The Ontario Securities Commission

OSC Bulletin

April 13, 2017

Volume 40, Issue 15

(2017), 40 OSCB

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

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

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

Contact Centre – Inquiries, Complaints:

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

Office of the Secretary:

Fax: 416-593-2318

Published under the authority of the Commission by:
Thomson Reuters
One Corporate Plaza
2075 Kennedy Road
Toronto, Ontario
M1T 3V4

416-609-3800 or 1-800-387-5164

THOMSON REUTERS®

The OSC Bulletin is published weekly by Thomson Reuters Canada, under the authority of the Ontario Securities Commission.

Thomson Reuters Canada offers every issue of the Bulletin, from 1994 onwards, fully searchable on S*ecuritiesSource*™, Canada's pre-eminent web-based securities resource. *SecuritiesSource*™ also features comprehensive securities legislation, expert analysis, precedents and a weekly Newsletter. For more information on *SecuritiesSource*™, as well as ordering information, please go to:

http://www.westlawecarswell.com/SecuritiesSource/News/default.htm

or call Thomson Reuters Canada Customer Relations at 1-800-387-5164 (416-609-3800 Toronto & Outside of Canada).

Claims from *bona fide* subscribers for missing issues will be honoured by Thomson Reuters Canada up to one month from publication date.

Space is available in the Ontario Securities Commission Bulletin for advertisements. The publisher will accept advertising aimed at the securities industry or financial community in Canada. Advertisements are limited to tombstone announcements and professional business card announcements by members of, and suppliers to, the financial services industry.

ISSN 0226-9325
Except Chapter 7 ©CDS INC.

One Corporate Plaza
2075 Kennedy Road
Toronto, Ontario
M1T 3V4

Customer Relations
Toronto 1-416-609-3800
Elsewhere in Canada/U.S. 1-800-387-5164
Fax 1-416-298-5082
www.carswell.com
Email www.carswell.com/email

Table of Contents

Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Notice of Ministerial Approval of Arrangements Regarding the Access, Collection, Storage and Use of Derivatives Data

NOTICE OF MINISTERIAL APPROVAL OF
ARRANGEMENTS REGARDING THE ACCESS,
COLLECTION, STORAGE AND USE OF DERIVATIVES DATA

On March 16, 2017, the Minister of Finance approved, pursuant to section 143.10 of the *Securities Act* (Ontario), the arrangements that the Ontario Securities Commission entered into with each of Financial and Consumer Services Commission (New Brunswick), Financial and Consumer Affairs Authority of Saskatchewan and Nova Scotia Securities Commission (the "Derivatives Data Arrangements").

The Derivatives Data Arrangements set out an understanding that the OSC will act as an agent for the purposes of accessing, collecting, storing, analyzing and reporting on derivatives data, as collected by relevant trade repositories. The Derivatives Data Arrangements were published in the Bulletin on January 26, 2017 at (2017), 40 OSCB 888.

Questions may be referred to:

Jean-Paul Bureaud
Director
Office of Domestic and International Affairs
Tel: 416-593-8131
E-mail: jbureaud@osc.gov.on.ca

Shaun Olsen
Derivatives Specialist
Derivatives Branch
Tel: 416-593-8242
E-mail: solsen@osc.gov.on.ca

1.2 Notices of Hearing

1.2.1 Mark Steven Rotstein and Equilibrium Partners Inc. – ss. 127(1), 127.1

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

AND

IN THE MATTER OF
MARK STEVEN ROTSTEIN AND
EQUILIBRIUM PARTNERS INC.

NOTICE OF HEARING
(Subsections 127(1) and 127.1 of the Securities Act)

TAKE NOTICE THAT the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to subsections 127(1) and 127.1 of the *Securities Act*, RSO 1990, c S.5, at the offices of the Commission located at 20 Queen Street West, 17th Floor, on April 11, 2017, at 10:00 a.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 April 3, 2017, between Staff of the Commission, Mark Steven Rotstein and Equilibrium Partners Inc.;

BY REASON OF the allegations set out in the Statement of Allegations dated February 29, 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 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 that party and such party is not entitled to any further notice of the proceeding;

DATED at Toronto this 6th day of April, 2017.

"Grace Knakowski"

1.5 Notices from the Office of the Secretary

1.5.1 Garth H. Drabinsky et al.

FOR IMMEDIATE RELEASE
April 5, 2017

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

AND

IN THE MATTER OF
GARTH H. DRABINSKY,
MYRON I. GOTTLIEB and
GORDON ECKSTEIN

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

1. Pursuant to subsection 9(1.1) of the *Statutory Powers Procedure Act*, RSO 1990, c S.22, and Rule 5.2 of *Ontario Securities Commission Rules of Procedure* (2014), 37 OSCB 4168, Staff materials filed on March 13, 2017, all materials filed with the Commission in respect of the *In Camera* Motion and the transcript thereof shall be kept confidential;

2. Staff's written submissions shall be amended, reserved and refiled;

3. The Respondent's written submissions shall be served and filed on or before April 13, 2017;

4. Staff's reply written submissions, if any, shall be served and filed on or before April 19, 2017;

5. The hearing date of April 12, 2017 is vacated; and

6. Oral closing submissions in respect of the hearing in this matter shall be heard on April 24, 2017 at 10:00 a.m., or such other date as may be agreed to by the parties and set by the Office of the Secretary.

A copy of the Order dated April 4, 2017 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

For media inquiries:

media_inquiries@osc.gov.on.ca

For investor inquiries:

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

1.5.2 Lance Kotton

FOR IMMEDIATE RELEASE
April 5, 2017

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

AND

IN THE MATTER OF
LANCE KOTTON

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

1. the Temporary Order is extended as against Kotton until May 26, 2017; and

2. the hearing of this matter is adjourned until May 24, 2017 at 10:00 a.m., or such other date and time as provided by the Office of the Secretary and agreed to by the parties.

A copy of the Temporary Order dated April 5, 2017 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

For media inquiries:

media_inquiries@osc.gov.on.ca

For investor inquiries:

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

1.5.3 Sentry Investments Inc. and Sean Driscoll

FOR IMMEDIATE RELEASE
April 5, 2017

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

AND

IN THE MATTER OF
SENTRY INVESTMENTS INC. and
SEAN DRISCOLL

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 Sentry Investments Inc. and Sean Driscoll.

A copy of the Order dated April 5, 2017, Settlement Agreement dated March 31, 2017 and Oral Reasons for Approval of a Settlement dated April 5, 2017 are available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

For media inquiries:

media_inquiries@osc.gov.on.ca

For investor inquiries:

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

1.5.4 Mark Steven Rotstein and Equilibrium Partners Inc.

FOR IMMEDIATE RELEASE
April 6, 2017

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

AND

IN THE MATTER OF
MARK STEVEN ROTSTEIN AND
EQUILIBRIUM PARTNERS INC.

TORONTO – The Office of the Secretary issued a Notice of Hearing for a hearing to consider whether it is in the public interest to approve a settlement agreement entered into by Staff of the Commission, Mark Steven Rotstein and Equilibrium Partners Inc. in the above named matter.

The hearing will be held on April 11, 2017 at 10:00 a.m. on the 17th floor of the Commission's offices located at 20 Queen Street West, Toronto.

A copy of the Notice of Hearing dated April 6, 2017 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

For media inquiries:

media_inquiries@osc.gov.on.ca

For investor inquiries:

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

1.5.5 Quadrexx Hedge Capital Management Ltd. et al.

FOR IMMEDIATE RELEASE
April 7, 2017

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

AND

IN THE MATTER OF
QUADREXX HEDGE CAPITAL MANAGEMENT LTD.,
QUADREXX SECURED ASSETS INC.,
MIKLOS NAGY AND
TONY SANFELICE

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

1. This matter is adjourned to a further confidential pre-hearing conference on May 24, 2017 at 2:00 p.m., or such other date as may be agreed to by the parties and set by the Office of the Secretary;

2. Staff shall serve and file Staff's written submissions on sanctions and costs by no later than April 28, 2017;

3. The Respondents shall serve and file their written submissions on sanctions and costs by no later than July 7, 2017;

4. Staff shall serve and file Staff's reply submissions, if any, by no later than July 19, 2017; and

5. The hearing on sanctions and costs shall be held on July 26 and 27, 2017 at 10:00 a.m., or such other dates as may be agreed to by the parties and set by the Office of the Secretary.

The pre-hearing conference will be held *in camera*.

A copy of the Order dated April 6, 2017 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

For media inquiries:

media_inquiries@osc.gov.on.ca

For investor inquiries:

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

1.5.6 Eco Oro Minerals Corp.

FOR IMMEDIATE RELEASE
April 10, 2017

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

AND

IN THE MATTER OF
ECO ORO MINERALS CORP.

AND

IN THE MATTER OF
A HEARING AND REVIEW OF
A DECISION OF
THE TORONTO STOCK EXCHANGE

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

1. Trexs Investments, LLC, Amber Capital LP and Paulson & Co. Inc. are each granted leave to intervene in the Application, including the right to adduce evidence and make submissions; and

2. Leave to intervene is granted on the condition that the intervenors abide by the Scheduling Order, including by serving and filing any written materials for the Application by no later than 5:00 p.m. on Thursday, April 13, 2017.

A copy of the Order dated April 7, 2017 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

For media inquiries:

media_inquiries@osc.gov.on.ca

For investor inquiries:

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

1.5.7 Mark Steven Rotstein and Equilibrium Partners Inc.

FOR IMMEDIATE RELEASE
April 11, 2017

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

AND

IN THE MATTER OF
MARK STEVEN ROTSTEIN AND
EQUILIBRIUM PARTNERS 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, Mark Steven Rotstein and Equilibrium Partners Inc.

A copy of the Order dated April 11, 2017 and Settlement Agreement dated April 3, 2017 are available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

For media inquiries:

media_inquiries@osc.gov.on.ca

For investor inquiries:

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

Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Enstar Group Limited

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – non-reporting issuer seeks relief from prospectus requirement in connection with first trade of shares of issuer by Canadian residents through an exchange or market outside Canada – issuer meets all conditions of section 2.14 of National Instrument 45-102 Resale of Securities except that residents of Canada own more than 10% of securities of the class – issuer has a de minimis connection to Canada once shares held by an institutional investor excluded – issuer not seeking to create a market for its securities in Canada by offering securities to new investors – issuer will provide shareholders resident in Canada with same continuous disclosure materials provided to foreign shareholders – relief granted subject to conditions.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 53, 74(1).
National Instrument 45-102 Resale of Securities, s. 2.14.

March 30, 2017

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

AND

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

AND

IN THE MATTER OF
ENSTAR GROUP LIMITED
(the Filer)

DECISION

Background

1 The securities regulatory authority or regulator in each of the Jurisdictions (the Decision Maker) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) for an exemption from the prospectus requirement for the first trades of securities distributed under the Filer's Employee Stock ESPP (ESPP) to Canadian Employees (defined below) (the Exemption Sought).

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

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

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

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

Interpretation

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

Representations

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

1. the Filer is validly existing under the laws of Bermuda and has its registered office and its principal executive office in Hamilton, Bermuda;

2. the Filer is a multi-faceted insurance group established to acquire and manage insurance and reinsurance companies in run-off and to provide management, consulting and other services to the insurance and reinsurance industry;

3. the Filer is not a reporting issuer in any jurisdiction of Canada, nor are any of its securities listed or posted for trading on any exchange or market located in Canada;

4. the Filer is a reporting issuer in the United States and is regulated by the SEC under the 1934 Act; its securities are publicly listed and posted for trading on the NASDAQ Global Select Market (NASDAQ);

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

6. the authorized share capital of the Filer consists of (i) 90,000,000 voting ordinary shares, par value $1.00 per share (Ordinary Shares), (ii) 21,000,000 non-voting convertible ordinary shares, par value $1.00 per share, and (iii) 45,000,000 preference shares, par value $1.00 per share; as at December 31, 2016, 16,227,104 Ordinary Shares were issued and outstanding, 2,792,157 Series C Non-Voting Shares were issued and outstanding, and 404,771 Series E Non-Voting Shares were issued and outstanding;

7. the Ordinary Shares are posted and listed for trading on NASDAQ under the symbol “ESGR”; the Filer is in compliance with all securities laws of the United States and is in good standing with the rules of NASDAQ;

8. holders of Ordinary Shares in a jurisdiction of Canada are entitled to all relevant disclosure that is required to be provided to holders of Ordinary Shares generally under various provisions in U.S. securities laws;

9. the ESPP is an all-employee plan and all individuals who are employees of the Filer or subsidiaries of the Filer may be invited to participate (except for any employee that (i) holds at least 5% of the Ordinary Shares or (ii) is subject to the reporting requirements of section 16(a) of the 1934 Act with respect to the Company); an employee may participate in the ESPP by authorizing his or her employer company to make payroll deductions during a set period prior to one of the two offering periods during the year; the maximum fair market value of Ordinary Shares that can be subscribed for is US$25,000 per calendar year;

10. the maximum number of Ordinary Shares reserved for issuance under the ESPP is 200,000 (representing approximately 1.2% of the total Ordinary Shares currently outstanding);

11. a participating employee may agree to direct up to 15% of his or her base salary each month to acquire Ordinary Shares under the ESPP, subject to the limit that the maximum fair market value of Ordinary Shares that can be subscribed for is US$25,000 per calendar year; the account is non-transferable;

12. through their participation in the ESPP, certain Canadian resident individuals who are or will be employees, officers, and directors (or their equivalent) of the Filer or its related entities (Canadian Employees) may acquire Ordinary Shares; as at December 31, 2016, there are four Canadian Employees eligible to participate in the ESPP;

13. the Ordinary Shares will be acquired by Canadian Employees under the exemption from the prospectus requirement in section 2.24 of NI 45-106 Prospectus Exemptions;

14. the Canadian Employees wish to have the option of selling their Ordinary Shares through the facilities of NASDAQ;

15. the Canada Pension Plan Investment Board (CPPIB) is a global investment management organization, resident in Canada, that invests the assets of the Canada Pension Plan; CPPIB Epsilon Ontario Limited Partnership (CPPIB LP, and together with CPPIB, the CPPIB Entities) is a limited partnership for which CPPIB is the sole limited partner and CPPIB Epsilon Ontario Trust (CPPIB Trust) is the general partner; Poul Winslow (a director of Enstar), R. Scott Lawrence and Eric M. Wetlaufer are the trustees for CPPIB Trust (collectively, the Trustees);

16. as of December 31, 2016, the CPPIB Entities directly and indirectly (including beneficially through the Trustees) owned 2,242,946 Ordinary Shares, representing 13.8% of the total number of shares within that class, 1,192,941 Series C Non-Voting Shares representing 42.7% of the total number of shares within that series and 404,771 Series E Non-Voting Shares, representing 100% of the total number of shares within that series;

