Issuer Bid, as modified by paragraph 27 of this Order,

    (ii) taken into account by the Issuer when calculating the maximum annual aggregate limits that are imposed upon the Normal Course Issuer Bid in accordance with the TSX Rules, with those Common Shares purchased on Canadian Other Published Markets being taken into account by the Issuer when calculating the maximum aggregate limits that are imposed upon the Issuer in accordance with the Other Published Markets Exemption,

    (iii) marked with such designation as would be required by the applicable marketplace and UMIR for trades made by an agent of the Issuer, and

    (iv) monitored by the TD Entities on a continual basis for the purposes of ensuring compliance with the terms of this Order, NCIB Rules, and applicable securities law;

(c) during the Program Term, (i) the Issuer does not purchase any Common Shares (other than Inventory Shares purchased under the Program), (ii) no Common Shares are purchased on behalf of the Issuer by the Responsible Brokers, (iii) no Plan Trustee Purchases are undertaken by the Plan Trustee, and (iv) no Common Shares are acquired on behalf of the Issuer by the designated broker under the ARP;

(d) the number of Inventory Shares transferred by TD to the Issuer for purchase under the Program in respect of a particular Trading Day is equivalent to the number of Common Shares purchased by TDSI on Canadian Markets in respect of the Trading Day;

(e) no hedging activity is engaged in by the TD Entities in connection with the conduct of the Program;

(f) at the time that the Program Agreement is entered into by the Filers and TDSI

(i) the Common Shares are "highly liquid securities", as that term is defined in section 1.1 of OSC Rule 48-501 and section 1.1 of UMIR, and

(ii) none of the Issuer, any member of the Equity Derivatives group of TD, or any personnel of either of the TD Entities that negotiated the Program Agreement or made, participated in the making of, or provided advice in connection with, the decision to enter into the Program Agreement and sell the Common Shares, was aware of any Undisclosed Information;

(g) the TD Entities maintain records of all purchases of Common Shares that are made by TDSI pursuant to the Program, which will be available to the Commission and IIROC upon request; and

(h) in addition to reporting its purchases of Common Shares under the Program to the TSX in accordance with the TSX Rules, immediately following the completion of the Program, the Issuer will (i) report the total number of Common Shares acquired under the Program to the TSX and the Commission, and (ii) file a notice on SEDAR disclosing the number of Common Shares acquired under the Program and the aggregate dollar amount paid for such Common Shares.

DATED at Toronto, Ontario, this 25th day of October, 2016.

"Naizam Kanji"
Director, Office of Mergers & Acquisitions
Ontario Securities Commission

2.2.10 Metron Capital Corp. – s. 144

Headnote

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

Applicable Legislative Provisions

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

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

AND

IN THE MATTER OF
METRON CAPITAL CORP.

ORDER
(Section 144)

WHEREAS the securities of Metron Capital Corp. (the **Applicant**) are subject to a temporary cease trade order dated October 18, 2013 issued by the Director of the Ontario Securities Commission (the **Commission**) pursuant to paragraph 2 of subsection 127(1) and subsection 127(5) of the Act, as extended by a further cease trade order dated October 30, 2013 issued by the Director, pursuant to paragraph 2 of subsection 127(1) of the Act (collectively, the **Ontario Cease Trade Order**), ordering that all trading in the securities of the Applicant, whether direct or indirect, cease until the Ontario Cease Trade Order is revoked by the Director;

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

AND WHEREAS the Applicant has applied to the Commission under section 144 of the Act to revoke the Ontario Cease Trade Order;

AND UPON the Applicant having represented to the Commission that:

1. The Applicant was formed on March 4, 2008 under the British Columbia *Business Corporations Act* under the name Great Banks Ventures Ltd. On September 22, 2008, the Applicant changed its name to Metron Capital Corp.

2. The Applicant's head office is located at Suite 262, 505-8840 210th Street, Langley, British Columbia, V1M 2Y2.

3. The Applicant is a reporting issuer under the securities legislation of the provinces of British Columbia, Alberta and Ontario (the **Reporting Jurisdictions**) and is not a reporting issuer in any other jurisdiction. The Applicant's principal regulator is the British Columbia Securities Commission (**BCSC**).

4. The Applicant's authorized share capital consists of an unlimited number of common shares (the **Common Shares**). As of the date hereof there are 16,250,000 Common Shares issued and outstanding. The Applicant has 10,000,000 common share purchase warrants exercisable at a price of $0.02 per common share until August 26, 2017.

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

6. The Applicant is also subject to cease trade orders issued by the British Columbia Securities Commission dated October 10, 2013 (the **BC Cease Trade Order**) and the Alberta Securities Commission dated January 10, 2014 (the **AB Cease Trade Order**) (together with the Ontario Cease Trade Order, the **Cease Trade Orders**). The Applicant has concurrently applied for revocation of the BC Cease Trade Order and the AB Cease Trade Order.

7. The Applicant was a "capital pool company", as defined in the policies of the TSX Venture Exchange (**TSXV**), whose common shares were listed on the TSXV until its listing was transferred to NEX on May 3, 2013 for failure to complete a qualifying transaction within the prescribed time. On April 10, 2015, the Applicant's common shares were delisted from NEX. The Applicant's common shares are not listed on any exchange or market in Canada or elsewhere.

8. The Ontario Cease Trade Order was issued as a result of the Applicant's failure to file within the prescribed timeframe its audited annual financial statements for the financial year ended May 31, 2013, related management discussion and analysis (**MD&A**) as required under National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**), and certification of the foregoing financial statements and MD&A as required under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (**NI 52-109**).

9. The Applicant subsequently failed to file the following continuous disclosure documents with the Commission within the prescribed timeframe in accordance with the requirements of securities law:

   a. audited annual financial statements, related MD&A and NI 52-109 certificates

for the financial years ended May 31, 2014 and May 31, 2015;

b. interim financial statements, related MD&A and NI 52-109 certificates for the 3-month periods ending August 31, 2013, August 31, 2014 and August 31, 2015;

c. interim financial statements, related MD&A and NI 52-109 certificates for the 6-month periods ending November 30, 2013, November 30, 2014 and November 30, 2015; and

d. interim financial statements, related MD&A and NI 52-109 certificates for the 9-month periods ending February 28, 2014, February 28, 2015 and February 28, 2016.

10. Since the issuance of the Cease Trade Orders, the Applicant has filed the following continuous disclosure documents with the Reporting Jurisdictions:

a. On June 21, 2016, audited annual financial statements, related MD&A and NI 52-109 certificates for the financial years ended May 31, 2013, May 31, 2014 and May 31, 2015;

b. On August 8, 2016, audited annual financial statements, related MD&A and NI 52-109 certificates for the financial year ended May 31, 2016; and

11. On October 24, 2016, the Applicant filed amended audited annual financial statements, and related NI 52-109 certificates, for the financial years ended May 31, 2014, May 31, 2015, and May 31, 2016 to include reference to the comparative financial period in the auditor's report of each of the amended annual financial statements, as required under Companion Policy 51-102CP *Continuous Disclosure Obligations*.

12. On October 28, 2016 the Applicant filed interim financial statements, related MD&A and NI 52-109 certificates for the 3-month period ended August 31, 2016.

13. The Applicant has paid all outstanding filing fees, participation fees and late filing fees that are required to be paid to the Commission and has filed all forms associated with such payments.

14. The Applicant (i) is up-to-date with all of its other continuous disclosure obligations; (ii) is not in default of any of its obligations under the Ontario Cease Trade Order; and (iii) is not in default of any requirements under the Act or the rules and regulations made pursuant thereto.

15. Since the issuance of the Cease Trade Orders, there have not been any material changes in the business, operations or affairs of the Applicant that have not been disclosed to the public.

16. As of the date hereof, the Applicant's profiles on the System for Electronic document Analysis and Retrieval (**SEDAR**) and the System for Electronic Disclosure by Insiders (**SEDI**) are current and accurate.

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

18. The Applicant intends to hold an annual meeting of shareholders within three months of the date on which the Ontario Cease Trade Order is revoked.

19. Upon the issuance of this revocation order, the Applicant will issue a news release announcing the revocation of the Ontario Cease Trade Order. The Applicant will concurrently file the news release and a material change report regarding the revocation of the Ontario Cease Trade Order on SEDAR.

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

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

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

DATED at Toronto this 31st day of October, 2016.

"Michael Balter"
Manager, Corporate Finance
Ontario Securities Commission

2.2.11 Ovivo Inc.

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).

[Translation]

October 17, 2016

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

AND

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

AND

IN THE MATTER OF
OVIVO INC.
(the "Filer")

ORDER

Background

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

(b) the Filer has provided notice that subsection 4C.5(1) of *Regulation 11-102 respecting Passport System* ("Regulation 11-102") is intended to be relied upon in in British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland, North West Territories, Yukon, Nunavut, 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 *Regulation 14-101 respecting Definitions*, Regulation 11-102 and, in Québec, in *Regulation 14-501Q on definitions* 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 *Regulation 51-105 respecting 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 *Regulation 21-101 respecting 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.

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

2.3 Orders with Related Settlement Agreements

2.3.1 CIBC World Markets Inc. et al. – ss. 127(1), 127(2)

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

AND

IN THE MATTER OF
CIBC WORLD MARKETS INC.,
CIBC INVESTOR SERVICES INC. AND
CIBC SECURITIES INC.

ORDER
(Subsections 127(1) and 127(2) of the Securities Act)

WHEREAS:

1. On October 25, 2016, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing in relation to the Statement of Allegations filed by Staff of the Commission ("Commission Staff") on October 25, 2016 with respect to CIBC World Markets Inc., CIBC Investor Services Inc. and CIBC Securities Inc. (the "CIBC Dealers");

2. the Notice of Hearing gave notice that on October 28, 2016, the Commission would hold a hearing to consider whether it is in the public interest to approve a settlement agreement between Commission Staff and the CIBC Dealers dated October 24, 2016 (the "Settlement Agreement");

3. in the Statement of Allegations, Commission Staff alleged that there were inadequacies in the CIBC Dealers' systems of controls and supervision which formed part of their compliance systems (the "Control and Supervision Inadequacies") which resulted in clients of the CIBC Dealers paying excess fees that were not detected or corrected by the CIBC Dealers in a timely manner;

4. Commission Staff do not allege, and have found no evidence of dishonest conduct by the CIBC Dealers;

5. Commission Staff are satisfied that the CIBC Dealers discovered and self-reported the Control and Supervision Inadequacies to Commission Staff;

6. Commission Staff are satisfied that during their investigation of the Control and Supervision Inadequacies, the CIBC Dealers provided prompt, detailed and candid cooperation to Commission Staff;

7. Commission Staff are satisfied that the CIBC Dealers had formulated an intention to pay appropriate compensation to clients and former clients when they self-reported the Control and Supervision Inadequacies to Commission Staff;

8. as part of the Settlement Agreement, the CIBC Dealers undertake to:

   (a) pay appropriate compensation to eligible clients and former clients who were harmed by the Control and Supervision Inadequacies (the "Affected Clients") in accordance with a plan submitted by the CIBC Dealers to Commission Staff (the "Compensation Plan") and to report to a manager or deputy director in the Compliance and Registrant Regulation Branch of the Commission (the "OSC Manager") in accordance with the Compensation Plan;

   (b) make a voluntary payment of $50,000 to reimburse the Commission for costs incurred or to be incurred by it, in accordance with subsection 3.4(2)(a) of the *Securities Act* (the "Act"); and

   (c) make a further voluntary payment of $3,000,000, to be designated for allocation or use by the Commission in accordance with paragraphs (b)(i) or (ii) of subsection 3.4(2) of the Act

   (the "Undertaking");

9. the Commission has received the voluntary payments totaling $3,050,000 in escrow pending approval of the Settlement Agreement;

10. the Commission reviewed the Settlement Agreement, the Notice of Hearing and the Statement of Allegations and heard submissions from counsel for the CIBC Dealers and from Commission Staff; and

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

IT IS ORDERED THAT:

(a) pursuant to subsection 127(1) of the Act, the Settlement Agreement is approved;

(b) pursuant to subsection 127(2) of the Act, the approval of the Settlement Agreement is subject to the following terms and conditions:

(i) within 90 days of receiving comments from Commission Staff regarding the procedures, controls and supervisory and monitoring systems designed to prevent the re-occurrence of the Control and Supervision Inadequacies in the future (the "Enhanced Control and Supervision Procedures"), the CIBC Dealers shall provide to the OSC Manager revised written policies and procedures (the "Revised Policies and Procedures") that, to the satisfaction of the OSC Manager, are responsive to any remaining issues raised by Commission Staff with regard to the CIBC Dealers' policies and procedures to establish the Enhanced Control and Supervision Procedures (the "Remaining Issues");

(ii) thereafter, the CIBC Dealers shall make such further modifications to their Revised Policies and Procedures as are required to ensure that the Revised Policies and Procedures address any Remaining Issues to the satisfaction of the OSC Manager;

(iii) within 8 months of receiving confirmation from the OSC Manager that the Revised Policies and Procedures satisfy the Remaining Issues raised by Commission Staff (the "Confirmation Date"), the CIBC Dealers shall submit a letter (the "Attestation Letter"), signed by the Ultimate Designated Person and the Chief Compliance Officer for each of the CIBC Dealers, to the OSC Manager, expressing their opinion as to whether the Enhanced Control and Supervision Procedures were adequately followed, administered and enforced by the CIBC Dealer for the 6 month period commencing from the Confirmation Date;

(iv) the Attestation Letter shall be accompanied by a report which provides a description of the testing performed to support the conclusions contained in the Attestation Letter;

(v) the CIBC Dealers shall submit such additional reports as may be requested by the OSC Manager for the purpose of satisfying the OSC Manager that the opinion expressed in the Attestation Letter described in subparagraph (b)(iii) above is valid;

(vi) any of the CIBC Dealers or Commission Staff may apply to the Commission for directions in respect of any issues that may arise with regard to the implementation of subparagraphs (b)(i) to (v) above; and

(vii) the CIBC Dealers shall comply with the Undertaking; and

(c) the voluntary payment referred to in paragraph 8(c) above is designated for allocation or use by the Commission in accordance with paragraphs (b)(i) or (ii) of subsection 3.4(2) of the Act.

DATED at Toronto, Ontario this 28th day of October, 2016

"Alan Lenczner"

"AnneMarie Ryan

"Christopher Portner"

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

AND

IN THE MATTER OF
CIBC WORLD MARKETS INC.,
CIBC INVESTOR SERVICES INC. AND
CIBC SECURITIES INC.

SETTLEMENT AGREEMENT BETWEEN
STAFF OF THE COMMISSION AND
CIBC WORLD MARKETS INC.,
CIBC INVESTOR SERVICES INC. AND
CIBC SECURITIES INC.

Part I. – INTRODUCTION

1. The Ontario Securities Commission (the "Commission") will issue a Notice of Hearing to announce that it will hold a hearing to consider whether, pursuant to subsections 127(1) and (2) of the *Securities Act*, R.S.O. 1990, c. S-5, as amended (the "Act"), it is in the public interest for the Commission to make certain orders in respect of CIBC World Markets Inc. ("CIBC WMI"), CIBC Investor Services Inc. ("CIBC ISI") and CIBC Securities Inc. ("CIBC SI") (together, the "CIBC Dealers").

2. CIBC WMI is a corporation incorporated pursuant to the laws of Ontario. It is registered with the Commission as an investment dealer and is a member of the Investment Industry Regulatory Organization of Canada ("IIROC"). The references to CIBC WMI below are restricted to its retail brokerage division, CIBC Wood Gundy.

3. Each of CIBC ISI and CIBC SI is a corporation incorporated pursuant to the laws of Canada. CIBC ISI is a member of IIROC and is registered with the Commission as an investment dealer. The references to CIBC ISI below are restricted to accounts related to its advisory brokerage division, CIBC Imperial Investor Services. CIBC SI is a member of the Mutual Fund Dealers Association ("MFDA") and is registered with the Commission as a mutual fund dealer. Each of the CIBC Dealers is a subsidiary of the Canadian Imperial Bank of Commerce ("CIBC"). CIBC is also a signatory to this agreement for the sole purpose of making any payments relating to CIBC SI.

4. Commencing in March 2015, the CIBC Dealers self-reported to Staff of the Commission ("Commission Staff") the matters described in Part III below. During Commission Staff's investigation of these matters, the CIBC Dealers provided prompt, detailed and candid co-operation to Commission Staff.

5. As summarized at paragraph 8 below and more fully described in Part III below, it is Commission Staff's position that there were inadequacies in the CIBC Dealers' systems of controls and supervision which formed part of their compliance systems (the "Control and Supervision Inadequacies") which resulted in certain clients paying, directly or indirectly, excess fees that were not detected or corrected by the CIBC Dealers in a timely manner.