17. as of October 31, 2016, based on the reasonable enquires of the Filer for purposes of determining its global shareholder base, excluding Ordinary Shares held directly or indirectly by the CPPIB Entities, the 36 other holders of Ordinary Shares resident in Canada held 112,169 Ordinary Shares, representing approximately 0.8% of the total number of issued and outstanding Ordinary Shares, and represented less than 0.3% of the total number of holders of Ordinary Shares;

18. the Filer has not conducted any prospectus-exempt offerings in Canada since October 31, 2016, except for distributions to CPPIB entities and Canadian Employees under the ESPP;

19. the first trade in the Ordinary Shares held by Canadian residents in reliance upon a prospectus exemption would be deemed a distribution under National Instrument 45-102 *Resale of Securities* (NI 45-102) unless, among other things, the Filer has been a reporting issuer for the four months immediately preceding the trade in a jurisdiction of Canada; since the Filer is not a reporting issuer or its equivalent in a jurisdiction of Canada and has no intention of becoming one, the Ordinary Shares acquired in reliance upon certain prospectus exemptions would be subject to an indefinite hold period;

20. subsection 2.14(1) of NI 45-102 provides an exemption from the prospectus requirement for the first trade in securities of a non-reporting issuer distributed under a prospectus exemption; specifically, subsection 2.14(1) states that the prospectus requirement does not apply to the first trade of a security distributed under an exemption from the prospectus requirement if:

    (a) the issuer of the security:

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

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

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

        (i) did not own directly or indirectly more than 10 percent of the outstanding securities of the class or series; and

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

    (c) the trade is made:

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

        (ii) to a person or company outside of Canada;

21. the Filer meets all eligibility criteria for the exemption in section 2.14 of NI 45-102 except that residents of Canada (including the CPPIB Entities) hold more than 10% of outstanding Ordinary Shares;

22. as of December 31, 2016, excluding the Ordinary Shares indirectly and directly owned by the CPPIB Entities and assuming the issuance of all of the Ordinary Shares reserved for issuance under the ESPP to the current Canadian Employees, residents of Canada would not own, directly or indirectly, more than 10% of issued and

outstanding Ordinary Shares, and would not represent in number more than 10% of the total number of owners, directly or indirectly, of Ordinary Shares;

23. any resale of the Ordinary Shares by Canadian residents would be made through the facilities of NASDAQ or such foreign market as may develop, as there is no market for the Ordinary Shares in Canada and none is expected to develop; and

24. the Filer has no intention to file a prospectus in Canada; absent an exemption, the Ordinary Shares held by Canadian Employees are or will be subject to resale restrictions that may never expire.

Decision

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

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

(a) the Filer

i. was not a reporting issuer in any jurisdiction of Canada at the distribution date of the Ordinary Shares under the ESPP to Canadian Employees, or

ii. is not a reporting issuer in any jurisdiction of Canada at the date of the first trade;

(b) the first trade of Ordinary Shares held by Canadian Employees is executed through the facilities of NASDAQ or on another exchange or a market outside of Canada, or to a person or company outside of Canada; and

(c) at the distribution date of Ordinary Shares under the ESPP to Canadian Employees, Canadian residents, other than the CPPIB Entities, do not

i. own, directly or indirectly, more than 10% of the outstanding Ordinary Shares, and

ii. represent in number more than 10% of the total number of owners, directly or indirectly, of Ordinary Shares.

“Christina Wolf”
Acting Executive Director
British Columbia Securities Commission

2.1.2 Brookfield Investment Management (Canada) Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – fund family relief from the requirement to send a printed information circular to registered holders of the securities of an investment fund – relief subject to conditions, including sending an explanatory document in lieu of the printed information circular and giving securityholders the option to request and obtain at no charge a printed information circular – notice-and-access for investment funds – National Instrument 81-106 Investment Fund Continuous Disclosure.

Applicable Legislative Provisions

National Instrument 81-106 Investment Fund Continuous Disclosure, s. 12.2(2)(a).

April 3, 2017

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

AND

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

AND

IN THE MATTER OF
BROOKFIELD INVESTMENT MANAGEMENT (CANADA) INC.
(the Filer)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer, on behalf of existing and future investment funds that are or will be managed from time to time by the Filer or by an affiliate or successor of the Filer (collectively, the **Funds**, and each, a **Fund**), for a decision under the securities legislation of the Jurisdiction (the **Legislation**) granting an exemption from the requirement contained in paragraph 12.2(2)(a) of National Instrument 81-106 *Investment Fund Continuous Disclosure* (**NI 81-106**) for a person or company that solicits proxies, by or on behalf of management of a Fund, to send an information circular to each registered holder of securities of a Fund whose proxy is solicited, and instead allow a Fund to send a Notice-and-Access Document (as defined in condition 1 of this decision) using the Notice-and-Access Procedure (as defined in condition 2 of this decision) (the **Exemption Sought**).

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

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

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

Interpretation

Terms defined in National Instrument 14-101 *Definitions*, MI 11-102, National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**) and National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (**NI 54-101**) have the same meaning if used in this decision, unless otherwise defined.

Representations

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

The Filer and the Funds

1. The head office of the Filer is located in Toronto, Ontario.

2. The Filer is registered as an investment fund manager in the provinces of Ontario, Quebec and Newfoundland and Labrador.

3. The Funds are, or will be, managed by the Filer or by an affiliate or successor of the Filer.

4. Each Fund is, or will be, an investment fund and is, or will be, a reporting issuer in one or more of the Jurisdictions.

5. The Filer and the existing Funds are not in default of the securities legislation in any of the Jurisdictions.

Meetings of Securityholders of the Funds

6. Pursuant to applicable legislation, the Filer must call a meeting of securityholders of each Fund from time to time to consider and vote on matters requiring securityholder approval.

7. In connection with a meeting of securityholders, a Fund is required to comply with the requirements in NI 81-106 regarding the sending of proxies and information circulars to registered holders of its securities, which include a requirement that each person or company that solicits proxies by or on behalf of management of a Fund send, with the notice of meeting, to each registered holder of securities of a Fund whose proxy is solicited, an information circular, prepared in compliance with the requirements of Form 51-102F5 *Information Circular* of NI 51-102, to securityholders of record who are entitled to receive notice of the meeting.

8. A Fund is also required to comply with NI 51-102 for communicating with registered holders of its securities, and to comply with NI 54-101 for communicating with beneficial owners of its securities.

Notice-and-Access Procedure – Corporate Finance Issuers

9. Section 9.1.1 of NI 51-102 permits, if certain conditions are met, a reporting issuer that is not an investment fund to use the notice-and-access procedure and send, instead of an information circular, a notice to each registered holder of its securities that contains certain specific information regarding the meeting and an explanation of the notice-and-access procedure.

10. Section 2.7.1 of NI 54-101 permits a reporting issuer that is not an investment fund to use a similar procedure to communicate with each beneficial owner of its securities.

Reasons supporting the Exemption Sought

11. A meeting of investment fund securityholders is no different than a meeting of corporate finance securityholders. As a result, if the notice-and access procedure set forth in NI 51-102 and in NI 54-101 can be used by a corporate finance issuer for a meeting of its securityholders in order to send a notice-and-access document instead of an information circular, it would not be detrimental to the protection of investors to allow an investment fund to also use the Notice-and-Access Procedure to send a Notice-and-Access Document, instead of the information circular.

12. With the Exemption Sought, securityholders will maintain access to the same quality of disclosure material currently available. Without limiting the generality of the foregoing:

    (a) all securityholders of record entitled to receive an information circular will receive instructions on how to access the information circular and will be able to receive a printed copy, without charge, if they so desire; and

    (b) the conditions to the Exemption Sought mandate that the Notice-and-Access Document will be sent to securityholders sufficiently in advance of a meeting so that if a securityholder wishes to receive a printed copy of the information circular, there will be sufficient time for the Filer, directly or through the Filer's agent, to send the information circular.

13. With the Notice-and-Access Procedure, no securityholder will be deprived of their ability to access the information circular in his/her preferred manner of communication.

14. In accordance with the Filer's standard of care owed to the relevant Fund pursuant to applicable legislation, the Filer will only use the Notice-and-Access Procedure for a particular meeting where it has concluded it is appropriate and consistent to do so, also taking into account the purpose of the meeting and whether the Fund would obtain a better participation rate by sending the information circular with the other proxy-related materials.

15. There are significant costs involved in the printing and delivery of the proxy-related materials, including information circulars, to securityholders in the Funds.

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, in respect of each Fund or the Filer soliciting proxies by or on behalf of management of a Fund:

1. The registered holders or beneficial owners, as applicable, of securities of the Fund are sent a document that contains the following information and no other information (the **Notice-and-Access Document**):

    (a) the date, time and location of the meeting for which the proxy-related materials are being sent;

    (b) a description of each matter or group of related matters identified in the form of proxy to be voted on unless that information is already included in a Form 54-101F6 *Request for Voting Instructions Made by Reporting Issuer* or Form 54-101F7 *Request for Voting Instructions Made by Intermediary* as applicable, that is being sent to the beneficial owner of securities of the Fund under condition (2)(c) of this decision;

    (c) the website addresses for SEDAR and the non-SEDAR website where the proxy-related materials are posted;

    (d) a reminder to review the information circular before voting;

    (e) an explanation of how to obtain a paper copy of the information circular and, if applicable, the financial statements of the Fund;

    (f) a plain-language explanation of the Notice-and-Access Procedure that includes the following information:

        (i) the estimated date and time by which a request for a paper copy of the information circular and, if applicable, the financial statements of the Fund, is to be received in order for the registered holder or beneficial owner, as applicable, to receive the paper copy in advance of any deadline for the submission of voting instructions for the meeting;

        (ii) an explanation of how the registered holders or the beneficial owners, as applicable, of securities of the Fund are to return voting instructions, including any deadline for return of those instructions;

        (iii) the sections of the information circular where disclosure regarding each matter or group of related matters identified in the Notice-and-Access Document can be found; and

        (iv) a toll-free telephone number the registered holders or the beneficial owners, as applicable, of securities of the Fund can call to get information about the Notice-and-Access Procedure.

2. The Filer, on behalf of the Fund, sends the Notice-and-Access Document in compliance with the following procedure (the **Notice-and-Access Procedure**), in addition to any and all other applicable requirements:

    (a) the proxy-related materials are sent a minimum of 30 days before a meeting and a maximum of 50 days before a meeting;

    (b) if the Fund sends proxy-related materials:

        (i) directly to a NOBO using the Notice-and-Access Procedure, then the Fund must send the Notice-and-Access Document and, if applicable, any paper copies of information circulars and the financial statements, at least 30 days before the date of the meeting; and

        (ii) indirectly to a beneficial owner using the Notice-and-Access Procedure, then the Fund must send the Notice-and-Access Document and, if applicable, any paper copies of information circulars and the

financial statements to the proximate intermediary (A) at least 3 business days before the 30th day before the date of the meeting, in the case of proxy-related materials that are to be sent on by the proximate intermediary by first class mail, courier or the equivalent, or (B) at least 4 business days before the 30th day before the date of the meeting, in the case of proxy-related materials that are to be sent using any other type of prepaid mail;

(c) using the procedures referred to in section 2.9 or 2.12 of NI 54-101, as applicable, the beneficial owner of securities of the Fund is sent, by prepaid mail, courier or the equivalent, the Notice-and-Access Document and a Form 54-101F6 or Form 54-101F7, as applicable;

(d) the Filer, on behalf of the Fund, files on SEDAR the notification of meeting and record dates on the same date that it sends the notification of meeting date and record date pursuant to subsection 2.2(1) of NI 54-101 (as such time may be abridged);

(e) public electronic access to the information circular and the Notice-and-Access Document is provided on or before the date that the Notice-and-Access Document is sent to registered holders or to beneficial owners, as applicable, of securities of the Fund in the following manner:

(i) the information circular and the Notice-and-Access Document are filed on SEDAR; and

(ii) the information circular and the Notice-and-Access Document are posted until the date that is one year from the date that the documents are posted, on a website of the Filer or the Fund;

(f) a toll-free telephone number is provided for use by the registered holders or beneficial owners, as applicable, of securities of the Fund to request a paper copy of the information circular and, if applicable, the financial statements of the Fund, at any time from the date that the Notice-and-Access Document is sent to the registered holders or the beneficial owners, as applicable, up to and including the date of the meeting, including any adjournment or postponement;

(g) if a request for a paper copy of the information circular and, if applicable, the financial statements of the Fund, is received at the toll-free telephone number provided in the Notice-and-Access Document or by any other means, a paper copy of any such document requested is sent free of charge to the registered holder or beneficial owner, as applicable, at the address specified in the request in the following manner:

(i) in the case of a request received prior to the date of the meeting, within 3 business days after receiving the request, by first class mail, courier or the equivalent; and

(ii) in the case of a request received on or after the date of the meeting, and within one year of the date the information circular is filed on SEDAR, within 10 calendar days after receiving the request, by prepaid mail, courier or the equivalent;

(h) a Notice-and-Access Document is only accompanied by:

(i) a form of proxy;

(ii) if applicable, the financial statements of the Fund to be presented at the meeting; and

(iii) if the meeting is to approve a reorganization of the Fund with another investment fund, as contemplated by paragraph 5.1(1)(f) of National Instrument 81-102 *Investment Funds*, the fund facts document, ETF summary document or ETF facts document, as applicable, for the continuing investment fund;

(i) a Notice-and-Access Document may only be combined in a single document with a form of proxy;

(j) if the Filer, directly or through the Filer's agent, receives a request for a copy of the information circular and if applicable, the financial statements of the Fund, using the toll-free telephone number referred to in the Notice-and-Access Document or by any other means, it must not do any of the following:

(i) ask for any information about the registered holder or beneficial owner, other than the name and address to which the information circular and, if applicable, the financial statements of the Fund are to be sent; and

(ii) disclose or use the name or address of the registered holder or beneficial owner for any purpose other than sending the information circular and, if applicable, the financial statements of the Fund;

(k) the Filer, directly or through the Filer's agent, must not collect information that can be used to identify a person or company who has accessed the website address to which it posts the proxy-related materials pursuant to condition (2)(e)(ii) of this decision;

(l) in addition to the proxy-related materials posted on a website in the manner referred to in condition (2)(e)(ii) of this decision, the Filer must also post on the website the following documents:

(i) any disclosure document regarding the meeting that the Filer, on behalf of the Fund, has sent to registered holders or beneficial owners of securities of the Fund; and

(ii) any written communications the Filer, on behalf of the Fund, has made available to the public regarding each matter or group of matters to be voted on at the meeting, whether or not they were sent to registered holders or beneficial owners of securities of the Fund;

(m) materials that are posted on a website pursuant to condition (2)(e)(ii) of this decision must be posted in a manner and be in a format that permit an individual with a reasonable level of computer skill and knowledge to do all of the following easily:

(i) access, read and search the documents on the website; and

(ii) download and print the documents;

(n) despite subsection 2.1(b) of NI 54-101, if the Fund relies upon this decision, it must set a record date for notice that is no fewer than 40 days before the date of the meeting;

(o) in addition to section 2.20 of NI 54-101, the Fund may only abridge the time prescribed in subsections 2.1(b), 2.2(1) or 2.5(1) of NI 54-101 if the Fund fixes the record date for notice to be at least 40 days before the date of the meeting and sends the notification of meeting and record dates at least 3 business days before the record date for notice;

(p) the notification of meeting date and record date sent pursuant to subsection 2.2(1)(b) of NI 54-101 shall specify that the Fund is sending proxy-related materials to registered holders or beneficial owners, as applicable, of securities of the Fund using the Notice-and-Access Procedure pursuant to the terms of this decision;

(q) the Filer, on behalf of the Fund, provides disclosure in the information circular to the effect that the Fund is sending proxy-related materials to registered holders or beneficial owners, as applicable, of securities of the Fund using the Notice-and-Access Procedure pursuant to the terms of this decision; and

(r) the Filer pays for delivery of the information circular and, if applicable, the financial statements of the Fund, to registered holders or to beneficial owners, as applicable, of securities of the Fund if a copy of such material is requested following receipt of the Notice-and-Access Document.