Part II. – JOINT SETTLEMENT RECOMMENDATION

6. Commission Staff and the CIBC Dealers have agreed to a settlement of the proceeding initiated in respect of the CIBC Dealers by Notice of Hearing dated October 25, 2016 (the "Proceeding") based on the terms and conditions set out in this settlement agreement (the "Settlement Agreement"). Commission Staff have consulted with IIROC Staff and MFDA Staff in relation to the underlying facts which are the subject matter of this Settlement Agreement.

7. Pursuant to this Settlement Agreement, Commission Staff agree to recommend to the Commission that the Proceeding be resolved and disposed of in accordance with the terms and conditions contained herein.

8. It is Commission Staff's position that:

   (a) the statement of facts set out by Commission Staff in Part III below, which is based on an investigation carried out by Commission Staff following the self-reporting by the CIBC Dealers, is supported by the evidence reviewed by Commission Staff and the conclusions contained in Part III are reasonable; and

   (b) it is in the public interest for the Commission to approve this Settlement Agreement, having regard to the following considerations:

(i) Commission Staff's allegations are that each of the CIBC Dealers failed to establish, maintain and apply procedures to establish controls and supervision:

A. sufficient to provide reasonable assurance that the CIBC Dealers, and each individual acting on behalf of the CIBC Dealers, complied with securities legislation, including the requirement to deal fairly with clients with regard to fees; and

B. that were reasonably likely to identify the non-compliance described in A. above at an early stage that would have allowed the CIBC Dealers to correct the non-compliant conduct in a timely manner;

(ii) Commission Staff do not allege, and have found no evidence of dishonest conduct by the CIBC Dealers;

(iii) the CIBC Dealers discovered and self-reported the Control and Supervision Inadequacies to Commission Staff;

(iv) during the investigation of the Control and Supervision Inadequacies following the self-reporting by the CIBC Dealers, the CIBC Dealers provided prompt, detailed and candid cooperation to Commission Staff;

(v) the CIBC Dealers had formulated an intention to pay appropriate compensation to clients and former clients when they self-reported the Control and Supervision Inadequacies to Commission Staff and, thereafter, the CIBC Dealers co-operated with Commission Staff with a view to providing appropriate compensation to clients and former clients who were harmed by any of the matters in Part III below, including the Control and Supervision Inadequacies (the "Affected Clients");

(vi) as part of this Settlement, the CIBC Dealers have agreed to pay appropriate compensation to the Affected Clients, in accordance with a plan submitted by the CIBC Dealers to Commission Staff and presented to the Commission (the "Compensation Plan"). As at the date of this Settlement Agreement, the CIBC Dealers anticipate paying compensation to Affected Clients of $73,260,104 in the aggregate in respect of the Control and Supervision Inadequacies;

(vii) the Compensation Plan prescribes, among other things:

A. the detailed methodology to be used for determining the compensation to be paid to the Affected Clients, including an amount representing the forgone opportunity cost in respect of compensation being paid by the CIBC Dealers to the Affected Clients;

B. the approach to be taken with regard to contacting and making payments to the Affected Clients;

C. the timing to complete the various steps included in the Compensation Plan;

D. a $25 *de minimis* exception (the aggregate of such de minimis amounts as at the date of this settlement is approximately $124,697 as compared to $73,260,104 in compensation to be paid), which aggregate *de minimis* amount will be donated to United Way financial literacy programs;

E. the approach to be taken to any remaining funds that are not paid out to Affected Clients after the steps included in the Compensation Plan have been fully implemented. In that regard, the Compensation Plan provides that if the CIBC Dealers are not able to contact any former Affected Clients, notwithstanding the steps described in the Compensation Plan, each CIBC Dealer will use reasonable efforts to locate any Affected Clients who are entitled to payment of $200 or more including directory searches, internet searches, and the employment of third parties to assist in the search. If the CIBC Dealer determines that a client is deceased but does not know the identity of the personal representative of the client's estate, and the estate is entitled to more than $400, the CIBC Dealer shall make reasonable efforts to identify the personal representative of the deceased client. Subject to any applicable unclaimed property legislation, any amounts remaining undistributed to non-located clients by December 31, 2018 will be donated to United Way financial literacy programs;

F. the resolution of client inquiries through an escalation process; and

G. regular reporting to a manager or deputy director in the Compliance and Registrant Regulation Branch of the Commission ("OSC Manager") detailing the CIBC Dealers' progress with respect to the implementation of the Compensation Plan, including with regard to the resolution of client inquiries;

(viii) at the request of Commission Staff, each of the CIBC Dealers conducted an extensive review of its other businesses operating in Canada to identify whether there were any other instances of inadequacies in their systems of controls and supervision leading to clients directly paying excess fees, or indirectly paying excess fees on mutual funds managed by CIBC and CIBC Asset Management Inc. ("CAMI"), affiliates of the CIBC Dealers. Based on this review, the CIBC Dealers have advised Commission Staff that there are no other instances other than those instances of Control and Supervision Inadequacies described herein;

(ix) the CIBC Dealers are taking corrective action including implementing additional controls and supervision to address the Control and Supervision Inadequacies, by establishing procedures and implementing controls, supervisory and monitoring systems designed to prevent the re-occurrence of the Control and Supervision Inadequacies in the future (the "Enhanced Control and Supervision Procedures") and, as part of this Settlement Agreement, the CIBC Dealers are required to report to the OSC Manager on the development and implementation of the Enhanced Control and Supervision Procedures;

(x) the CIBC Dealers have agreed to make a voluntary payment of $3,000,000 to be designated for allocation or use by the Commission in accordance with paragraphs (b)(i) or (ii) of subsection 3.4(2) of the Act;

(xi) the CIBC Dealers have agreed to make a further voluntary payment of $50,000 to reimburse the Commission for costs incurred or to be incurred in accordance with subsection 3.4(2)(a) of the Act;

(xii) the total agreed voluntary payment of $3,050,000 will be paid by wire transfer before the commencement of the hearing before the Commission to approve this Settlement Agreement, which payment is conditional upon approval of this Settlement Agreement by the Commission; and

(xiii) the terms of this Settlement Agreement are appropriate in all the circumstances, including mitigating factors and the principles of general and specific deterrence. Commission Staff are of the view that the voluntary payments referred to above in addition to the amounts to be paid as compensation to Affected Clients by the CIBC Dealers will emphasize to the marketplace that Commission Staff expect registrants to have compliance systems with appropriate controls and supervision in place which:

A. provide reasonable assurance that registrants, and each individual acting on behalf of registrants, are complying with securities legislation, including the requirement to deal fairly with clients with regard to fees; and

B. are reasonably likely to allow registrants to identify and correct non-compliance with securities legislation in a timely manner.

9. The CIBC Dealers neither admit nor deny the accuracy of the facts or the conclusions of Commission Staff as set out in Part III of this Settlement Agreement.

10. The CIBC Dealers agree to this Settlement Agreement and to the making of an order in the form attached as Schedule "A".

Part III. – COMMISSION STAFF'S STATEMENT OF FACTS AND CONCLUSIONS

A. Overview

11. Commencing in March 2015, the CIBC Dealers self-reported the Control and Supervision Inadequacies to Commission Staff as described below.

12. Some CIBC WMI clients have fee-based accounts and are charged a fee for investment services received in respect of assets held in the account (the "Fee-Based Accounts"). The investment services fee is based on the client's assets under management (the "Account Fee").

13. The Control and Supervision Inadequacies are summarized as follows:

    (a) for some CIBC WMI clients with Fee-Based Accounts, certain non-exchange traded mutual funds and structured notes with embedded trailer fees held in Fee-Based Accounts were incorrectly included in Account Fee calculations, resulting in some clients paying excess fees during the period (i) January 1, 2002 to January 31, 2016 for mutual funds and (ii) January 1, 2006 to January 31, 2016 for structured notes;

    (b) for some CIBC WMI clients with Fee-Based Accounts, assets held in their Fee-Based Accounts included certain exchange traded funds ("ETFs") with embedded trailer fees, resulting in some clients paying excess fees because CIBC WMI received trailer fees during the period January 1, 2006 to January 31, 2016 in addition to the Account Fee;

    (c) for some CIBC WMI clients with Fee-Based Accounts, assets held in their Fee-Based Accounts included certain closed-end funds ("CEFs") with embedded trailer fees, resulting in some clients paying excess fees because CIBC WMI received trailer fees during the period January 1, 2006 to January 31, 2016 in addition to the Account Fee; and

    (d) beginning in August 2006, some clients of the CIBC Dealers were not advised that they qualified for a lower Management Expense Ratio ("MER") class of an MER Differential Fund (as defined below) and indirectly paid excess fees when they invested in the higher MER class of the same mutual fund (the "MER Differential Issue").

14. These Control and Supervision Inadequacies continued undetected for an extended period of time. The CIBC Dealers discovered the Control and Supervision Inadequacies following inquiries made and/or reviews conducted by the relevant CIBC Dealers.

15. As set out in greater detail below in the section entitled Mitigating Factors, the CIBC Dealers have taken and are taking several remedial steps in order to correct the Control and Supervision Inadequacies.

16. The CIBC Dealers have engaged an independent third party to assist them in identifying, calculating, and validating the amounts to be paid to Affected Clients.

B. The Control and Supervision Inadequacies

(a) Excess Account Fees Paid on Certain Mutual Funds and Structured Notes

17. For some of CIBC WMI's clients who have Fee-Based Accounts, assets held in a Fee-Based Account included certain non-exchange traded mutual funds and structured notes which paid trailer fees paid by the manufacturer of such products to CIBC WMI. As part of its review relating to this matter, CIBC WMI identified that a number of these funds and notes had been incorrectly classified for fee-billing purposes during the period: (i) January 1, 2002 to January 31, 2016 for mutual funds and (ii) January 1, 2006 to January 31, 2016 for structured notes. These funds and notes were therefore incorrectly included in the calculation of the Account Fee in some Fee-Based Accounts and, as a result, some CIBC WMI clients were charged excess Account Fees. Specifically,

    (a) it was determined that CIBC WMI did not have adequate systems of internal controls and supervision in place to ensure that the incorrectly classified mutual funds and structured notes were classified correctly and excluded consistently from the calculation of the Account Fee;

    (b) it was determined that CIBC WMI's internal controls failed to detect this Control and Supervision Inadequacy in a timely manner; and

    (c) CIBC WMI took immediate steps to ensure the incorrectly classified mutual funds and structured notes were classified correctly and excluded consistently from the calculation of the Account Fee on a going forward basis.

18. Upon identification of the issue described above, CIBC WMI took steps to determine the extent of the problem and how to compensate Affected Clients who paid excess Account Fees. CIBC WMI engaged an independent third party to identify, calculate and validate the amounts to be paid to Affected Clients as compensation for the excess Account Fees paid by them. Having taken the steps described above, CIBC WMI self-reported this Control and Supervision

Inadequacy to Commission Staff. By January 31, 2016, CIBC WMI had corrected the classification errors that had occurred in an effort to address the issue and prevent its reoccurrence.

19. CIBC WMI has determined that, as a result of this Control and Supervision Inadequacy, approximately 21,621 client accounts were charged excess Account Fees during the period January 1, 2002 to January 31, 2016 on mutual funds and/or structured notes.

20. CIBC WMI has agreed to compensate the Affected Clients who held these securities in their Fee-Based Accounts during the relevant period in accordance with the Compensation Plan, which requires that CIBC WMI pay to the Affected Clients:

    (a) the excess Account Fee;

    (b) an amount representing the applicable sales tax charged on the excess Account Fee; and

    (c) an amount representing the forgone opportunity cost in respect of the excess Account Fee from the time the excess Account Fee was charged to October 31, 2016, based on a simple interest rate of 5% per annum calculated monthly (the "MF/SN Opportunity Cost").

21. Where Account Fees were undercharged to the client, the benefit of those undercharges will not be set off against any compensation amounts paid to the client. The undercharges will also not otherwise be charged to Affected Clients or any other clients.

22. As at the date of this Settlement Agreement, CIBC WMI has determined that the total amount to be paid to these Affected Clients pursuant to the Compensation Plan, inclusive of the MF/SN Opportunity Cost, is $23,581,239.

(b) Trailer Fees Received in Respect of Certain ETFs

23. For some CIBC WMI clients with Fee-Based Accounts, assets held in the Fee-Based Account included certain trail version ETFs that were subject to an Account Fee, thereby resulting in some clients indirectly paying excess fees when CIBC WMI received trailer fees in addition to the Account Fee.

24. As part of its review, CIBC WMI identified instances during the period from January 1, 2006 to January 31, 2016 in which its clients had purchased trail version ETFs in Fee-Based Accounts. All of the securities in question were issued by third party issuers unrelated to CIBC WMI. Specifically,

    (a) it was determined that CIBC WMI did not have adequate systems of internal controls and supervision in place to ensure that clients were not subject, directly or indirectly, to trailer fees on ETFs in Fee-Based Accounts if the ETFs were subject to an Account Fee;

    (b) it was determined that CIBC WMI's internal controls failed to identify this Control and Supervision Inadequacy in a timely manner; and

    (c) as of January 31, 2016, CIBC WMI implemented steps to ensure that any trailer fees received for ETFs held in Fee-Based Accounts on or after January 31, 2016 for which Account Fees are charged will be reimbursed to the client.

25. CIBC WMI took steps to determine the extent of the problem and how to compensate Affected Clients. CIBC WMI self-reported this Control and Supervision Inadequacy to Commission Staff.

26. CIBC WMI has determined that, as a result of this Control and Supervision Inadequacy, approximately 981 client accounts were affected during the period January 1, 2006 to January 31, 2016.

27. CIBC WMI has agreed to compensate the Affected Clients who held these ETFs with trailer fees in their Fee-Based Accounts during the relevant period in accordance with the Compensation Plan, which requires that CIBC WMI pay to the Affected Clients:

    (a) an amount equal to the trailer fee received on these ETFs; and

    (b) an amount representing the forgone opportunity cost in respect of this trailer fee from the time the trailer fee was received to October 31, 2016, based on a simple interest rate of 5% per annum calculated monthly (the "ETF Opportunity Cost").

28. As at the date of this Settlement Agreement, CIBC WMI has determined that the total amount to be paid to these Affected Clients pursuant to the Compensation Plan, inclusive of the ETF Opportunity Cost, is approximately $275,852.

(c) Trailer Fees Received in Respect of Certain CEFs

29. As part of its review, CIBC WMI identified instances during the period from January 1, 2006 to January 31, 2016 in which its clients had purchased CEFs in Fee-Based Accounts where CIBC WMI received trailer fees from the issuer in addition to the Account Fee. All of the securities in question were issued by third party issuers unrelated to CIBC WMI.

30. In these instances, some CIBC WMI clients were charged an Account Fee in addition to an indirect trailer fee resulting in some clients indirectly paying an excess fee. Specifically,

(a) the calculation of fees for these CEFs did not exclude the trailer fee; and

(b) as of January 31, 2016, CIBC WMI implemented steps to ensure that any trailer fees received for CEFs held in Fee-Based Accounts on or after January 31, 2016 for which Account Fees are charged will be reimbursed to the client.

31. CIBC WMI has determined that, as a result of this Control and Supervision Inadequacy, approximately 35,286 client accounts were affected during the period January 1, 2006 to January 31, 2016.

32. CIBC WMI has agreed to compensate Affected Clients who held these CEFs in their Fee-Based Accounts during the relevant period in accordance with the Compensation Plan, which requires that CIBC WMI pay to the Affected Clients:

(a) an amount equal to the trailer fee received on these CEFs; and

(b) an amount representing the forgone opportunity cost in respect of this trailer fee from the time the fee was received to October 31, 2016, based on a simple interest rate of 5% per annum calculated monthly (the "CEF Opportunity Cost").

33. As at the date of this Settlement Agreement, CIBC WMI has determined that the total amount to be paid to these Affected Clients pursuant to the Compensation Plan, inclusive of the CEF Opportunity Cost, is $18,848,913.

(d) Excess Indirect Fees paid by some clients of the CIBC Dealers who invested in the MER Differential Funds

34. CIBC and CAMI, affiliates of the CIBC Dealers, manage a number of mutual funds that are available in different classes. For certain of these mutual funds, there are two (and for one fund type three) classes of the same mutual fund which differ solely in that the MER of one class, which has a higher minimum investment threshold, is lower than the MER of the other class (the "MER Differential Fund").

35. The MER Differential Funds identified with instances of the Control and Supervision Inadequacies were:

(a) CIBC Funds with a Class A and Premium Class where the MER differential varies from 59 to 88 basis points;

(b) Axiom/Optimal Portfolios with a Class A, Select Class and Elite Class where the MER differential varies from 9 to 121 basis points; and

(c) Renaissance Funds with Class A and Premium Class where the MER differential varies from 3 to 91 basis points.

36. Depending on the nature of the MER Differential Fund, the threshold for the lower MER class ranged between $25,000 to $100,000, while in some cases it was $250,000 or $500,000.