The Exemption Sought terminates on the coming into force of any legislation or regulation allowing an investment fund to use a notice-and-access procedure.

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

2.1.3 Desjardins Global Asset Management Inc. et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief granted to exchange-traded mutual funds for continuous distribution of securities – relief to permit funds' prospectus to include a modified statement of investor rights – relief to permit funds' prospectus to not include an underwriter's certificate – relief from take-over bid requirements for normal course purchases of securities on the TSX – prospectus form and underwriting certificate relief granted subject to manager filing a prescribed summary document for each fund on SEDAR and other terms and conditions set out in decision document and subject to sunset clause tied to the implementation of rule amendments to create new ETF Facts document to replace summary document.

Applicable Legislative Provisions

Securities Act (Ontario), R.S.O. 1990, c. S. 5, as am., ss. 59(1), 147.
National Instrument 41-101 General Prospectus Requirements, s. 19.1.
Form 41-101F2 Information Required in an Investment Fund Prospectus, Item 36.2.
National Instrument 62-104 Take-Over Bids and Issuer Bids, Part 2 and s. 6.1.

March 6, 2017

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

AND

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

AND

IN THE MATTER OF
DESJARDINS GLOBAL ASSET MANAGEMENT INC.
(THE FILER)

AND

DESJARDINS CANADA MULTIFACTOR-CONTROLLED VOLATILITY ETF,
DESJARDINS USA MULTIFACTOR-CONTROLLED VOLATILITY ETF,
DESJARDINS DEVELOPED EX-USA EX-CANADA MULTIFACTOR-CONTROLLED VOLATILITY ETF,
DESJARDINS EMERGING MARKETS MULTIFACTOR-CONTROLLED VOLATILITY ETF,
DESJARDINS CANADIAN UNIVERSE BOND INDEX ETF,
DESJARDINS CANADIAN SHORT TERM BOND INDEX ETF,
DESJARDINS 1-5 YEAR LADDERED CANADIAN CORPORATE BOND INDEX ETF,
DESJARDINS 1-5 YEAR LADDERED CANADIAN GOVERNMENT BOND INDEX ETF,
DESJARDINS CANADIAN PREFERRED SHARE INDEX ETF
(the Proposed ETFs)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (each a **Decision Maker**) has received an application from the Filer on behalf of the Proposed ETFs, and such other exchange-traded mutual funds as the Filer, or an affiliate of the Filer, may manage in the future (the **Future ETFs**, and together with the Proposed ETFs, the **ETFs** and individually, an **ETF**) for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that:

(a) exempts the Filer and each ETF from the requirement to include a certificate of an underwriter in an ETF's prospectus (the **Underwriter's Certificate Requirement**);

(b) exempts the Filer and each ETF from the requirement to include in an ETF's prospectus the statement respecting purchasers' statutory rights of withdrawal and remedies of rescission or revisions of the price or damages in substantially the form prescribed in item 36.2 of Form 41-101F2 *Information Required in an Investment Fund Prospectus* (the **Prospectus Form Requirement**); and

(c) exempts a person or company purchasing ETF Securities (as defined below) in the normal course through the facilities of the TSX (as defined below) or another marketplace from the Take-Over Bid Requirements (as defined below)

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

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

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

(b) the Filer has provided notice that section 4.7(1) of *Regulation 11-102 respecting Passport System* (c. V-1.1, r.1) (**Regulation 11-102**) is intended to be relied upon in the jurisdictions of Canada other than the Jurisdictions; and

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

Interpretation

Terms defined in Regulation 11-102, *Regulation 14-101 respecting Definitions* (c. V-1.1, r.3), *Regulation 21-101 respecting Marketplace Operation* (c. V-1.1, r.5), *Regulation 41-101 respecting General Prospectus Requirements* (c. V-1.1, r.14) (**Regulation 41-101**), *Regulation 62-104 respecting Take-Over Bids and Issuer Bids* (c. V-1.1, r.35) (**Regulation 62-104**) and *Regulation 81-102 respecting Investment Funds* (c. V-1.1, r.39) (**Regulation 81-102**) have the same meaning if used in this decision, unless otherwise defined. Capitalized terms used in this decision have the following meanings:

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

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

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

ETF Facts means a prescribed disclosure document as contemplated under the proposed amendments to Regulation 41-101 published on December 8, 2016, in respect of one or more classes or series of ETF Securities being distributed under a prospectus.

ETF Security or **ETF Securities** means a listed security or listed securities of an ETF in a jurisdiction of Canada.

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

Prospectus Delivery Decision means a decision granting relief from the Prospectus Delivery Requirement to a Designated Broker, Authorized Dealer, Affiliate Dealer or Other Dealer dated August 24, 2015, or, in some jurisdictions of Canada, any subsequent decision, granting similar relief to a Designated Broker, Authorized Dealer, Affiliate Dealer or Other Dealer, and in each case, that is in effect at the relevant time.

Prospectus Delivery Requirement means the requirement under the Legislation that obligates a dealer to send or deliver to the subscriber or the purchaser or its agent, within a specified time period and in a specified manner, the prospectus, and any amendment to the prospectus, in respect of an application to subscribe for or purchase securities offered in a distribution. In Québec, the Prospectus Delivery Requirement does not apply to a dealer who receives an order to subscribe for or purchase a mutual fund traded on an exchange or an alternative trading system, in accordance with the Statutory Exemption to Dealers.

Prospectus Right of Rescission means the right of action, given to a person under the Legislation, for rescission or the revision of the price or damages against a dealer, for failure of the dealer to send or deliver a prospectus to the subscriber or the

purchaser of a security offered in a distribution, or its agent to whom a prospectus and any amendment was required to be sent or delivered but was not sent or delivered pursuant to the Prospectus Delivery Requirement. In Québec, this right set forth in section 214 of the *Securities Act*, CQLR, c. V-1.1 does not apply to an order to subscribe for or purchase a mutual fund traded on an exchange or an alternative trading system, in accordance with the Statutory Exemption to Dealers.

Right of Withdrawal means the right, given to a subscriber or a purchaser under the Legislation, to withdraw from a subscription for or a purchase of a security offered in a distribution if the dealer from which the subscriber or the purchaser subscribed or purchased the securities receives written notice evidencing the intention of the subscriber or the purchaser not to be bound by the subscription or the purchase within two business days of receipt of the latest prospectus or any amendment to the prospectus. In Québec, this right set forth in section 30 of the *Securities Act*, CQLR, c. V-1.1 does not apply to an order to subscribe for or purchase a mutual fund traded on an exchange or an alternative trading system, in accordance with the Statutory Exemption to Dealers.

Securityholders means beneficial and registered holders of ETF Securities.

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

Statutory Exemption to Dealers means, in Québec, the exemption from the Prospectus Delivery Requirement, provided to a dealer who receives an order to subscribe for or purchase a security of a mutual fund traded on an exchange or an alternative trading system. This exemption is set forth in the third paragraph of section 29 of the *Securities Act*, CQLR c. V-1.1.

Take-Over Bid Requirements means the requirements applicable to take-over bids in Part 2 of Regulation 62-104.

Trade Confirmation Rights means, collectively, the rights, given to a subscriber or purchaser of an ETF Security under the Legislation in certain circumstances, to rescind the subscription or the purchase, or to demand the purchase or repurchase, within 48 hours after receiving confirmation of the subscription or the purchase. In Québec, the right to demand the purchase or repurchase is set forth in section 109.8 of the *Securities Act*, CQLR, c. V-1.1.

TSX means the Toronto Stock Exchange or any successor exchange to the TSX.

Representations

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

General

1. The Filer is a corporation established under the laws of the Province of Québec, with its head office located in Montréal, Québec.

2. The Filer, or an affiliate of the Filer, is, or will be, the investment fund manager of the ETFs. The Filer is duly registered as an investment fund manager and as a portfolio manager in the Provinces of Québec, Ontario, Newfoundland and Labrador and in one or more other jurisdictions of Canada.

3. The Filer has filed, or will file, a long form prospectus in accordance with Regulation 41-101 on behalf of the ETFs.

4. The Filer has applied to list the ETF Securities on the TSX or another marketplace.

5. The Filer is not in default of securities legislation in any jurisdictions of Canada.

6. Each ETF will be a mutual fund created under the laws of the Province of Québec or Ontario.

7. Each ETF will be reporting issuer in one or more of the jurisdictions of Canada and will be subject to the provisions of Regulation 81-102, subject to any exemptions therefrom that have been, or may be, granted by the applicable securities regulatory authorities.

8. ETF Securities will be distributed on a continuous basis in one or more of the jurisdictions of Canada under a prospectus.

9. A prescribed number of ETF Securities may generally only be subscribed for or purchased directly from the ETFs by Authorized Dealers or Designated Brokers on any trading day when there is a trading session on the TSX or other marketplace (a **Creation Unit**). Authorized Dealers or Designated Brokers subscribe for Creation Units for the purpose of facilitating investor purchases of ETF Securities on the TSX or another marketplace.

10. In addition to subscribing for and re-selling Creation Units, Authorized Dealers, Designated Brokers and Affiliate Dealers will also generally be engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market. Other Dealers may also be engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market despite not being an Authorized Dealer, Designated Broker or Affiliate Dealer.

11. According to the Authorized Dealers and Designated Brokers, Creation Units will generally be commingled with other ETF Securities purchased by the Authorized Dealers, Designated Brokers and Affiliate Dealers in the secondary market. As such, it is not practicable for the Authorized Dealers, Designated Brokers or Affiliate Dealers to determine whether a particular re-sale of ETF Securities involves Creation Units or ETF Securities purchased in the secondary market.

12. Except for Authorized Dealer and Designated Broker subscriptions for Creation Units, as described above, ETF Securities generally may not be purchased directly from an ETF. ETF investors are generally expected to purchase and sell ETF Securities, directly or indirectly, through dealers executing trades through the facilities of the TSX or another marketplace.

Reasons supporting the Underwriter's Certificate Relief

13. The Authorized Dealers and Designated Brokers will not provide the same services in connection with a distribution of Creation Units as would typically be provided by an underwriter in a conventional underwriting.

14. The Authorized Dealers and Designated Brokers will not be involved in the preparation of an ETF's prospectus and would not perform any review or any independent due diligence of the contents of an ETF's prospectus.

15. The Filer generally conducts its own marketing, advertising and promotion of the ETFs. The Authorized Dealers and Designated Brokers will not incur any marketing costs or receive any underwriting fees or commissions from the ETFs or the Filer in connection with the distribution of Creation Units.

Reasons supporting the Prospectus Form Requirement Relief

16. Under the applicable Prospectus Delivery Decision or as a result from the Statutory Exemption to Dealers, the Authorized Dealers, Designated Brokers and Affiliate Dealers are exempt from the Prospectus Delivery Requirement in connection with the re-sale of Creation Units to investors on the TSX or another marketplace. Other Dealers are also exempt from the Prospectus Delivery Requirement in connection with the re-sale of creation units of other exchange-traded funds that are not managed by the Filer. Consequently, the Prospectus Right of Rescission and the Right of Withdrawal are not available or remain without effect to a purchaser of an ETF Security.

17. The Exemption Sought from the Prospectus Form Requirement is required to reflect the relief provided in each Prospectus Delivery Decision or as a result from the Statutory Exemption to Dealers. Accordingly, the Filer will include disclosure in each ETF's prospectus explaining the impact on a purchaser's statutory rights as a result of the Prospectus Delivery Decision or the Statutory Exemption to Dealers, in replacement of the disclosure prescribed by the Prospectus Form Requirement.

18. The disclosure related to the Trade Confirmation Rights in applicable jurisdictions of Canada, and other rights and remedies if the prospectus and any amendment contain a misrepresentation, remain unaffected by the grant of the exemption from the Prospectus Form Requirement.

Reasons supporting the Take-over Bid Requirements Relief

19. As equity securities that will trade on the TSX or another marketplace, it is possible for a person or company to acquire such number of ETF Securities so as to trigger the application of the Take-Over Bid Requirements. However,

    (a) it is not, or will not, be possible for one or more Securityholders to exercise control or direction over an ETF as the constating documents of each ETF will provide that there can be no changes made to such ETF which do not have the support of the Filer;

    (b) the way in which ETF Securities of an ETF will be priced generally deters anyone from either seeking to acquire control, or offering to pay a control premium, for outstanding ETF Securities because pricing for ETF Securities of an ETF will be dependent upon, among other things, the performance of the portfolio of the ETF as a whole; and

(c) it will be difficult for purchasers of ETF Securities of an ETF to monitor compliance with the Take-Over Bid Requirements because the number of outstanding ETF Securities will always be in flux as a result of the ongoing issuance and redemption of ETF Securities by each ETF.

20. The application of the Take-Over Bid Requirements to the ETFs may have an adverse impact on liquidity of the ETF Securities because they could cause Designated Brokers and other large Securityholders to cease trading ETF Securities once the Securityholder has reached the prescribed threshold at which the Take-Over Bid Requirements would apply.

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.