37. These MER Differential Funds were launched between 2006 and 2014.

38. The CIBC Dealers conducted a review of the MER Differential Funds to cover the period from August 21, 2006 to January 31, 2016 and determined that certain client accounts invested in an MER Differential Fund that appeared to qualify for the lower MER class of an MER Differential Fund were not invested in that class and therefore the holders of those client accounts did not benefit from its lower MER. Specifically,

(a) it was determined that the CIBC Dealers did not have adequate systems of internal controls and supervision in place to ensure that when a purchase or transfer-in of units in an MER Differential Fund, alone or combined

with existing holdings of the MER Differential Fund, exceeded the minimum investment threshold required to qualify for the lower MER class of the same mutual fund, the client was advised consistently that a lower MER class of the same mutual fund was available to the client;

(b) it was determined that the CIBC Dealers' internal controls failed to identify this Control and Supervision Inadequacy in a timely manner; and

(c) the CIBC Dealers began to implement enhancements to their processes to help identify clients that meet the minimum thresholds required to qualify for the lower MER class.

39. The CIBC Dealers have determined that there are approximately 23,867 client accounts that ought to have been invested in the lower MER class of an MER Differential Fund but were not from August 21, 2006 to January 31, 2016.

40. In accordance with the Compensation Plan, in respect of those client accounts, the CIBC Dealers will pay Affected Clients:

(a) an amount representing the difference in the return that the Affected Client would have received on any share or unit held by the client of an MER Differential Fund had the client been invested in the lower MER class of that mutual fund in a timely manner upon becoming eligible to invest in the lower MER class held in that mutual fund for the entire period in which the Affected Client qualified for the lower MER class (the "Difference in Return"); and

(b) an amount representing the forgone opportunity cost in respect of the Difference in Return from the date of sale, conversion, transfer or disposition of any higher MER class of the MER Differential Funds for any periods up to October 31, 2016, based on a simple interest rate of 5% per annum except in respect of the CIBC and Renaissance Money Market and T-Bill Funds where the simple interest rate is the highest annual return on the lower MER class of these funds for the compensation period beginning August 2006 ("MER Opportunity Cost").

41. On this basis, the CIBC Dealers have determined that the total compensation to be paid to Affected Clients as a result of the MER Differential Issue is approximately $30,554,102, inclusive of the MER Opportunity Cost, where applicable.

42. The CIBC Dealers have also taken steps to migrate Affected Clients who continue to hold eligible units of the higher MER class of an MER Differential Fund as of October 29, 2016 to units of the lower MER class of the same fund. These are one-time changes which the CIBC Dealers will describe in their communication to Affected Clients, and which are for the sole purpose of resolving the Control and Supervision Inadequacy related to the MER Differential Funds. Other than a difference in the fees, there are no material differences between the higher MER class units and lower MER class units of the same MER Differential Fund. Further, the migration process will result in Affected Clients receiving a trade confirmation and, where applicable, a Fund Facts document in respect of the lower MER class of the Fund to accompany the trade confirmation after the migration.

C. Breaches of Ontario Securities Law

43. In respect of the Control and Supervision Inadequacies, the CIBC Dealers failed to establish, maintain and apply procedures to establish controls and supervision:

(a) sufficient to provide reasonable assurance that the CIBC Dealers, and each individual acting on behalf of the CIBC Dealers, complied with securities legislation, including the requirement to deal fairly with clients with regard to fees; and

(b) that were reasonably likely to identify the non-compliance described in (a) above at an early stage that would have allowed the CIBC Dealers to correct the non-compliant conduct in a timely manner.

44. As a result, these instances of Control and Supervision Inadequacies constituted a breach of section 11.1 of National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. In addition, the failures in the CIBC Dealers' systems of controls and supervision associated with the Control and Supervision Inadequacies were contrary to the public interest.

D. Mitigating Factors

45. Commission Staff do not allege, and have found no evidence of dishonest conduct by the CIBC Dealers.

46. The CIBC Dealers discovered and self-reported the Control and Supervision Inadequacies to Commission Staff.

47. During the investigation of the Control and Supervision Inadequacies by Commission Staff following the self-reporting by the CIBC Dealers, the CIBC Dealers provided prompt, detailed and candid cooperation to Commission Staff.

48. The CIBC Dealers had formulated an intention to pay appropriate compensation to Affected Clients in connection with their self-reporting of the Control and Supervision Inadequacies to Commission Staff and, thereafter, the CIBC Dealers co-operated with Commission Staff with a view to providing appropriate compensation to the Affected Clients who were harmed by any of the Control and Supervision Inadequacies.

49. As part of this Settlement Agreement, the CIBC Dealers have agreed to pay appropriate compensation to the Affected Clients, in accordance with the Compensation Plan. As at the date of this Settlement Agreement, the CIBC Dealers anticipate paying compensation to Affected Clients of approximately $73,260,104 in the aggregate in respect of the Control and Supervision Inadequacies.

50. The Compensation Plan prescribes, among other things:

    (a) the detailed methodology to be used for determining the compensation to be paid to the Affected Clients, including an amount representing the forgone opportunity cost in respect of compensation being paid by the CIBC Dealers to the Affected Clients;

    (b) the approach to be taken with regard to contacting and making payments to the Affected Clients;

    (c) the timing to complete the various steps included in the Compensation Plan;

    (d) a $25 *de minimis* exception (the aggregate of such *de minimis* amounts as at the date of this settlement is approximately $124,697 as compared to $73,260,104 in compensation to be paid), which aggregate *de minimis* amount will be donated to United Way financial literacy programs;

    (e) the approach to be taken to any remaining funds that are not paid out to Affected Clients after the steps included in the Compensation Plan have been fully implemented. In that regard, the Compensation Plan provides that if the CIBC Dealers are not able to contact any former Affected Clients, notwithstanding the steps described in the Compensation Plan, each CIBC Dealer will use reasonable efforts to locate any Affected Clients who are entitled to payment of $200 or more including directory searches, internet searches, and the employment of third parties to assist in the search. If the CIBC Dealer determines that a client is deceased but does not know the identity of the personal representative of the client's estate, and the estate is entitled to more than $400, the CIBC Dealer shall make reasonable efforts to identify the personal representative of the deceased client. Subject to any applicable unclaimed property legislation, any amounts remaining undistributed to non-located clients on December 31, 2018 will be donated to United Way financial literacy programs;

    (f) the resolution of client inquiries through an escalation process; and

    (g) regular reporting to the OSC Manager detailing the CIBC Dealers' progress with respect to the implementation of the Compensation Plan, including with regard to the resolution of client inquiries.

51. At the request of Commission Staff, each of the CIBC Dealers conducted an extensive review of its other businesses operating in Canada to identify whether there were any other instances of inadequacies in their systems of controls and supervision leading to clients directly paying excess fees, or indirectly paying excess fees on mutual funds managed by CIBC and/or CAMI. Based on this review, the CIBC Dealers have advised Commission Staff that there are no instances of Control and Supervision Inadequacies other than those described herein.

52. The CIBC Dealers are taking corrective action including implementing the Enhanced Control and Supervision Procedures and, as part of this Settlement Agreement, the CIBC Dealers are required to report to the OSC Manager on the development and implementation of the Enhanced Control and Supervision Procedures.

53. The CIBC Dealers have agreed to make voluntary payments totaling $3,050,000, as described in paragraphs 8(b)(x) and 8(b)(xi) above.

54. The CIBC Dealers will pay the total agreed voluntary payment of $3,050,000 by wire transfer before the commencement of the hearing before the Commission to approve this Settlement Agreement, which payment is conditional upon approval of this Settlement Agreement by the Commission.

55. The terms of settlement are appropriate in all the circumstances, including mitigating factors and the principles of general and specific deterrence. Commission Staff are of the view that the voluntary payments referred to above in

addition to the amounts to be paid as compensation to Affected Clients by the CIBC Dealers will emphasize to the marketplace that Commission Staff expect registrants to have compliance systems with appropriate controls and supervision in place which:

(a) provide reasonable assurance that registrants, and each individual acting on behalf of registrants, are complying with securities legislation, including the requirement to deal fairly with clients with regard to fees; and

(b) are reasonably likely to allow registrants to identify and correct non-compliance with securities legislation in a timely manner.

E. The CIBC Dealers' Undertaking

56. By signing this Settlement Agreement, the CIBC Dealers (and CIBC, for the sole purpose of making any payments relating to CIBC SI) undertake to:

(a) pay compensation to the Affected Clients in accordance with the Compensation Plan and to report to the OSC Manager in accordance with the Compensation Plan; and

(b) make the voluntary payments referred to in paragraphs 8(b)(x)and 8(b)(xi) above (the "Undertaking").

Part IV. – TERMS OF SETTLEMENT

57. The CIBC Dealers agree to the terms of settlement listed below and consent to the Order in substantially the form attached hereto, that provides that:

(a) pursuant to subsection 127(1) of the Act, the Settlement Agreement is approved;

(b) pursuant to subsection 127(2) of the Act, the approval of the Settlement Agreement is subject to the following terms and conditions:

(i) within 90 days of receiving comments from Commission Staff regarding the Enhanced Control and Supervision Procedures, the CIBC Dealers shall provide to the OSC Manager, revised written policies and procedures (the "Revised Policies and Procedures") that, to the satisfaction of the OSC Manager, are responsive to any remaining issues raised by Commission Staff with regard to the CIBC Dealers' policies and procedures to establish the Enhanced Control and Supervision Procedures (the "Remaining Issues");

(ii) thereafter, the CIBC Dealers shall make such further modifications to their Revised Policies and Procedures as are required to ensure that the Revised Policies and Procedures address any Remaining Issues to the satisfaction of the OSC Manager;

(iii) within 8 months of receiving confirmation from the OSC Manager that the Revised Policies and Procedures satisfy the Remaining Issues raised by Commission Staff (the "Confirmation Date"), the CIBC Dealers shall submit a letter (the "Attestation Letter"), signed by the Ultimate Designated Person and the Chief Compliance Officer for each of the CIBC Dealers, to the OSC Manager, expressing their opinion on whether the Enhanced Control and Supervision Procedures were adequately followed, administered and enforced by the CIBC Dealer for the 6 month period commencing from the Confirmation Date;

(iv) the Attestation Letter shall be accompanied by a report which provides a description of the testing performed to support the conclusions contained in the Attestation Letter;

(v) the CIBC Dealers shall submit such additional reports as may be requested by the OSC Manager for the purpose of satisfying the OSC Manager that the opinion expressed in the Attestation Letter described in subparagraph (b)(iii) above is valid;

(vi) any of the CIBC Dealers or Commission Staff may apply to the Commission for directions in respect of any issues that may arise with regard to the implementation of subparagraphs (b)(i) to (v) above; and

(vii) the CIBC Dealers shall comply with the Undertaking.

58. The CIBC Dealers agree to make the voluntary payments described in paragraphs 8(b)(x) and 8(b)(xi) by wire transfer before the commencement of the hearing before the Commission to approve this Settlement Agreement.

Part V. – COMMISSION STAFF COMMITMENT

59. If the Commission approves this Settlement Agreement, Commission Staff will not commence any proceeding under Ontario securities law in relation to the Commission Staff's Statement of Facts and Conclusions set out in Part III of this Settlement Agreement, subject to the provisions of paragraph 60 below and except with respect to paragraph 51 above, nothing in this Settlement Agreement shall be interpreted as limiting Commission Staff's ability to commence proceedings against the CIBC Dealers in relation to any control and supervision inadequacies leading to clients paying excess fees other than in respect of the matters described herein.

60. If the Commission approves this Settlement Agreement and any of the CIBC Dealers fails to comply with any of the terms of this Settlement Agreement, Commission Staff may bring proceedings under Ontario securities law against the CIBC Dealers. These proceedings may be based on, but are not limited to, the Commission Staff's Statement of Facts and Conclusions set out in Part III of this Settlement Agreement as well as the breach of this Settlement Agreement.

Part VI. – PROCEDURE FOR APPROVAL OF SETTLEMENT

61. The parties will seek approval of this Settlement Agreement at a public hearing before the Commission scheduled for October 28, 2016, or on another date agreed to by Commission Staff and the CIBC Dealers, according to the procedures set out in this Settlement Agreement and the Commission's Rules of Procedure.

62. Commission Staff and the CIBC Dealers agree that this Settlement Agreement will form all of the evidence that will be submitted at the settlement hearing on the CIBC Dealers' conduct, unless the parties agree that additional evidence should be submitted at the settlement hearing.

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

64. If the Commission approves this Settlement Agreement, the CIBC Dealers will not make any public statement that is inconsistent with this Settlement Agreement or with any additional evidence submitted at the settlement hearing. In addition, the CIBC Dealers agree that they will not make any public statement that there is no factual basis for this Settlement Agreement. However, nothing in this paragraph affects the CIBC Dealers' testimonial obligations or the right to take such legal or factual positions as they think fit in other reviews or legal proceedings touching upon any matters that are the subject of this Settlement Agreement in which the Commission and/or Commission Staff is not a party or in which any provincial or territorial securities regulatory authority in Canada and/or its Commission Staff is not a party ("Other Proceedings") or to make public statements in connection with Other Proceedings.

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

Part VII. – DISCLOSURE OF SETTLEMENT AGREEMENT

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

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

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

67. The parties will keep the terms of this Settlement Agreement confidential until the commencement of the public hearing to obtain approval of this Settlement Agreement by the Commission. The obligation to keep this Settlement Agreement confidential shall cease upon the commencement of the public settlement hearing. If, for whatever reason, the Commission does not approve this Settlement Agreement, the terms of this Settlement Agreement remain confidential indefinitely, unless Commission Staff and the CIBC Dealers otherwise agree or if required by law.

Part VIII. – EXECUTION OF SETTLEMENT AGREEMENT

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

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

Dated this 24th day of October, 2016.

CIBC WORLD MARKETS INC.

By: *"Peter Lee"*
Peter Lee
Managing Director and Head,
CIBC Wood Gundy

CIBC SECURITIES INC.

By: *"Steve Geist"*
Steve Geist
Chairman

By: *"Marybeth Jordan"*
Marybeth Jordan
Director

CANADIAN IMPERIAL BANK OF COMMERCE

By: *"Steve Geist"*
Steve Geist
Senior Executive Vice-President

CIBC INVESTOR SERVICES INC.

By: *"Andrew Turnbull"*
Andrew Turnbull
Managing Director, Head

By: *"Marybeth Jordan"*
Marybeth Jordan
Director

Commission Staff

By: *"Jeff Kehoe"*
Jeff Kehoe
Director, Enforcement Branch

Schedule A

**IN THE MATTER OF
THE SECURITIES ACT,
RSO 1990, c S.5**

AND

**IN THE MATTER OF
CIBC WORLD MARKETS INC.,
CIBC INVESTOR SERVICES INC. AND
CIBC SECURITIES INC.**

**ORDER
(Subsections 127(1) and 127(2))**

WHEREAS:

1. On October 25, 2016, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing in relation to the Statement of Allegations filed by Staff of the Commission ("Commission Staff") on October 25, 2016 with respect to CIBC World Markets Inc., CIBC Investor Services Inc. and CIBC Securities Inc. (the "CIBC Dealers");

2. the Notice of Hearing gave notice that on October 28, 2016, the Commission would hold a hearing to consider whether it is in the public interest to approve a settlement agreement between Commission Staff and the CIBC Dealers dated October 24, 2016 (the "Settlement Agreement");

3. in the Statement of Allegations, Commission Staff alleged that there were inadequacies in the CIBC Dealers' systems of controls and supervision which formed part of their compliance systems (the "Control and Supervision Inadequacies") which resulted in clients of the CIBC Dealers paying excess fees that were not detected or corrected by the CIBC Dealers in a timely manner;

4. Commission Staff do not allege, and have found no evidence of dishonest conduct by the CIBC Dealers;

5. Commission Staff are satisfied that the CIBC Dealers discovered and self-reported the Control and Supervision Inadequacies to Commission Staff;

6. Commission Staff are satisfied that during their investigation of the Control and Supervision Inadequacies, the CIBC Dealers provided prompt, detailed and candid cooperation to Commission Staff;

7. Commission Staff are satisfied that the CIBC Dealers had formulated an intention to pay appropriate compensation to clients and former clients when they self-reported the Control and Supervision Inadequacies to Commission Staff;

8. as part of the Settlement Agreement, the CIBC Dealers undertake to:

   (a) pay appropriate compensation to eligible clients and former clients who were harmed by the Control and Supervision Inadequacies (the "Affected Clients") in accordance with a plan submitted by the CIBC Dealers to Commission Staff (the "Compensation Plan") and to report to a manager or deputy director in the Compliance and Registrant Regulation Branch of the Commission (the "OSC Manager") in accordance with the Compensation Plan;

   (b) make a voluntary payment of $50,000 to reimburse the Commission for costs incurred or to be incurred by it, in accordance with subsection 3.4(2)(a) of the *Securities Act* (the "Act"); and