1. The decision of the Decision Makers under the Legislation is that the Exemption Sought is granted in respect of the Underwriter's Certificate Requirement and the Prospectus Form Requirement, provided that the Filer will be in compliance with the following conditions:

(a) the Filer files with the applicable jurisdictions of Canada on SEDAR the Summary Document for each class or series of ETF Securities concurrently with the filing of the final prospectus for that ETF;

(b) the Filer displays on its website in a manner that would be considered prominent to a reasonable investor the Summary Document for each class or series of ETF Securities for each ETF;

(c) the Filer amends the Summary Document at the same time it files any amendments to the ETF's prospectus that affect the disclosure in the Summary Document and files the amended Summary Document with the applicable jurisdictions of Canada on SEDAR and makes it available on its website in a manner that would be considered prominent to a reasonable investor;

(d) the Filer provides or makes available to each Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer, the number of copies of the Summary Document of each ETF Security that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer reasonably requests;

(e) (i) each ETF's prospectus, as the same may be amended from time to time, will incorporate the relevant Summary Document by reference;

(ii) each Proposed ETF's prospectus, pro forma prospectus or any amendment thereto will, and each Future ETF's preliminary prospectus, pro forma prospectus, prospectus or any amendment thereto will, contain the disclosure referred to in paragraph 17 above; and

(iii) each Proposed ETF's prospectus or pro forma prospectus will, and each Future ETF's preliminary prospectus, prospectus or pro forma prospectus will, disclose the relief granted pursuant to the Exemption Sought and the Prospectus Delivery Decision under Item 34.1 of Form 41-101F2 – *Information Required in an Investment Fund Prospectus*, as applicable;

(f) the Filer obtains an executed acknowledgement from each Authorized Dealer, Designated Broker and Affiliate Dealer, and uses its best efforts to obtain an acknowledgment from each Other Dealer:

(i) indicating such dealer's election, to send or deliver the Summary Document in accordance with a Prospectus Delivery Decision or, alternatively, to comply with the Prospectus Delivery Requirement; and

(ii) if the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer agrees to deliver the Summary Document in accordance with a Prospectus Delivery Decision:

(A) an undertaking that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer will attach or bind one ETF's Summary Document with another ETF's Summary Document only if the documents are being sent or delivered under the Prospectus Delivery Decision at the same time to an investor purchasing ETF Securities of each such ETF; and

(B) confirming that the Authorized Dealer, Designated Broker, Affiliate Dealer or Other Dealer has in place written policies and procedures to ensure that it is in compliance with the conditions of the Prospectus Delivery Decision;

(g) the Filer will keep records of which Authorized Dealers, Designated Brokers, Affiliate Dealers and Other Dealers have provided it with an acknowledgement under a Prospectus Delivery Decision, and which intend to rely on and comply with the Prospectus Delivery Decision or intend to comply with the Prospectus Delivery Requirement;

(h) the Filer files with its principal regulator, to the attention of the Director, Investment Funds, on or before January 31st in each calendar year, a certificate signed by an ultimate designated person certifying that, to the best of the knowledge of such person, after making due inquiry, the Filer has complied with the terms and conditions of this decision during the previous calendar year;

(i) if the Filer files an ETF Facts instead of a Summary Document with respect to a class or series of ETF Securities, the latest ETF Facts filed in respect of such class or series of ETF Securities must be substituted for the Summary Document in order to satisfy the foregoing conditions with respect to any purchase of such class or series of ETF Securities that occurs after the date of the filing of such ETF Facts;

(j) conditions (a), (b), (c) and (e)(i) above do not apply to the Exemption Sought with respect to a class or series of an ETF Security if the Filer files an ETF Facts for such class or series of the ETF Security;

(k) conditions (d), (e)(ii), (e)(iii), (f), (g) and (h) above do not apply to an ETF with respect to the Exemption Sought after any new legislation or rule dealing with the Prospectus Delivery Decision takes effect and any applicable transition period has expired.

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

3. The decision of the Decision Makers under the Legislation is that the Exemption Sought in respect of the Take-Over Bid Requirements is granted.

"Gilles Leclerc"
Superintendent, Securities Markets
Autorité des marchés financiers

APPENDIX A

CONTENTS OF SUMMARY DOCUMENT

General Instructions

1. *Items 1 to 10 represent the minimum disclosure required in a Summary Document for a fund. The inclusion of additional information is not precluded so long as the Summary Document does not exceed a total of four pages in length (two pages double-sided).*

2. *Terms defined in Regulation 81-102 respecting Investment Funds, Regulation 81-105 respecting Mutual Fund Sales Practices or Regulation 81-106 respecting Investment Fund Continuous Disclosure and used in this Summary Document have the meanings that they have in those regulations.*

3. *Information in the Summary Document must be clear and concise and presented in plain language.*

4. *The format and presentation of information in the Summary Document are not prescribed but the information must be presented in a manner that assists in readability and comprehension.*

5. *The order of the Items outlined below is not prescribed, except for Items 1 and 2, which must be presented as the first 2 items in the Summary Document.*

6. *Each reference to a fund in this Appendix A refers to an ETF as defined in the decision above.*

Item 1 – Introduction

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

(a) the title “Summary Document”;

(b) the name of the manager of the fund;

(c) the name of the fund to which the Summary Document pertains; and

(d) the date of the document.

Item 2 – Cautionary Language

Include a statement in italics in substantially the following form:

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

Item 3 – Fund Details

Include the following disclosure:

(a) ticker symbol;

(b) fund identification code(s);

(c) index ticker (as applicable);

(d) exchange;

(e) currency;

(f) inception date;

(g) RSP eligibility;

(h) DRIP eligibility;

(i) expected frequency and timing of distributions, and if applicable, the targeted amount for distributions;

(j) management expense ratio, if available; and

(k) portfolio manager, when the fund is actively managed.

Item 4 – Investment Objectives

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

INSTRUCTIONS:

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

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

(b) the key investment strategies of the fund.

Item 5 – Investments of the Fund

1. Include a table disclosing:

(a) the top 10 positions held by the fund; and

(b) the percentage of net asset value of the fund represented by the top 10 positions.

2. Include at least one, and up to two, charts or tables that illustrate the investment mix of the fund's investment portfolio.

INSTRUCTIONS:

(a) The information required under this Item is intended to give a snapshot of the composition of the fund's investment portfolio. The information required to be disclosed under this Item must be as at a date within 60 days before the date of the Summary Document.

(b) The information required under Item 5(2) must show a breakdown of the fund's investment portfolio into appropriate subgroups and the percentage of the aggregate net asset value of the fund constituted by each subgroup. The names of the subgroups are not prescribed and can include security type, industry segment or geographic location. The fund should use the most appropriate categories given the nature of the fund. The choices made must be consistent with disclosure provided under "Summary of Investment Portfolio" in the fund's MRFP.

(c) For new funds where the information required to be disclosed under this Item is not available, provide a brief statement explaining why the required information is not available.

Item 6 – Risk

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

"All investments involve risk. When you invest in the fund the value of your investment can go down as well as up. For a description of the specific risks of this fund, see the fund's prospectus."

2. If the cover page of the fund's prospectus contains text box risk disclosure, also include a description of those risk factors in the Summary Document.

Item 7 – Fund Expenses

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

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

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

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

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

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

INSTRUCTIONS:

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

Item 8 – Trailing Commissions

1. If the manager of the fund or another member of the fund's organization pays trailing commissions, include a brief description of these commissions.

2. The description of any trailing commission must include a statement in substantially the following words:

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

Item 9 – Other Fees

1. Provide information about the amount of fees payable by an investor, other than those already described or payable by designated brokers and underwriters.

2. Include a statement using wording similar to the following:

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

INSTRUCTIONS:

(a) Examples include any redemption charges, sales charges or other fees, if any, associated with buying and selling securities of the fund.

(b) Provide a brief description of each fee disclosing the amount to be paid as a percentage (or, if applicable, a fixed dollar amount) and state who charges the fee.

Item 10 – Statement of Rights

State in substantially the following words:

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

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

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

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

Item 11 – Past Performance

If the fund includes past performance:

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

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

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

2. Show the annual total return of the fund, in chronological order for the lesser of:

   (a) each of the 10 most recently completed calendar years; and

   (b) each of the completed calendar years in which the fund has been in existence and which the fund was a reporting issuer.

3. Show the:

   (a) final value, of a hypothetical $1,000 investment in the fund as at the end of the period that ends within 60 days before the date of the Summary Document and consists of the lesser of:

      (i) 10 years, or

      (ii) the time since inception of the fund,

      and

   (b) the annual compounded rate of return that would equate the initial $1,000 investment to the final value.

INSTRUCTIONS:

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

Item 12 – Benchmark Information

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

2.1.4 Frankly Inc.

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – National Instrument 52-107, Acceptable Accounting Principles and Auditing Standards, ss. 3.1, 3.2 and 5.1 – National Instrument 51-102 Continuous Disclosure Obligations, s. 13.1 – s. 1.1, definition of "MD&A" - An issuer that is not yet an 'SEC issuer' wants to file financial statements prepared in accordance with U.S. GAAP and audited in accordance with U.S. GAAS – the issuer intends to become an SEC registrant – the issuer has filed a registration statement with the SEC; the issuer will meet all the elements of the definition of 'SEC issuer' once the SEC accepts its registration statement; the issuer will file financial statements and MD&A that comply with the requirements for SEC issuers in NI 52-107 and NI 51-102; if the issuer does not become an SEC issuer by a set date, it will re-file its financial statements in accordance with Canadian GAAP and Canadian GAAS and its MD&A in accordance with Form 51-102F1 Management's Discussion and Analysis.

Applicable Legislative Provisions

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

March 30, 2017

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

AND

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

AND

IN THE MATTER OF
FRANKLY INC.
(THE FILER)

DECISION

Background

¶1 The securities regulatory authority or regulator in each of the Jurisdictions (the Decision Maker) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) exempting the Filer from the requirement in section 3.2 and 3.3 of National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards* (NI 52-107) that financial statements, other than acquisition statements, be prepared in accordance with Canadian GAAP applicable to publicly accountable enterprises and, if applicable, audited in accordance with Canadian GAAS, and exempting the Filer from the requirement in section 1.1 of National Instrument 51-102 *Continuous Disclosure Obligations* (NI 51-102) (in the definition of MD&A) that management's discussion and analysis be prepared in accordance with the form of 51-102F1 (Canadian MD&A Form) with respect to the financial statements for the year ended December 31, 2016 and the interim period ended March 31, 2017 and the management's discussion and analysis prepared for these periods (collectively, the Exemptions Sought).

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

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

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

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

Interpretation

¶2 Terms defined in National Instrument 14-101 *Definitions*, NI 52-107, NI 51-102 and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

Representations

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

1. the Filer is a company continued pursuant to the *Business Corporations Act* (British Columbia);
2. the Filer's head office is located at 333 Bryant Street, Suite 240, San Francisco, CA 94107;
3. the Filer's registered office is located at 2900-550 Burrard Street, Vancouver, British Columbia, V6C 0A3;
4. the primary business of the Filer is to provide an integrated software platform to broadcasters and media companies which use this technology to get their content onto multiscreen devices, increase social interaction on those multiscreen experiences, and enable digital advertising;
5. the Filer is a reporting issuer in British Columbia, Alberta and Ontario and is not in default of securities legislation in any jurisdiction;
6. the common shares of the Filer are listed on the TSX Venture Exchange Inc. under the symbol "TLK";
7. the Filer's financial year end is December 31;
8. all of the executive officers and the majority of the directors of the Filer are resident in the United States; no directors or officers are resident in Canada;
9. the vast majority of the consolidated assets of the Filer are located in the United States through two operating subsidiaries;
10. the business of the Filer is administered principally in the United States;
11. the majority of the Filer's outstanding voting securities are directly or beneficially held by residents of the United States or countries other than Canada;
12. on November 14, 2016, the Filer filed a registration statement on Form S-1 (the Form S-1) with the U.S. Securities and Exchange Commission (the SEC), which was subsequently amended on January 11, 2017 and February 1, 2017 in response to comments of the SEC;
13. the Filer plans to further amend the Form S-1 (the S-1 Amendment) on or about March 31, 2017 to include complete audited financial statements for the fiscal years ended December 31, 2016 and December 31, 2015 prepared in accordance with U.S. GAAP and audited in accordance with U.S. PCAOB GAAS (the Financial Statements);
14. subject to receipt of relief for the Exemptions Sought, the Filer intends to file the Financial Statements on SEDAR concurrently with the filing of the S-1 Amendment with the SEC;
15. the Filer has filed the Form S-1 with the SEC in order to register its common shares under the Securities Act of 1933, as amended, to conduct an initial public offering of its common shares in the United States and list its common shares on The Nasdaq Capital Market, and upon the effectiveness of the Registration Statement on Form S-1, will become subject to the periodic reporting requirements to file reports with the SEC under the *Securities Exchange Act of 1934*, as amended (1934 Act); the Filer anticipates that it will become an SEC Issuer as defined in NI 52-107 within 60 days of the date of filing the S-1 Amendment;
16. upon becoming an SEC Issuer, the Filer may (i) under Part 3.7 of NI 52-107, prepare its financial statements, other than acquisitions statements, in accordance with U.S. GAAP, (ii) under Part 1.1 of NI 51-102, prepare its management's discussion and analysis prepared in accordance with Item 303 of Regulation S-K under the 1934 Act, and (iii) under Part 3.8 of NI 52-107, have its annual financial statements audited in accordance with U.S. PCAOB GAAS;

17. the Exemption Sought will eliminate the need to also prepare financial statements for the fiscal year ended December 31, 2016 and the interim period ended March 31, 2017 in accordance with Canadian GAAP applicable to publicly accountable enterprises;

18. if the Filer does not become an SEC Issuer by June 30, 2017, the Filer will immediately re-file on SEDAR the previously filed financial statements prepared in accordance with U.S. GAAP for the year ended December 31, 2016 and the interim period ending March 31, 2017 and related management's discussion and analysis; the re-filed financial statements will be prepared in accordance with Canadian GAAP applicable to publicly accountable enterprises and audited in accordance with Canadian GAAS; the management's discussion and analysis will be amended to reflect the re-filed financial statements and will be re-filed in the Canadian MD&A Form; and the Filer will issue a news release upon re-filing the financial statements that explains the nature and purpose of the re-filings; and

19. the Filer will comply with the requirement of subsection 4.3(4) of NI 51-102 by filing the restated interim financial statements for each of the interim periods in fiscal 2016 in accordance with U.S. GAAP on or prior to April 30, 2017.

Decision

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

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

(a) the Filer files:

i. financial statements prepared in accordance with U.S. GAAP for the year ended December 31, 2016 and the interim period ending March 31, 2017 and, if applicable, audited in accordance with U.S. PCAOB GAAS;

ii. the related management's discussion and analysis prepared in accordance with Item 303 of Regulation S-K under the 1934 Act for these periods; and

(b) if the Filer does not become an SEC Issuer by June 30, 2017, the Filer will immediately file on SEDAR:

i. the financial statements for the year ended December 31, 2016 and the interim period ending March 31, 2017, prepared in Canadian GAAP applicable to publicly accountable enterprises and audited in accordance with Canadian GAAS, as applicable;

ii. the related management's discussion and analysis in the Canadian MD&A Form; and

iii. a news release explaining the nature and purpose of the re-filings.

Peter Brady
Executive Director
British Columbia Securities Commission

2.1.5 Mackenzie Financial Corporation and Mackenzie Global High Yield Fixed Income ETF

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – exemption from section 2.1(1) of National Instrument 81-102 – Investment Funds to permit an exchange traded fund to invest more than 10 percent of net assets in debt securities issued by a foreign government or supranational agency, subject to conditions.

Applicable Legislative Provisions

National Instrument 81-102 – Investment Funds, sections 2.1(1) and 19.1.