   (c) make a further voluntary payment of $3,000,000, to be designated for allocation or use by the Commission in accordance with paragraphs (b)(i) or (ii) of subsection 3.4(2) of the Act (the "Undertaking");

9. the Commission has received the voluntary payments totaling $3,050,000 in escrow pending approval of the Settlement Agreement;

10. the Commission reviewed the Settlement Agreement, the Notice of Hearing and the Statement of Allegations and heard submissions from counsel for the CIBC Dealers and from Commission Staff; and

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

IT IS ORDERED THAT:

(a) pursuant to subsection 127(1) of the Act, the Settlement Agreement is approved;

(b) pursuant to subsection 127(2) of the Act, the approval of the Settlement Agreement is subject to the following terms and conditions:

(i) within 90 days of receiving comments from Commission Staff regarding the procedures, controls and supervisory and monitoring systems designed to prevent the re-occurrence of the Control and Supervision Inadequacies in the future (the "Enhanced Control and Supervision Procedures"), the CIBC Dealers shall provide to the OSC Manager revised written policies and procedures (the "Revised Policies and Procedures") that, to the satisfaction of the OSC Manager, are responsive to any remaining issues raised by Commission Staff with regard to the CIBC Dealers' policies and procedures to establish the Enhanced Control and Supervision Procedures (the "Remaining Issues");

(ii) thereafter, the CIBC Dealers shall make such further modifications to their Revised Policies and Procedures as are required to ensure that the Revised Policies and Procedures address any Remaining Issues to the satisfaction of the OSC Manager;

(iii) within 8 months of receiving confirmation from the OSC Manager that the Revised Policies and Procedures satisfy the Remaining Issues raised by Commission Staff (the "Confirmation Date"), the CIBC Dealers shall submit a letter (the "Attestation Letter"), signed by the Ultimate Designated Person and the Chief Compliance Officer for each of the CIBC Dealers, to the OSC Manager, expressing their opinion as to whether the Enhanced Control and Supervision Procedures were adequately followed, administered and enforced by the CIBC Dealer for the 6 month period commencing from the Confirmation Date;

(iv) the Attestation Letter shall be accompanied by a report which provides a description of the testing performed to support the conclusions contained in the Attestation Letter;

(v) the CIBC Dealers shall submit such additional reports as may be requested by the OSC Manager for the purpose of satisfying the OSC Manager that the opinion expressed in the Attestation Letter described in subparagraph (b)(iii) above is valid;

(vi) any of the CIBC Dealers or Commission Staff may apply to the Commission for directions in respect of any issues that may arise with regard to the implementation of subparagraphs (b)(i) to (v) above; and

(vii) the CIBC Dealers shall comply with the Undertaking; and

(c) the voluntary payment referred to in paragraph 8(c) above is designated for allocation or use by the Commission in accordance with paragraphs (b)(i) or (ii) of subsection 3.4(2) of the Act.

DATED at Toronto, Ontario this 28th day of October, 2016

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
Metron Capital Corp.	18 October 2013	30 October 2013	30 October 2013	31 October 2016

THERE IS NOTHING TO REPORT THIS WEEK.

Failure to File Cease Trade Orders

Company Name	Date of Order	Date ofRevocation

THERE IS NOTHING TO REPORT THIS WEEK.

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
Performance Sports Group Ltd.	19 October 2016	31 October 2016	31 October 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
AlarmForce Industries Inc.	19 Sept 2016	30 Sept 2016	30 Sept 2016		
iSIGN Media Solutions Inc.	09 Sept 2016	21 Sept 2016	21 Sept 2016		
Performance Sports Group Ltd.	19 October 2016	31 October 2016	31 October 2016		
Starrex International Ltd.	30 December 2015	11 January 2016	11 January 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:
Dundee Acquisition Ltd.
Principal Regulator – Ontario
Type and Date:
Preliminary Long Form Non-Offering Prospectus dated October 26, 2016
NP 11-202 Receipt dated October 26, 2016
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
Dundee Corporation
Project #2544312

Issuer Name:
Fiera Capital International Equity Fund
Principal Regulator – Quebec
Type and Date:
Preliminary Simplified Prospectus dated October 25, 2016
NP 11-202 Receipt dated October 28, 2016
Offering Price and Description:
Classes A Units, AH Units, B Units, F Units, FH Units and O Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
Fiera Capital Corporation
Project #2544390

Issuer Name:
Morguard Corporation
Principal Regulator – Ontario
Type and Date:
Preliminary Base Shelf Prospectus dated October 28, 2016
NP 11-202 Receipt dated October 28, 2016
Offering Price and Description:
$400,000,000.00 – Debt Securities
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2545286

Issuer Name:
National Bank of Canada
Principal Regulator – Quebec
Type and Date:
Preliminary Base Shelf Prospectus dated October 28, 2016
NP 11-202 Receipt dated October 28, 2016
Offering Price and Description:
$5,000,000,000.00
Debt Securities (unsubordinated indebtedness)
Debt Securities (subordinated indebtedness)
First Preferred Shares
Common Shares
Subscription Receipts
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2545611

Issuer Name:
Tourmaline Oil Corp.
Principal Regulator – Alberta
Type and Date:
Preliminary Short Form Prospectus dated October 26, 2016
NP 11-202 Receipt dated October 26, 2016
Offering Price and Description:
$100,010,500.00 – 2,878,000 Subscription Receipts, each representing the right to receive one Common Share
Price: $34.75 per Subscription Receipt

Underwriter(s) or Distributor(s):
PETERS & CO. LIMITED
GMP SECURITIES L.P.
SCOTIA CAPITAL INC.
NATIONAL BANK FINANCIAL INC.
CIBC WORLD MARKETS INC.
RBC DOMINION SECURITIES INC.
TD SECURITIES INC.
BMO NESBITT BURNS INC.
RAYMON JAMES LTD.
Promoter(s):
-
Project #2543076

Issuer Name:
Series A, Advisor Series, Advisor T5 Series, Series T5, Series H, Series D, Series F, Series FT5, Series I and Series O mutual fund shares (unless otherwise indicated) of
RBC Short Term Income Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC $U.S. Short Term Income Class (Series A, Series D, Series F and Series O only)
BlueBay Global Convertible Bond Class (Canada)
BlueBay $U.S. Global Convertible Bond Class (Canada) (Series A, Advisor Series, Series D, Series F and Series O only)
Phillips, Hager & North Monthly Income Class (Series A, Advisor Series, Advisor T5 Series, Series T5, Series H, Series D, Series F, Series FT5 and Series O only)
RBC Balanced Growth & Income Class (Series A, Advisor Series, Advisor T5 Series, Series T5, Series F, Series FT5 and Series O only)
RBC Canadian Dividend Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC Canadian Equity Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC QUBE Low Volatility Canadian Equity Class (Series A, Advisor Series, Series D, Series F and Series O only)
Phillips, Hager & North Canadian Equity Value Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC Canadian Equity Income Class (Series A, Advisor Series, Advisor T5 Series, Series T5, Series D, Series F, Series FT5 and Series O only)
RBC Canadian Mid-Cap Equity Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC North American Value Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC U.S. Dividend Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC U.S. Equity Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC QUBE Low Volatility U.S. Equity Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC U.S. Equity Value Class (Series A, Advisor Series, Series D, Series F and Series O only)
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC U.S. Mid-Cap Value Equity Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC U.S. Small-Cap Core Equity Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC International Equity Class (Series A, Advisor Series, Series D, Series F and Series O only)
Phillips, Hager & North Overseas Equity Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC European Equity Class (Series A, Advisor Series, Series D, Series F, Series I and Series O only)
RBC Emerging Markets Equity Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC Global Equity Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC QUBE Low Volatility Global Equity Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC Global Resources Class (Series A, Advisor Series, Series D, Series F and Series O only)
Principal Regulator – Ontario
Type and Date:
Final Simplified Prospectuses dated October 24, 2016
NP 11-202 Receipt dated October 25, 2016
Offering Price and Description:
Series A, Advisor Series, Advisor T5 Series, Series T5, Series H, Series D, Series F, Series FT5, Series I and Series O mutual fund shares @ Net Asset Value
Underwriter(s) or Distributor(s):
RBC Global Asset Management Inc.
Promoter(s):
-
Project #2534654

Issuer Name:
Brompton Dividend & Income Class
Brompton Resource Class
Principal Regulator – Ontario
Type and Date:
Amendment #1 dated October 20, 2016 to the Simplified Prospectuses and Annual Information Form dated May 27, 2016
NP 11-202 Receipt dated October 28, 2016
Offering Price and Description:
Series A, Series B and Series F shares @ Net Asset Value
Underwriter(s) or Distributor(s):
-
Promoter(s):
Brompton Funds Limited
Project #2472668