April 3, 2017

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
MACKENZIE FINANCIAL CORPORATION
(the Filer)

AND

IN THE MATTER OF
MACKENZIE GLOBAL HIGH YIELD FIXED INCOME ETF
(the ETF)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the ETF for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) for an exemption (the **Requested Relief**), pursuant to section 19.1 of National Instrument 81-102 *Investment Funds* (**NI 81-102**) from subsection 2.1(1) of NI 81-102 (the **Concentration Restriction**) to permit the ETF to invest up to:

(a) 20% of its net asset value at the time of the transaction in evidences of indebtedness of any one issuer if those evidences of indebtedness are issued, or guaranteed fully as to principal and interest, by supranational agencies or governments other than the government of Canada, the government of a jurisdiction in Canada or the government of the United States of America and are rated "AA" by Standard & Poor's Rating Services (Canada) (**S&P**) or its DRO affiliate (as defined in NI 81-102), or have an equivalent rating by one or more other designated rating organizations or their DRO affiliates; and

(b) 35% of its net asset value at the time of the transaction in evidences of indebtedness of any one issuer if those securities are issued, or guaranteed fully as to principal and interest, by supranational agencies or governments other than the government of Canada, the government of a jurisdiction in Canada, or the government of the United States of America and are rated "AAA" by S&P or its DRO affiliate, or have an equivalent rating by one or more other designated rating organizations or their DRO affiliates;

(such evidences of indebtedness are collectively referred to as Foreign Government Securities).

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

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

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

Interpretation

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

Representations

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

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

2. The Filer is registered as an investment fund manager, portfolio manager, exempt market dealer and commodity trading manager in Ontario. The Filer is also registered as a portfolio manager and exempt market dealer in all other Canadian provinces and territories and as an investment fund manager in Newfoundland and Labrador and Québec.

3. The Filer will be the manager, trustee and portfolio manager of the ETF.

4. The ETF will be an open-ended mutual fund trust established under the laws of Ontario.

5. The ETF may issue more than one series of units. The ETF may initially offer Series E units and Series R units.

6. Series E units of the ETF will be offered by a long form prospectus filed in all of the provinces and territories in Canada and, accordingly, the ETF will be a reporting issuer in each of the provinces and territories of Canada. A preliminary prospectus was filed for the Series E units of the ETF via SEDAR in all the provinces and territories on February 17, 2017 (the **Prospectus**).

7. Series R units of the ETF will be offered only on a private placement basis pursuant to available prospectus exemptions, including the accredited investor exemption, under securities laws.

8. The Filer is not in default of securities legislation in any jurisdiction of Canada.

9. The investment objective of the ETF is expected to be substantially as follows: “Mackenzie Global High Yield Fixed Income ETF seeks to provide a steady flow of income with potential for long-term capital growth by investing primarily in higher yielding fixed income securities and instruments of companies anywhere in the world and in other fixed-income securities issued by companies or governments of any size, anywhere in the world.” To achieve its investment objective, the ETF will invest in higher yielding and other fixed-income securities and instruments.

10. As part of its investment strategies, the portfolio manager would like to invest a portion of the ETF’s assets in Foreign Government Securities. Depending on market conditions, the ETF’s portfolio manager seeks the discretion to gain exposure to any one issuer of Foreign Government Securities in excess of the Concentration Restriction.

11. Section 2.1(1) of NI 81-102 prohibits the ETF from purchasing a security of an issuer, other than a “government security” as defined in NI 81-102, if, immediately after the purchase, more than 10% of the net asset value of the ETF would be invested in securities of the issuer.

12. The Foreign Government Securities do not meet the definition of “government securities” as such term is defined in NI 81-102.

13. In Companion Policy 81-102CP (the **Companion Policy**), the Canadian Securities Administrators state their views on various matters relating to NI 81-102. Subsection 3.1(4) of the Companion Policy indicates that relief from paragraph 2.04(1)(a) of National Policy 39, which was replaced by the Concentration Restriction, has been provided to mutual funds generally under the following circumstances:

    a. the mutual fund has been permitted to invest up to 20% of its net asset value in evidences of indebtedness of any one issuer if those evidences of indebtedness are issued, or guaranteed fully as to principal and interest, by supranational agencies or governments other than the government of Canada, the government of a

jurisdiction or the government of the United States of America and are rated "AA" by S&P or its DRO affiliate, or have an equivalent rating by one or more other designated rating organizations or their DRO affiliates; and

b. the mutual fund has been permitted to invest up to 35% of its net asset value in evidences of indebtedness of any one issuer, if those securities are issued, or guaranteed fully as to principal and interest, by supranational agencies or governments other than the government of Canada, the government of a jurisdiction or the government of the United States of America and are rated "AAA" by S&P or its DRO affiliate, or have an equivalent rating by one or more other designated rating organizations or their DRO affiliates.

14. The Prospectus for the ETF will disclose the risks associated with concentration of assets of the ETF in securities of a limited number of issuers.

15. The ETF seeks the Requested Relief to enhance its ability to pursue and achieve its investment objective.

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 Requested Relief is granted provided that:

1. paragraphs (a) and (b) of the Requested Relief cannot be combined for any one issuer;

2. any security that may be purchased under the Requested Relief is traded on a mature and liquid market;

3. the acquisition of the securities purchased pursuant to this Decision is consistent with the fundamental investment objective of the ETF;

4. the Prospectus of the ETF discloses the additional risks associated with the concentration of net asset value of the ETF in securities of fewer issuers, such as the potential additional exposure to the risk of default of the issuer in which the ETF has so invested and the risks, including foreign exchange risk, of investing in the country in which the issuer is located; and

5. the Prospectus of the ETF will include a summary of the nature and terms of the Requested Relief under the investment strategies section, along with the conditions imposed and the type of securities covered by this Decision.

"Darren McKall"

_____

Investment Funds and Structured Products Branch
Ontario Securities Commission

2.1.6 Franklin Templeton Investments Corp. and Franklin Target Return Fund

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief from NI 81-104 – requirement to maintain permanent seed capital in a commodity pool – relief granted to allow commodity pool to comply with seed capital requirements applicable to all other mutual funds under NI 81-102.

Applicable Legislative Provisions

National Instrument 81-104 Commodity Pools, sections 3.1, 3.2, and 10.1.
National Instrument 81-102 Investment Funds, sections 3.1.

April 3, 2017

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

AND

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

AND

IN THE MATTER OF
FRANKLIN TEMPLETON INVESTMENTS CORP.
(the Filer)

AND

IN THE MATTER OF
FRANKLIN TARGET RETURN FUND
(the Fund)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Fund for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) granting relief (the **Exemption Sought**) from section 3.2 of National Instrument 81-104 *Commodity Pools* (**NI 81-104**) to permit the Filer to comply with the seed capital requirements in subsections 3.1(1) and 3.1(2) of National Instrument 81-102 *Investment Funds* (**NI 81-102**).

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

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

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

Interpretation

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

Seed Investor means, in respect of the Fund, each manager, portfolio adviser, promoter or sponsor, or any of their respective partners, directors, officers or securityholders, who invests in Units of the Fund before the time of filing the final prospectus of the Fund.

Outside Investor means each investor, other than a Seed Investor, who invests in Units of the Fund.

Units means Series A Units, Series F Units, Series PF Units and Series O Units of the Fund.

Representations

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

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

2. The Filer is registered as an investment fund manager in Ontario, Québec, Alberta, British Columbia, Manitoba, Nova Scotia and Newfoundland and Labrador, as a mutual fund dealer, portfolio manager and exempt market dealer in each province of Canada and the Yukon, and as a commodity trading manager in Ontario.

3. The Filer will be the manager and trustee of the Fund.

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

5. The Fund will be a mutual fund subject to NI 81-102 and a commodity pool, as such term is defined under NI 81-104, in that the Fund will adopt fundamental investment objectives that permit the Fund to invest, directly or indirectly, in specified derivatives in a manner that is not permitted under NI 81-102.

6. The Fund filed in accordance with National Instrument 41-101 *General Prospectus Requirements* (**NI 41-101**) a preliminary prospectus with respect to the proposed offering of Units of the Fund under SEDAR Project No 2583151.

7. Upon the filing of the final prospectus of the Fund, prepared in accordance with NI 41-101 (the **Final Prospectus**), and obtaining a receipt therefor, the Units will be qualified for distribution and the Fund will be a reporting issuer in each of the Jurisdictions.

8. Pursuant to section 3.2(1) of NI 81-104, the Final Prospectus may not be filed unless:

   (a) investments totalling at least $50,000 in Units have been made, and those Units are beneficially owned, before the time of filing, by Seed Investors; and

   (b) the Final Prospectus states that the Fund will not issue Units to Outside Investors until the Fund has received and accepted subscriptions aggregating not less than $500,000 from Outside Investors.

9. Pursuant to section 3.2(2) of NI 81-104, a Seed Investor may redeem, repurchase or return its initial investment in Units only if: (i) Units issued to Seed Investors that had an aggregate issue price of $50,000 remain outstanding and at least $50,000 invested by Seed Investors remains invested in the Fund, or (ii) the redemption, repurchase or return is effected as part of the dissolution or termination of the Fund (the **Permanent Seed Capital Requirement**).

10. The Filer understands that the policy rationale behind the Permanent Seed Capital Requirement under NI 81-104 is to encourage promoters to ensure that the commodity pool is being properly run for the benefit of its investors by requiring that the promoter of a commodity pool, or a related party, will itself be an investor in the commodity pool at all times.

11. The Fund will be properly managed for the benefit of investors for the following reasons:

    (a) as trustee of the Fund, the Filer will be obliged in accordance with the terms of the declaration of trust governing the Fund, and in accordance with its fiduciary duty, to act as a reasonably prudent person and to manage the Fund in the best interests of its unitholders; and

    (b) as manager of the Fund, the Filer will be obliged in accordance with applicable securities law to act honestly and in good faith, and in the best interests of the Fund, and to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

12. Having regard to the fiduciary obligations and standard of care applicable to the Filer as set out in paragraph 11 above, requiring the Filer (or another Seed Investor) to maintain $50,000 in the Fund at all times will not change how Filer performs it duties in managing the Fund.

13. The Filer is an experienced investment fund manager with a past track record of managing many other mutual funds governed by NI 81-102 and will manage the Fund in accordance will all applicable securities legislation in Canada and its contractual requirements.

14. On September 22, 2016, the Canadian Securities Administrators (the **CSA**) published proposed amendments to NI 81-102, NI 81-104 and related instruments (the **Alternative Funds Proposal**). If adopted, the Alternative Funds Proposal would repeal NI 81-104 and, among other changes, impose on commodity pools the initial investment requirements applicable to mutual funds as contained in section 3.1 of NI 81-102, such that:

    (a) the Final Prospectus may be filed if either:

        (i) the Filer receives investments totalling at least $150,000 in Units, those Units being beneficially owned, before the time of filing, by Seed Investors, or

        (ii) the Final Prospectus states that the Fund will not issue Units to Outside Investors until the Fund has received and accepted subscriptions aggregating not less than $500,000 from Outside Investors; and

    (b) a Seed Investor may redeem its initial investment in Units only if subscriptions aggregating not less than $500,000 have been received from Outside Investors and accepted by the Fund.

15. In keeping with the Alternative Funds Proposal and the initial investment requirements in section 3.1 of NI 81-102, the Filer wishes to seed the Fund by investing an aggregate of at least $150,000 in the Fund before filing the Final Prospectus, and wishes to be able to redeem such amount once the Fund has received and accepted subscriptions aggregating not less than $500,000 from Outside Investors.

Decision

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

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

(a) the Filer complies with the seed capital requirements in subsections 3.1(1) and 3.1(2) of NI 81-102 in respect of the Fund; and

(b) the basis on which a Seed Investor may redeem any of its initial investment in the Fund is disclosed in the Final Prospectus.

"Darren McKall"
Manager, Investment Funds and
Structured Products Branch
ONTARIO SECURITIES COMMISSION

2.1.7 Fidelity Investments Canada ULC

Headnote

National Policy 11-203 – Process for Exemptive Relief Applications in Multiple Jurisdictions – Investment fund manager offering multiple sets of mutual fund series with tiered management and administration fees. – Investment fund manager administers automatic switching program through which investors are automatically switched into the appropriate tiered series when the investor's account value satisfies or ceases to meet the eligibility requirements of a particular tiered series. – Relief granted to allow new tiered series in each series set to show past performance of the original series of that series set in the management report of fund performance.

Applicable Legislative Provisions

National Instrument 81-106 Investment Fund Continuous Disclosure, sections 4.4 of and 17.1.

February 10, 2017

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
FIDELITY INVESTMENTS CANADA ULC
(the Filer)

AND

IN THE MATTER OF
THE FUNDS
(as defined below)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer, on behalf of each existing mutual fund established as a mutual fund trust (each, a **Trust Fund** and collectively, the **Trust Funds**) and each existing class fund established as a class of shares of a mutual fund corporation (each, a **Class Fund** and collectively, the **Class Funds**) and any mutual fund that the Filer may establish in the future (together with the Trust Funds and the Class Funds, the Funds and each, a **Fund**), for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) exempting the Funds from:

(a) the requirements in subsections 15.3(2) and (4)(c), 15.6(1)(a)(i) and (d), 15.8(2)(a) and (a.1) and 15.8(3)(a) and (a.1) of National Instrument 81-102 *Investment Funds* (**NI 81-102**), to permit the Funds to show in sales communications, as the performance data for P Series (as defined below) and E Series (as defined below) securities, the performance data of the corresponding F Series (as defined below) and ISC Series (as defined below) securities for the time period prior to the launch date of the applicable P Series or E Series securities (the **Sales Communication Relief**); and

(b) the requirement in section 2.1 of National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (**NI 81-101**) to prepare a fund facts in the form of Form 81-101F3 *Contents of Fund Facts Document* (**Form 81-101F3**), to permit the Funds to deviate from certain requirements in Form 81-101F3 in order to prepare a Consolidated Fund Facts Document (as defined below) that includes the Program Disclosure (as defined below) (the **Consolidated Fund Facts Relief**, and together with the Sales Communication Relief, 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 each of the other provinces and territories of Canada (collectively, the Passport Jurisdictions).

Interpretation

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

Representations

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

The Filer

1. The Filer is a corporation duly amalgamated and validly existing under the laws of the Province of Alberta with its head office in Toronto, Ontario.

2. The Filer is registered in Ontario, Québec and Newfoundland and Labrador in the category of investment fund manager. The Filer is also registered as a portfolio manager and mutual fund dealer in each of the provinces and territories of Canada and is registered under the Commodity Futures Act (Ontario) in the category of commodity trading manager.

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

4. The Filer is, or will be, the manager of the Funds.

The Funds

5. Each Trust Fund is, or will be, an open-end mutual fund trust created under the laws of the Province of Ontario. Each Class Fund is, or will be, an open-end mutual fund that is a class of shares of a mutual fund corporation.