Issuer Name:
First Trust AlphaDEX Canadian Dividend ETF
First Trust AlphaDEX Emerging Market Dividend ETF (CAD-Hedged)
First Trust AlphaDEX U.S. Dividend ETF (CAD-Hedged)
First Trust Senior Loan ETF (CAD-Hedged)
First Trust Short Duration High Yield Bond ETF (CAD-Hedged)
Principal Regulator – Ontario
Type and Date:
Amendment #1 dated October 25, 2016 to the Long Form Prospectus dated April 28, 2016
NP 11-202 Receipt dated October 26, 2016
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
FT PORTFOLIOS CANADA CO.
Project #2458075

Issuer Name:
Series A, Advisor Series, Advisor T5 Series, Series T5, Series H, Series D, Series F,
Series FT5, Series I and Series O mutual fund shares (unless otherwise indicated) of
RBC Short Term Income Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC $U.S. Short Term Income Class (Series A, Series D, Series F and Series O only)
BlueBay Global Convertible Bond Class (Canada)
BlueBay $U.S. Global Convertible Bond Class (Canada) (Series A, Advisor Series, Series D,
Series F and Series O only)
Phillips, Hager & North Monthly Income Class (Series A, Advisor Series, Advisor T5 Series,
Series T5, Series H, Series D, Series F, Series FT5 and Series O only)
RBC Balanced Growth & Income Class (Series A, Advisor Series, Advisor T5 Series, Series T5,
Series F, Series FT5 and Series O only)
RBC Canadian Dividend Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC Canadian Equity Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC QUBE Low Volatility Canadian Equity Class (Series A, Advisor Series, Series D, Series F
and Series O only)
Phillips, Hager & North Canadian Equity Value Class (Series A, Advisor Series, Series D, Series
F and Series O only)
RBC Canadian Equity Income Class (Series A, Advisor Series, Advisor T5 Series, Series T5,
Series D, Series F, Series FT5 and Series O only)
RBC Canadian Mid-Cap Equity Class (Series A, Advisor Series, Series D, Series F and Series O
only)
RBC North American Value Class (Series A, Advisor Series, Series D, Series F and Series O
only)
RBC U.S. Dividend Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC U.S. Equity Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC QUBE Low Volatility U.S. Equity Class (Series A, Advisor Series, Series D, Series F and
Series O only)
RBC U.S. Equity Value Class (Series A, Advisor Series, Series D, Series F and Series O only)
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Class (Series A, Advisor Series, Series
D, Series F and Series O only)
RBC U.S. Mid-Cap Value Equity Class (Series A, Advisor Series, Series D, Series F and Series O
only)
RBC U.S. Small-Cap Core Equity Class (Series A, Advisor Series, Series D, Series F and Series
O only)
RBC International Equity Class (Series A, Advisor Series, Series D, Series F and Series O only)
Phillips, Hager & North Overseas Equity Class (Series A, Advisor Series, Series D, Series F and
Series O only)

RBC European Equity Class (Series A, Advisor Series, Series D, Series F, Series I and Series O only)
RBC Emerging Markets Equity Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC Global Equity Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC QUBE Low Volatility Global Equity Class (Series A, Advisor Series, Series D, Series F and Series O only)
RBC Global Resources Class (Series A, Advisor Series, Series D, Series F and Series O only)
Principal Regulator – Ontario
Type and Date:
Amendment #1 dated October 20, 2016 to the Simplified Prospectuses dated September 29, 2016
NP 11-202 Receipt dated October 31, 2016
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Quadrus Investment Services Ltd.
LBC Financial Services Inc
LBC Financial Services Inc.
Promoter(s):
Mackenzie Financial Corporation
Project #2516157

Issuer Name:
NewCastle Gold Ltd.
Principal Regulator – Ontario
Type and Date:
Final Short Form Prospectus dated October 25, 2016
NP 11-202 Receipt dated October 26, 2016
Offering Price and Description:
$18,450,000 – 22,500,000 Common Shares
$0.82 per Common Share
Underwriter(s) or Distributor(s):
TD Securities Inc.
Canaccord Genuity Corp.
Cormark Securities Inc.
National Bank Financial Inc.
Beacon Securities Limited
BMO Nebitt Burns Inc.
Haywood Securities Inc.
GMP Securities L.P.
Paradigm Capital Inc.
PI Financial Corp.
Promoter(s):
-
Project #2540943

Issuer Name:
Orletto Capital Inc.
Principal Regulator – Quebec
Type and Date:
Final Long Form Prospectus dated October 27, 2016
NP 11-202 Receipt dated October 28, 2016
Offering Price and Description:
MINIMUM OFFERING: $6,000,000.00 OR 8,000,000 Units
MAXIMUM OFFERING: $10,000,000.00 OR 13,333,333 Units
Price: $0.75 per Unit
Underwriter(s) or Distributor(s):
Richardson GMP Limited
Promoter(s):
Andre P. Boulet
Project #2519014

Issuer Name:
TD Managed Income Portfolio (Investor Series, Premium Series, Advisor Series, F-Series, H-Series, K-Series, T-Series and S-Series units)
TD Managed Income & Moderate Growth Portfolio (Investor Series, Premium Series, Advisor Series, F-Series, H-Series, K-Series, T-Series and S-Series units)
TD Managed Balanced Growth Portfolio (Investor Series, Premium Series, Advisor Series, F-Series, H-Series, K-Series, T-Series and S-Series units)
TD Managed Aggressive Growth Portfolio (Investor Series, Premium Series, Advisor Series and F-Series units)
TD Managed Maximum Equity Growth Portfolio (Investor Series, Premium Series, Advisor Series and F-Series units)
TD FundSmart Managed Income & Moderate Growth Portfolio (Investor Series, Premium Series, Advisor Series, H-Series, K-Series and T-Series units)
TD FundSmart Managed Balanced Growth Portfolio (Investor Series, Premium Series, Advisor Series, H-Series, K-Series and T-Series units)
TD FundSmart Managed Aggressive Growth Portfolio (Investor Series, Premium Series and Advisor Series units)
TD Managed Index Income Portfolio (Investor Series and e-Series units)
TD Managed Index Income & Moderate Growth Portfolio (Investor Series and e-Series units)
TD Managed Index Balanced Growth Portfolio (Investor Series and e-Series units)
TD Managed Index Aggressive Growth Portfolio (Investor Series and e-Series units)
TD Managed Index Maximum Equity Growth Portfolio (Investor Series and e-Series units)
Principal Regulator – Ontario
Type and Date:
Final Simplified Prospectuses dated October 27, 2016
NP 11-202 Receipt dated October 28, 2016
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
TD Investment Services Inc. (for Investor Series and Premium Series units only)
TD Investment Services Inc. (for Investor Series and Premium Series units)
TD Investment Services Inc. (for Investor Series and e-Series units)
Promoter(s):
-
Project #2533968

Issuer Name:
Union Agriculture Group Corp.
Type and Date:
Preliminary Long Form Prospectus dated October 16, 2015
Withdrawn on October 28, 2016
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2406150

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Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Voluntary Surrender	Marvin & Palmer Associates, Inc.	Portfolio Manager and Exempt Market Dealer	October 24, 2016
Voluntary Surrender	Wave Cycle Mutual Funds Ltd.	Investment Fund Manager	October 24, 2016
Consent to Suspension (Pending Surrender)	Bluewater Investment Management Inc.	Portfolio Manager	October 27, 2016
Consent to Suspension (Pending Surrender)	Genfund Management Inc.	Portfolio Manager, Investment Fund Manager and Exempt Market Dealer	October 27, 2016
Change in Registration Category	Blackheath Fund Management Inc.	From: Investment Fund Manager, Exempt Market Dealer and Commodity Trading Manager To: Commodity Trading Manager	October 27. 2016
Consent to Suspension (Pending Surrender)	GreenBank Financial Inc.	Exempt Market Dealer	October 28, 2016
Voluntary Surrender	Rockvale Capital Management Inc.	Portfolio Manager	October 28, 2016
Change in Registration Category	PearTree Securities Inc.	From: Restricted Portfolio Manager and Exempt Market Dealer To: Investment Fund Manager, Restricted Portfolio Manager and Exempt Market Dealer	October 28, 2016
Consent to Suspension (Pending Surrender)	Aurion Capital Management Inc.	Portfolio Manager and Investment Fund Manager	October 31, 2016
Suspended (Regulatory Action)	Investar Investment Ltd.	Exempt Market Dealer	October 13, 2016

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