6. Each Fund is, or will be, a reporting issuer under the laws of some or all of the provinces and territories of Canada and subject to NI 81-102. The securities of the Funds are, or will be, qualified for distribution pursuant to a simplified prospectus, fund facts and annual information form that have been, or will be, prepared and filed in accordance with NI 81-101.

7. Units of the Trust Funds are currently offered under simplified prospectuses, fund facts and annual information forms dated September 29, 2016, as may be amended, and October 28. 2016, as amended, and shares of the Class Funds are currently offered under simplified prospectuses, fund facts and annual information forms dated March 28, 2016, as amended, September 29, 2016, as may be amended, and January 3, 2017, as may be amended.

8. The Funds currently offer up to 35 series of securities, as applicable – series A, B, E1, E2, E3, E4, E5, F, P1, P2, P3, P4, P5, O, T5, T8, S5, E1T5, E2T5, E3T5, E4T5, E5T5, S8, F5, P1T5, P2T5, P3T5, P4T5, P5T5 F8, I, I5, I8, C and D.

9. Series F, F5 and F8 (collectively, **F Series**) securities of the Funds have lower fees than series A, B, I, T5, T8, I5, I8, S5, S8, C and D securities and are usually purchased by investors who have fee-based accounts with dealers who sign an eligibility agreement with the Filer. Instead of paying sales charges, investors pay their dealer a fee for investment advice and other services they provide. In addition, the Filer does not pay any commission or trailing commission to dealers who sell F Series securities. Series F5 and Series F8 securities have the same attributes as Series F securities, except that Series F5 and Series F8 are designed to provide tax efficient cash flow to investors by making monthly distributions of an amount comprised of a return of capital and/or net income. The only difference between Series F5 and Series F8 is in the value of the monthly distribution amounts.

10. Series B, S5 and S8 (collectively, **ISC Series**) securities of the Funds are purchased by investors on an initial sales charge basis. ISC Series securities of certain of the Funds may also be acquired upon the automatic switch of Series A, T5 or T8 securities after the expiration of the deferred sales charge period on those securities. Trailing commissions are paid to dealers who sell ISC Series securities. Series S5 and Series S8 securities have the same attributes as Series B securities, except that Series S5 and Series S8 are designed to provide tax efficient cash flow to investors by

making monthly distributions of an amount comprised of a return of capital and/or net income. The only difference between Series S5 and Series S8 is in the value of the monthly distribution amounts.

11. The existing Funds are not in default of securities legislation in any of the Jurisdictions.

The Fidelity Preferred Program

12. On October 29, 2015, the Filer established two sets of series of securities which offer tiered management and administration fees for Series F and Series F5 holders. The first set, which corresponds to Series F, includes Series P1, P2, P3, P4 and P5, and may also include additional similar tiered series that the Filer may establish in the future. The second set, which corresponds to Series F5, includes Series P1T5, P2T5, P3T5, P4T5 and P5T5, and may also include additional similar tiered series that the Filer may establish in the future. The Filer may also, in the future, establish a set of series of securities which offers tiered management and administration fees for Series F8 holders. The tiered series described in this paragraph are collectively referred to as **P Series**.

13. On December 15, 2015, the Filer established two sets of series of securities which offer tiered management and administration fees for Series B and Series S5 holders. The first set, which corresponds with Series B, includes Series E1, E2, E3, E4 and E5, and may also include additional similar tiered series that the Filer may establish in the future. The second set, which corresponds with Series S5, includes Series E1T5, E2T5, E3T5, E4T5 and E5T5, and may include additional similar series that the Filer may establish in the future. The Filer may also, in the future, establish a set of series of securities which offers tiered management and administration fees for Series S8 holders. The tiered series described in this paragraph are collectively referred to as **E Series**, and together with P Series, as the **Tiered Sets**.

14. Each set of series comprising the Tiered Sets offers progressively lower combined management and administration fees than the corresponding F Series or ISC Series based on the size of the holdings of securities of the Funds in the investor's account or, in certain instances, the group of related accounts of which the investor is a member (the **Account Value**). The Filer automatically switches these F Series or ISC Series holders into, among and out of the various corresponding P Series or E Series in the corresponding Tiered Set based on the Account Value without the dealer or investor having to initiate the trade (the **FPP Automatic Switching Program**).

15. Once an account has qualified for one of the Tiered Series, the account continues to enjoy the benefits of lower management and administration fees associated with that particular series even if fund performance causes the Account Value to fall below the minimum threshold for that Tiered Series.

16. Investors may only access any of the P Series of a Fund by initially purchasing the corresponding F Series securities of a Fund. Investors may only access any of the E Series of a Fund by initially purchasing the corresponding ISC Series securities of a Fund or by acquiring the corresponding ISC Series securities of a Fund upon the automatic switch of Series A, T5 or T8 after the expiration of their corresponding deferred sales charge period. Once an investor holds a particular Tiered Series of a Fund, the investor can then directly buy the applicable Tiered Series of the same Fund or any other Fund.

17. For holders of F Series and ISC Series who have qualified for P Series securities or E Series securities, as the case may be, the Filer automatically switches:

    (a) F Series or ISC Series securities into the appropriate P Series or E Series securities of the same Fund;

    (b) once in the P Series or E Series, the holder's securities among the appropriate series in the applicable Tiered Set of the same Fund based on increases in the Account Value resulting from additional purchases and/or positive fund performance; and

    (c) the holder's securities to the applicable higher cost P Series or E Series, or from the P Series or E Series back into the corresponding F Series or ISC Series of the same Fund, where the holder's Account Value falls below the minimum threshold as a result of redemptions.

    (each an **Automatic Switch**).

18. Following an Automatic Switch, an investor's account(s) continues to hold securities in the same Fund(s) with the only material difference to the investor being that the combined management and administration fees of each Tiered Series in a Tiered Set are progressively lower than those charged for the corresponding F Series or ISC Series, as the case may be. In no event will: (a) an account that qualifies for the P Series ever pay more than the F Series management and administration fees for which it initially subscribed; or (b) an account that qualifies for the E Series ever pay more

than the ISC Series management and administration fees for which it initially subscribed or acquired upon an automatic switch of certain securities after the expiration of a deferred sales charge period.

19. The Automatic Switches have no adverse tax consequences to investors under current Canadian tax legislation.

20. Each Automatic Switch entails a redemption of F Series, P Series, ISC Series or E Series securities, as the case may be, immediately followed by a purchase of the applicable F Series, P Series, ISC Series or E Series, as the case may be. Each purchase of securities done as part of the Automatic Switch is a "distribution" under the Legislation that triggers the requirement to deliver a Fund Facts document.

21. On October 28, 2015, the Filer obtained relief from the requirement in the Legislation for a dealer to deliver or send the most recently filed Fund Facts at the same time and in the same manner as otherwise required for the prospectus in respect of purchases of mutual fund securities of the Tiered Series that are made pursuant to the Automatic Switches.

22. On May 30, 2016, the Filer obtained relief from the requirement in the Legislation for a dealer to deliver or send the most recently filed Fund Facts before the dealer accepts an instruction from the purchaser for the purchase of the security in respect of purchases of mutual fund securities of the Tiered Series that are made pursuant to Automatic Switches (the **Pre-Sale Fund Facts Delivery Relief**).

E Series and P Series Performance Data

23. The Funds cannot currently disclose any past performance data for the P Series and E Series for the time period prior to their date of creation. However, as (a) each P Series security corresponds to an F Series security of the same Fund prior to the date that the applicable P Series was created, and (b) each E Series security corresponds to an ISC Series security of the same Fund prior to the date that the applicable E Series was created, the actual past performance of each of the P Series or E Series, for the time period prior to the date of the creation of the applicable P Series or E Series of that Fund is identical to the past performance of the corresponding F Series and ISC Series of the same Fund in that time period.

24. The Filer proposes to:

    (a) show, in the sales communications of the Funds, as the performance data of each of the P Series or E Series of the Funds, the performance data of the corresponding F Series or ISC Series, as the case may be, for the time period prior to the launch date of the applicable P Series or E Series; and

    (b) disclose, in those sales communications:

        (i) that the performance data displayed for the period occurring prior to the launch date of the applicable P Series or E Series, as the case may be, is that of the corresponding F Series or ISC Series, as the case may be;

        (ii) that the applicable F Series or ISC Series, as the case may be, has higher combined management and administration fees than the applicable P Series or E Series; and

        (iii) f there is a material effect on performance of the applicable P Series or E Series, how the difference in combined management and administration fees between the applicable F Series or ISC Series and the applicable P Series or E Series would have affected the performance had the P Series or E Series been a separate series during that time period

    (collectively, the **Past Performance Disclosure**).

25. The Filer submits that the performance data of the F Series and ISC Series securities is significant and meaningful information for existing investors in the FPP Automatic Switching Program who hold P Series or E Series securities, as the case may be, who, prior to the launch date of the P Series or E Series, were investors in the corresponding F Series or ISC Series, as well as prospective investors in the FPP Automatic Switching Program.

26. The Filer submits that investors will not be misled if the performance data of the applicable F Series or ISC series is shown for the corresponding P Series or E Series, as the case may be, of the same Fund for the time period prior to the launch date of the applicable P Series or E Series, as the case may be.

27. The Filer has also applied for exemptive relief from certain provisions of National Instrument 81-106 *Investment Fund Continuous Disclosure* to enable the Funds to show, in their annual and interim management reports of fund performance (the **MRFPs**) of the P Series and E Series, the past performance of the corresponding F Series or ISC

Series, as the case may be, where such past performance relates to the time period prior to the launch date of the applicable P Series or E Series, as the case may be.

28. In absence of the Sales Communications Relief, the Funds' sales communications cannot show, as the performance data of the P Series and E Series, performance data of their corresponding F Series or ISC Series, as the case may be, where such performance data relates to the time period prior to the launch date of the applicable P Series or E Series, as the case may be.

Consolidated Fund Facts Documents

29. The Filer proposes to prepare, for each of their Funds, a single, consolidated Fund Facts document (a **Consolidated Fund Facts Document**) for each Tiered Set and its corresponding F Series or ISC Series securities (each, a **Program Set**).

30. Each Consolidated Fund Facts Document will include the information required by Form 81-101F3 for each of the series in the applicable Program Set, except for the past performance section, which will only disclose past performance data of the applicable F Series or ISC Series, as the case may be, as further described below.

31. Specifically, for each Consolidated Fund Facts Document, the Filer proposes to deviate from:

(a) General Instructions (10) and (16) of Form 81-101F3, to permit the Consolidated Fund Facts Document to be the Fund Facts document for, and disclose information relating to, each of the series in the applicable Program Set, except as further described below;

(b) Item 1(c.1) of Part I of Form 81-101F3, to permit the Consolidated Fund Facts Document to name each of the series in the applicable Program Set in the heading;

(c) Item 1(e) of Part I of Form 81-101F3, to permit the Consolidated Fund Facts Document to name each of the series in the applicable Program Set in the introduction to the Fund Facts document;

(d) Instruction (0.1) of Item 2 of Part I of Form 81-101F3, to permit the Consolidated Fund Facts Document to identify the fund codes for each of the series in the applicable Program Set;

(e) Instruction (1) of Item 2 of Part I of Form 81-101F3, to permit the Consolidated Fund Facts Document to list the date that each of the series in the applicable Program Set became available to the public;

(f) Instruction (3) of Item 2 of Part I of Form 81-101F3, to permit the Consolidated Fund Facts Document to disclose the management expense ratio (the MER) for only the applicable F Series or ISC Series, as the case may be;

(g) Instruction (6) of Item 2 of Part I of Form 81-101F3, to permit the Consolidated Fund Facts Document to specify the minimum investment amount for only the applicable F Series or ISC Series, as the case may be;

(h) General Instruction (8) of Form 81-101F3, to permit the Consolidated Fund Facts Document to include a footnote under the “Quick Facts” table mandated by Item 2 of Part I of Form 81-101F3 that:

(i) states that the Fund Facts document pertains to all of the series in the applicable Program Set;

(ii) cross-references to the “How Much Does It Cost?” section of the Fund Facts document for further details about the FPP Automatic Switching Program;

(iii) cross-references to the fund expenses table under the “Fund expenses” subsection of the Fund Facts document for further details about the MER for all the other series in the applicable Program Set; and

(iv) cross-references to the fee decrease table under the “Fund expenses” subsection of the Fund Facts document for further details about the minimum investment amount for all the other series in the applicable Program Set;

(i) Item 5(1) of Part I of Form 81-101F3, to permit the Consolidated Fund Facts Document to:

(i) reference only the applicable F Series or ISC Series, as the case may be, in the introduction to the past performance data; and

(ii) include, as a part of the introduction, disclosure explaining that the performance for each of the applicable Tiered Series in the Program Set would be similar to the performance of the F Series or ISC Series, as the case may be, but would vary as a result of the difference in fees compared to the F Series or ISC Series, as the case may be, as set out in the fee decrease table under the "Fund expenses" subsection of the Fund Facts document;

(j) Instruction (4) of Item 5 of Part I of Form 81-101F3, to permit a Consolidated Funds Facts Document to show the required performance data under the sub-headings "Year-by-year returns," "Best and worst 3-month returns," and "Average return" relating only to the applicable F Series or ISC Series, as the case may be;

(k) Item 1.1 of Part II of Form 81-101F3, to permit a Consolidated Fund Facts Document to:

(i) refer to all of the series in the applicable Program Set in the introductory statement under the heading "How much does it cost?"; and

(ii) include, as a part of the introductory statement, a summary of the FPP Automatic Switching Program, consisting of:

a. a statement explaining that the FPP Automatic Switching Program offers separate series of units that charge progressively lower combined management and administration fees than the F Series or ISC Series units, as applicable;

b. a statement explaining the scenarios in which the Automatic Switches will be made, including Automatic Switches made due to the investor no longer meeting the eligibility requirements for a particular Tiered Series;

c. a statement explaining that an investor will not pay higher combined management and administration fees than those charged to the F Series or ISC Series, as applicable, as a result of the Automatic Switches;

d. a cross-reference to the fee decrease table under the "Fund expenses" subsection of the Fund Facts document;

e. a cross-reference to specific sections of the simplified prospectus of the Funds for more details about the FPP Automatic Switching Program; and

f. a statement disclosing that investors should speak to their representative for more details about the FPP Automatic Switching Program;

(l) Instruction (1) of Item 1 of Part II of Form 81-101F3, to permit a Consolidated Fund Facts Document to refer to all of the series in the applicable Program Set in the introduction under the sub-heading "Sales charges", if applicable;

(m) Item 1.3(2) of Part II of Form 81-101F3, to permit a Consolidated Fund Facts Document, where the applicable Fund is not new, to disclose the MER and fund expenses of each of the series in the applicable Program Set, and where certain information is not available for a particular series, to state "not available" in the corresponding part of the table;

(n) Item 1.3(3) of Part II of Form 81-101F3, to permit a Consolidated Fund Facts Document, where the applicable Fund is not new, to include, before the statement above the fund expenses table, disclosure explaining that the applicable F Series or ISC Series, as applicable, has the highest combined management and administration fees among all of the series in the applicable Program Set;

(o) Item 1.3(3) of Part II of Form 81-101F3, to permit a Consolidated Fund Facts Document, where the applicable Fund is not new but where some of the series in the applicable Program Set are new, to disclose that the fund expenses information below is not available for certain series because they are new, as indicated below;

(p) Item 1.3(4) of Part II of Form 81-101F3, to permit a Consolidated Fund Facts Document, where the applicable Fund is new, to:

(i) include disclosure explaining that the applicable F Series or ISC Series, as the case may be, has the highest combined management and administration fees among all of the series in the applicable Program Set;

(ii) disclose the rates of the management fee and administration fee of only the F Series or ISC Series, as applicable; and

(iii) disclose that the operating expenses and trading costs are not yet available for only the F Series or ISC Series, as applicable; and

(q) General Instruction (8) of Form 81-101F3, to permit a Consolidated Fund Facts Document to include, at the end of the disclosure under the sub-heading "Fund expenses":

(i) a table that discloses:

a. the name of, and investment amounts associated with, each of the series in the applicable Program Set; and

b. the combined management and administration fee decrease of each of the Tiered Series in the applicable Program Set from the combined management and administration fee of the applicable F Series or ISC Series, as the case may be, shown in percentage terms; and

(ii) an introduction to the table stating that the table below lists out the combined management and administration fee decrease of each of the Tiered Series in the applicable Program Set from the combined management and administration fee of the applicable F Series or ISC Series, as the case may be

(collectively, the **Program Disclosure**).

32. The Filer submits that, given that each of the F Series, ISC Series and Tiered Series belong to the FPP Automatic Switching Program, a Consolidated Fund Facts Document containing the Program Disclosure will provide investors in the FPP Automatic Switching Program with disclosure about the FPP Automatic Switching Program and each of the series in the applicable Program Set in a single Fund Facts document, in contrast to multiple Fund Facts documents for each of the series in the applicable Program Set.

33. Since the Fund Facts documents for each of the Tiered Series are not currently delivered in connection with an Automatic Switch pursuant to the Pre-Sale Fund Facts Delivery Relief, the Filer submits that there is little benefit to preparing separate Fund Facts documents for each of the series in the applicable Program Set. The Filer submits that the Consolidated Fund Facts Document containing the Program Disclosure, which would be delivered to investors when they first enter the FPP Automatic Switching Program (through the purchase of F Series or ISC Series securities, as the case may be), provides investors with better disclosure than if investors only received the Fund Facts document pertaining to the F Series or ISC Series, as the case may be, that they initially purchased upon their entry into the FPP Automatic Switching Program, which would not contain information relating to the Tiered Series.

34. In the absence of the Consolidated Fund Facts Relief, the Filer would be required to prepare separate Fund Facts documents for each of the F Series, ISC Series and Tiered Series. The Filer submits that this results in administrative inefficiencies and a lack of comparability for investors in the FPP Automatic Switching Program. If the Filer could produce one Consolidated Fund Facts Document for each Program Set, investors would benefit from having all the relevant information concerning the FPP Automatic Switching Program in one place.

35. The Filer submits that the Program Disclosure, including upon the launch of additional tiered series within each Tiered Set, will not detract from the readability and comprehension of the Consolidated Fund Facts.

Decision

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

The decision of the principal regulator under the Legislation is that the Sales Communication Relief is granted provided that, for any sales communications presenting performance data relating to Series P or E Series for a time period prior to the launch date of that P Series or E Series, the sales communications include the Past Performance Disclosure.

The decision of the principal regulator under the Legislation is that the Consolidated Fund Facts Relief is granted provided that each Consolidated Fund Facts Document contains the Program Disclosure.

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

2.1.8 BMO Nesbitt Burns Inc. et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief from NI 81-104 – requirement to maintain permanent seed capital in a commodity pool – relief granted to allow commodity pool to comply with seed capital requirements applicable to all other mutual funds under NI 81-102.

Applicable Legislative Provisions

National Instrument 81-104 Commodity Pools, sections 3.2 and 10.1.
National Instrument 81-102 Investment Funds, section 3.1.

April 6, 2017

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

AND

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

AND

IN THE MATTER OF
BMO NESBITT BURNS INC. (BMONB)

AND

IN THE MATTER OF
BMO FINTECH SECTOR TACTIC™ FUND
BMO CANADIAN TOP 15 SMALL CAP TACTIC™ FUND
BMO U.S. TOP 15 SMALL CAP TACTIC™ FUND
(the Proposed TACTIC Funds)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from BMONB on behalf of the Proposed TACTIC Funds and any such other commodity pools as BMONB, or an affiliate of BMONB (BMONB and its affiliates are together, the **Filer**), may manage in the future (the **Future TACTIC Funds**, and together with the Proposed TACTIC Funds, the **TACTIC Funds** and individually, a **TACTIC Fund**) for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) granting relief (the **Exemption Sought**) from section 3.2 of National Instrument 81-104 *Commodity Pools* (**NI 81-104**) to permit the Filer to comply with the seed capital requirements in subsections 3.1(1) and 3.1(2) of National Instrument 81-102 *Investment Funds* (**NI 81-102**).

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

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

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

Interpretation

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

Seed Investor means, in respect of the TACTIC Funds, each manager, portfolio adviser, promoter or sponsor, or any of their respective partners, directors, officers or securityholders, who invests in Units of the TACTIC Funds before the time of filing the final prospectus of the TACTIC Funds.

Outside Investor means each investor, other than a Seed Investor, who invests in Units of the TACTIC Funds.

Units means Class A Units, Class F Units and Class I Units of the Proposed TACTIC Funds and such classes of Units as may be created in respect of a Future TACTIC Fund.

Representations

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

1. BMONB is a corporation established under the laws of Canada, with its head office in Toronto, Ontario.

2. BMONB is registered as an investment fund manager in Ontario, Québec and Newfoundland and Labrador, and as an investment dealer in each of the Jurisdictions.

3. The Filer is, or will be, the manager of the TACTIC Funds.

4. BMONB is not in default of securities legislation in any of the Jurisdictions.

5. Each TACTIC Fund will be a mutual fund subject to NI 81-102 and a commodity pool, as such term is defined under NI 81-104, in that each TACTIC Fund will adopt fundamental investment objectives that permit each TACTIC Fund to invest, directly or indirectly, in specified derivatives in a manner that is not permitted under NI 81-102.

6. The Filer filed in accordance with National Instrument 41-101 *General Prospectus Requirements* (**NI 41-101**) a preliminary prospectus with respect to the proposed offering of Units of the Proposed TACTIC Funds under SEDAR Project No 2568232.

7. Upon the filing of a final prospectus prepared in accordance with NI 41-101 (the **Final Prospectus**) for the Proposed TACTIC Funds, and obtaining a receipt therefor, the Units will be qualified for distribution and each Proposed TACTIC Fund will be a reporting issuer in each of the Jurisdictions.

8. Pursuant to section 3.2(1) of NI 81-104, the Final Prospectus may not be filed unless:

   (a) investments totaling at least $50,000 in Units have been made, and those Units are beneficially owned, before the time of filing, by Seed Investors; and

   (b) the Final Prospectus states that a TACTIC Fund will not issue Units to Outside Investors until that TACTIC Fund has received and accepted subscriptions aggregating not less than $500,000 from Outside Investors.

9. Pursuant to section 3.2(2) of NI 81-104, a Seed Investor may redeem, repurchase or return its initial investment in Units only if: (i) Units issued to Seed Investors that had an aggregate issue price of $50,000 remain outstanding and at least $50,000 invested by Seed Investors remains invested in the applicable TACTIC Fund, or (ii) the redemption, repurchase or return is effected as part of the dissolution or termination of the applicable TACTIC Fund (the **Permanent Seed Capital Requirement**).

10. The Filer understands that the policy rationale behind the Permanent Seed Capital Requirement under NI 81-104 is to encourage promoters to ensure that the commodity pool is being properly run for the benefit of its investors by requiring that the promoter of a commodity pool, or a related party, will itself be an investor in the commodity pool at all times.

11. The TACTIC Funds will be properly managed for the benefit of investors because, as manager of the TACTIC Funds, the Filer will be obliged in accordance with applicable securities law to act honestly and in good faith, and in the best interests of the TACTIC Funds, and to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

12. Having regard to the fiduciary obligations and standard of care applicable to the Filer as set out in paragraph 11 above, requiring the Filer (or another Seed Investor) to maintain $50,000 in each of the TACTIC Funds at all times will not change how the Filer performs it duties in managing the TACTIC Funds.

13. The Filer is an experienced investment fund manager with a past track record of managing many other investment funds and will manage the TACTIC Funds in accordance with all applicable securities legislation in Canada and its contractual requirements.

14. On September 22, 2016, the Canadian Securities Administrators (the **CSA**) published proposed amendments to NI 81-102, NI 81-104 and related instruments (the **Alternative Funds Proposal**). If adopted, the Alternative Funds Proposal would repeal NI 81-104 and, among other changes, impose on commodity pools the initial investment requirements applicable to mutual funds as contained in section 3.1 of NI 81-102, such that:

    (a) the Final Prospectus may only be filed if either:

        (i) the Filer receives investments totaling at least $150,000 in Units, those Units being beneficially owned, before the time of filing, by Seed Investors, or

        (ii) the Final Prospectus states that a TACTIC Fund will not issue Units to Outside Investors until that TACTIC Fund has received and accepted subscriptions aggregating not less than $500,000 from Outside Investors; and

    (b) a Seed Investor may redeem its initial investment in Units only if subscriptions aggregating not less than $500,000 have been received from Outside Investors and accepted by the TACTIC Fund.

15. In keeping with the Alternative Funds Proposal and the initial investment requirements in section 3.1 of NI 81-102, the Filer confirms that it will only file a Final Prospectus on behalf of a TACTIC Fund if (i) the Filer wishes to seed the TACTIC Fund by investing an aggregate of at least $150,000 in the TACTIC Fund before filing the Final Prospectus and will only redeem such amount once the TACTIC Fund has received and accepted subscriptions aggregating not less than $500,000 from Outside Investors, or (ii) as will be disclosed in the Final Prospectus of the TACTIC Fund by the Filer, the TACTIC Fund does not issue Units to Outside Investors until the TACTIC Fund has received and accepted subscriptions aggregating not less than $500,000 from Outside Investors.

Decision

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

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

    (a) the Filer complies with the seed capital requirements in subsections 3.1(1) and 3.1(2) of NI 81-102 in respect of each TACTIC Fund; and

    (b) the basis on which a Seed Investor may redeem any of its initial investment in the TACTIC Fund is disclosed in the Final Prospectus.

"Darren McKall"
Manager, Investment Funds and Structured Products Branch
ONTARIO SECURITIES COMMISSION

2.1.9 Canadian Imperial Bank of Commerce and CIBC Asset Management Inc.

Headnote

NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Existing and future mutual funds managed by the Filers granted relief from paragraphs 15.3(4)(c) and (f) of NI 81-102 Investment Funds to permit references to Fundata A+ Awards and relief from paragraphs 15.3(4)(c) to permit references to FundGrade Ratings in sales communications – Relief subject to conditions requiring specified disclosure and the requirement that the Fundata A+ Awards being referenced not have been awarded more than 365 days before the date of the sales communication.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 15.3(4)(c) and (f), and 19.1.

April 10, 2017

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
CANADIAN IMPERIAL BANK OF COMMERCE AND
CIBC ASSET MANAGEMENT INC.
(THE FILERS)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filers for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**), pursuant to section 19.1 of National Instrument 81-102 – Investment Funds **(NI 81-102**), exempting all Funds (as defined below) from the requirements set out in paragraphs 15.3(4)(c) (in respect of both the FundGrade A+ Awards presented annually by Fundata Canada Inc. (**Fundata**) and the FundGrade Ratings) and 15.3(4)(f) (in respect of the FundGrade A+ Awards only) of NI 81-102, which provide that a sales communication must not refer to a performance rating or ranking of a mutual fund or asset allocation service unless:

(a) the rating or ranking is provided for each period for which standard performance data is required to be given, except the period since the inception of the mutual fund;

(b) the rating or ranking is to the same calendar month end that is

(i) not more than 45 days before the date of the appearance or use of the advertisement in which it is included, and

(ii) not more than three months before the date of first publication of any other sales communication in which it is included to permit the FundGrade A+ Awards and the FundGrade Ratings to be referenced in sales communications relating to the Funds (collectively, the **Requested Relief**).

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

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

(b) the 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 each of the other provinces and territories of Canada (together with Ontario, the Jurisdictions).

Interpretation

Defined terms contained in National Instrument 81-102, National Instrument 14-101 – *Definitions*, and MI 11-102 have the same meaning in this decision unless they are defined in this decision. In addition, the following term has the following meaning:

Funds means the existing and future investment funds which are subject to NI 81-102 and for which the Filers or affiliates or the Filers acts or will act as manager and/or advisor.

Representations

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

The Filers

1. Canadian Imperial Bank of Commerce **("CIBC"**) is a Schedule 1 Canadian chartered bank. The head office of CIBC is in Toronto, Ontario. CIBC is registered as an investment fund manager in Québec and Newfoundland and Labrador.

2. CIBC Asset Management Inc. (**"CAMI")** is a corporation duly incorporated under the laws of Canada. The head office of CAMI is in Toronto, Ontario. CAMI is registered as an investment fund manager in Ontario, Québec and Newfoundland and Labrador. CAMI is also registered as a portfolio manager in all Jurisdictions, as a commodity trading manager in Ontario, and in Québec as a derivative portfolio manager and in the category of financial planning.

3. Each of the Filers is not in default of the securities legislation in any Jurisdiction.

The Funds

4. Each of the Funds is, or will be, an open-ended mutual fund established under the laws of Canada or a jurisdiction of Canada.

5. Each of the Funds has, or will have, a simplified prospectus that has been, or will be, prepared and filed in accordance with the securities legislation of each applicable Jurisdiction. Each of the Funds is, or will be, a reporting issuer under the securities legislation of each Jurisdiction.

6. None of the Funds are in default of securities legislation in any Jurisdiction.

7. Each of the Funds is, or will be, subject to NI 81-102, including Part 15 thereof, which governs sales communications.

Fundata FundGrade A + Awards Program

8. Fundata is a "mutual fund rating entity" as that term is defined in NI 81-102. Fundata is not a member of the Funds' organization. Fundata is a leader in supplying mutual fund information, analytical tools, and commentary. Fundata's fund data and analysis, fund awards designations and ratings information provide valuable insight to advisors, media and individual investors.

9. One of Fundata's programs is the FundGrade A+ Awards program. This program highlights funds that have excelled in delivering consistently strong risk-adjusted performance relative to their peers. The FundGrade A+ Awards designate award-winning funds in most individual fund classifications for the previous calendar year, and the awards are announced in January of each year. The categories for fund classification used by Fundata are those maintained by the Canadian Investment Funds Standards Committee (**CIFSC**) (or a successor to CIFSC), a Canadian organization that is independent of Fundata.

10. The FundGrade A+ Awards are based on a proprietary rating methodology developed by Fundata, the FundGrade Rating system. The FundGrade Rating system evaluates funds based on their risk adjusted performance measured by three well-known and widely-used metrics: the Sharpe Ratio; the Information Ratio; and the Sortino Ratio. The ratios are calculated for the two through ten year time periods for each fund. When there is more than one eligible series of a fund, an average ratio is taken for each period. The ratios are ranked across all time periods and an overall score is calculated by equally weighting the yearly rankings.

11. The FundGrade Ratings are letter grades for each fund and are determined each month. The FundGrade Ratings for each month are released on the seventh business day of the following month. The top 10% of funds earn an A Grade; the next 20% of funds earn a B Grade; the next 40% of funds earn a C Grade; the next 20% of funds receive a D Grade; and the lowest 10% of funds receive an E Grade. Because the overall score of a fund is calculated by equally

weighting the periodic rankings, to receive an A Grade, a Fund must show consistently high scores for all ratios across all time periods.

12. Fundata calculates a grade using only the retail series of each Fund. Institutional series or fee-based series of any Fund are not included in the calculation. A Fund must have at least two years of history to be included in the calculation. Once a letter grade is calculated for a Fund, it is then applied to all related series of that Fund.

13. At the end of each calendar year, Fundata calculates a "Fund GPA" for each Fund based on the full year's performance. The Fund GPA is calculated by converting each month's FundGrade Rating letter grade into a numerical score. Each A is assigned a grade of 4.0; each B is assigned a grade of 3.0; each C is assigned a grade of 2.0; each D is assigned a grade of 1.0; and each E is assigned a grade of 0. The total of the grades for each Fund is divided by 12 to arrive at the Fund's GPA for the year. Any Fund earning a GPA of 3.5 or greater earns a FundGrade A+ Award.

14. When a Fund is awarded a FundGrade A+ Award, Fundata will permit such Fund to make reference to the award in its sales communications.

15. The FundGrade Ratings fall within the definition of "performance data" under NI 81-102 as they constitute "a rating, ranking, quotation, discussion or analysis regarding an aspect of the investment performance of an investment fund", given that the FundGrade Ratings are based on performance measures calculated by Fundata. The FundGrade A+ Award Awards may be considered to be "overall ratings or rankings" given that the awards are based on the FundGrade Ratings as described above. Therefore, references to FundGrade Ratings and FundGrade A+ Award Awards in sales communications relating to the Funds need to meet the applicable requirements in Part 15 of NI 81-102.

16. Paragraph 15.3(4)(c) of NI 81-102 imposes a "matching" requirement for performance ratings or rankings that are included in sales communications for mutual funds. If a performance rating or ranking is referred to in a sales communication, it must be provided for, or "match", each period for which standard performance data is required to be given for the fund, except for the period since the inception of the fund (i.e. for one, three, five and ten year periods, as applicable).

17. While FundGrade Ratings are based on calculations for a minimum of two years through to a maximum of ten years and the FundGrade A+ Awards are based on a yearly average of monthly FundGrade Ratings, specific ratings for the three, five and ten year periods within the two to ten year measurement period are not given. This means that a sales communication referencing FundGrade Ratings cannot comply with the "matching" requirement contained in paragraph 15.3(4)(c) of NI 81-102. Relief from paragraph 15.3(4)(c) of NI 81-102 is, therefore, required in order for a Fund to use FundGrade Ratings in sales communications.

18. The exemption in subsection 15.3(4.1) of NI 81-102 for references to overall ratings or rankings of funds cannot be relied upon to reference the FundGrade A+ Awards in sales communications for the Funds because it is available only if a sales communication "otherwise complies" with the requirements of subsection 15.3(4). As noted above, sales communications referencing the FundGrade A+ Awards cannot comply with the "matching" requirement in subsection 15.3(4) because the underlying FundGrade Ratings are not available for the three, five and ten year periods within the two to ten year measurement period for the FundGrade Ratings, rendering the exemption in subsection 15.3(4.1) unavailable. Relief from paragraph 15.3(4)(c) is, therefore, required in order for Funds to reference the FundGrade A+ Awards and the FundGrade Ratings in sales communications.

19. Paragraph 15.3(4)(f) of NI 81-102 imposes certain restrictions on disclosure in sales communications. This paragraph provides that in order for a rating or ranking such as a FundGrade A+ Award to be used in an advertisement, the advertisement must be published within 45 days of the calendar month end to which the rating or ranking applies. Further, in order for the rating or ranking to be used in any other sales communication, the rating or ranking must be published within three months of the calendar month end to which the rating or ranking applies.

20. Because the evaluation of Funds for the FundGrade A+ Awards will be based on data aggregated until the end of December in any given year and the results will be published in January of the following year, by the time a Fund receives FundGrade A+ Award in January, paragraph 15.3(4)(f) of NI 81-102 will only allow the FundGrade A+ Award to be used in an advertisement until the middle of February and in other sales communications until the end of March.

21. The Requested Relief from the requirements set out in paragraph 15.3(4)(c) of NI 81-102 is required in order for the FundGrade Ratings and the FundGrade A+ Awards to be referenced in sales communications relating to the Funds. The Requested Relief from paragraph 15.3(4)(f) of NI 81-102 is also required for the FundGrade A+Awards to be referenced in sales communications relating to the funds outside of the periods mentioned in paragraph 20.

22. Each of the Filers submits that the FundGrade A+ Awards and the FundGrade Ratings provide important tools for investors, as they provide investors with context when evaluating investment choices. The FundGrade A+ Awards and the FundGrade Ratings provide an objective, transparent and quantitative measure of performance that is based on the expertise of Fundata in fund analysis that alleviates any concern that references to them may be misleading and, therefore, contrary to paragraph 15.2(1)(a) of NI 81-102.

Decision

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

The decision of the principal regulator under the Legislation is that the Requested Relief is granted to permit the FundGrade A+ Awards and the FundGrade Ratings to be referenced in sales communications relating to a Fund provided that:

1. the sales communication that refers to the FundGrade A+ Awards and the FundGrade Ratings complies with Part 15 of NI 81-102 other than as set out herein and contains the following disclosure in at least 10 point type:

(a) the name of the category for which the Fund has received the award or rating;

(b) the number of mutual funds in the category for the applicable period;

(c) the name of the ranking entity, i.e., Fundata;

(d) the length of period and the ending date, or, the first day of the period and the ending date on which the FundGrade A+ Awards or the FundGrade Rating is based;

(e) a statement that FundGrade Ratings are subject to change every month;

(f) in the case of a FundGrade A+ Award, a brief overview of the FundGrade A+ Awards;

(g) in the case of a FundGrade Rating (other than FundGrade Ratings referenced in connection with a FundGrade A+ Award), a brief overview of the FundGrade Rating;

(h) disclosure of the meaning of the FundGrade Ratings from A to E (e.g., rating of A indicates a fund is in the top 10% of its category); and

(i) reference to Fundata's website (www.fundata.com) for greater detail on the FundGrade A+ Awards and the FundGrade Ratings;

2. the FundGrade A+ Award being referenced must not have been awarded more than 365 days before the date of the sales communication; and

3. the FundGrade A+ Awards and the FundGrade Ratings being referenced are calculated based on comparisons of performance of investment funds within a specified category established by the CIFSC (or a successor to the CIFSC).

signed “Vera Nunes”
Manager
Investment Funds and Structured Products Branch
Ontario Securities Commission

2.2 Orders

2.2.1 Garth H. Drabinsky et al.

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

AND

IN THE MATTER OF
GARTH H. DRABINSKY,
MYRON I. GOTTLIEB and
GORDON ECKSTEIN

ORDER
(Sections 127 and 127.1 of the Securities Act)

WHEREAS:

1. On February 20, 2013, the Ontario Securities Commission (the "**Commission**") issued a Notice of Hearing in relation to an Amended Statement of Allegations issued by Staff of the Commission ("**Staff**") regarding Garth H. Drabinsky, Myron I. Gottlieb and Gordon Eckstein (collectively, the "**Respondents**"), setting March 19, 2013 as the hearing date;

2. On March 19, 2013, the Commission convened a hearing and ordered that the matter be adjourned to a confidential pre-hearing conference on May 23, 2013;

3. On May 23, 2013, a confidential pre-hearing conference was held, at which counsel for Staff and counsel for each of the Respondents attended;

4. On September 8, 2014, a confidential pre-hearing conference was held, at which counsel for Staff and counsel for each of the Respondents attended. The Commission adjourned the matter to a further confidential pre-hearing conference on December 2, 2014, set the hearing dates and ordered a schedule for delivery of the parties' expert evidence, witness lists, witness summaries and hearing briefs;

5. On September 9, 2014, the Commission approved the settlement agreement reached between Staff and Gottlieb;

6. On December 2, 2014, a confidential pre-hearing conference was held, at which counsel for Staff, counsel for Drabinsky and counsel for Eckstein attended, and all parties agreed to adjourn the matter to a further confidential pre-hearing conference to be held at a later-scheduled date;

7. On April 7, 2015, a confidential pre-hearing conference was commenced, at which counsel for each of Staff, Drabinsky and Eckstein attended;

8. On April 23 and May 6, 2015, the confidential pre-hearing conference was continued, counsel for each of Staff and Drabinsky attended, and Drabinsky requested that the scheduled hearing be adjourned;

9. On May 22, 2015, the Commission issued an Order approving the Settlement Agreement between Staff and Eckstein dated April 20, 2015;

10. On May 25, 2015, the Commission adjourned the matter to a further confidential pre-hearing conference on September 24, 2015, vacated the previous hearing dates, set new hearing dates and ordered a revised schedule for delivery of the parties' expert evidence, witness lists, witness summaries and hearing briefs;

11. On September 24, 2015, a confidential pre-hearing conference was held, at which counsel for Staff and counsel for Drabinsky attended, and Drabinsky requested that the scheduled hearing be adjourned to a later date;

12. On September 29, 2015, the Commission adjourned the matter to a further confidential pre-hearing conference on February 22, 2016, vacated the previous hearing dates, set new hearing dates and ordered a revised schedule for delivery of the parties' expert evidence, witness lists, witness summaries and hearing briefs;

13. On February 22, 2016, a confidential pre-hearing conference was held, at which counsel for Staff and counsel for Drabinsky attended, and Drabinsky again requested that the hearing scheduled in this matter be adjourned to a later

date. The Commission adjourned the matter to a further confidential pre-hearing conference on June 20, 2016, vacated the previous hearing dates, set new hearing dates and ordered a revised schedule for delivery of the parties' expert evidence, witness lists, witness summaries and hearing briefs;

14. Staff requested, on consent, that the pre-hearing conference scheduled to take place on June 20, 2016 be rescheduled to June 27, 2016;

15. On June 27, 2016, a confidential pre-hearing conference was held, at which Staff and counsel for Drabinsky attended, and Drabinsky again requested that the hearing scheduled in this matter be adjourned to a later date. The Commission adjourned the matter to a further confidential pre-hearing conference on November 22, 2016, vacated the previous hearing dates, set new hearing dates for the matter to be heard on February 22, 23, 24, 27 and 28, 2017 and March 10, 2017and ordered a revised schedule for delivery of the parties' expert evidence, witness lists, witness summaries and hearing briefs;

16. Drabinsky continues to be subject to an interim undertaking made to the Director of Enforcement of the Commission (the "**Director**") providing that, pending the conclusion of the Commission proceeding, he will not apply to become a registrant or an employee of a registrant or an officer or director of a reporting issuer without the express written consent of the Director or an order of the Commission releasing him from the undertaking;

17. Drabinsky continued to be subject to parole terms in effect until September 2016 (the "**Parole Terms**") which prohibited him from owning or operating a business or being in a position of responsibility for the management of finances or investments of any other individual, charity, business or institution, among other things;

18. Upon expiry of the Parole Terms, and as a condition of the adjournment sought on June 27, 2016, Drabinsky agreed to the following terms until the conclusion of the Commission proceeding:

    a. He will not own or operate a business; and

    b. He will not be in a position that would entail the management, control or administration of finances or investments of any other individual, charity, business or institution;

19. On November 22, 2016, a confidential pre-hearing conference was held, at which Staff and counsel for Drabinsky attended;

20. On January 10, 2017, a confidential pre-hearing conference was held, at which Staff and counsel for Drabinsky attended;

21. On February 22, 2017, the hearing commenced and continued on February 23 and 24, 2017;

22. On February 27, 2017, the Commission ordered that the further hearing dates were vacated and oral closing submissions shall be heard on a date to be determined by the Commission;

23. On March 3, 2017, the Commission ordered that:

    a. Staff's written submissions shall be served and filed on or before March 13, 2017;

    b. The Respondent's written submissions shall be served and filed on or before March 21, 2017;

    c. Staff's reply written submissions, if any, shall be served and filed on or before March 31, 2017; and

    d. Oral closing submissions shall be heard on April 12, 2017 at 10:00 a.m., or such other date as may be agreed to by the parties and set by the Office of the Secretary;

24. On March 13, 2017, Staff filed written submissions

25. On March 15, 2017, Drabinsky filed motion materials regarding Staff's written submissions. Drabinsky's motion was heard in camera on March 17, 2017 (the "***In Camera* Motion**");

26. The Commission is of the opinion that the desirability of avoiding disclosure of the documents filed in respect of the *In Camera* Motion outweighs the desirability of adhering to the principle that members of the public are entitled to reasonable access to those documents; and

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

IT IS HEREBY ORDERED that:

1. Pursuant to subsection 9(1.1) of the *Statutory Powers Procedure Act*, RSO 1990, c S.22, and Rule 5.2 of *Ontario Securities Commission Rules of Procedure* (2014), 37 OSCB 4168, Staff materials filed on March 13, 2017, all materials filed with the Commission in respect of the *In Camera* Motion and the transcript thereof shall be kept confidential;

2. Staff's written submissions shall be amended, reserved and refiled;

3. The Respondent's written submissions shall be served and filed on or before April 13, 2017;

4. Staff's reply written submissions, if any, shall be served and filed on or before April 19, 2017;

5. The hearing date of April 12, 2017 is vacated; and

6. Oral closing submissions in respect of the hearing in this matter shall be heard on April 24, 2017 at 10:00 a.m., or such other date as may be agreed to by the parties and set by the Office of the Secretary.

DATED at Toronto this 4th day of April, 2017.

"D. Grant Vingoe"

"Judith N. Robertson" "William J. Furlong"

2.2.2 Lance Kotton – ss. 127(7), (8)

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

AND

IN THE MATTER OF
LANCE KOTTON

TEMPORARY ORDER
(Subsections 127(7) and (8))

WHEREAS:

1. on November 6, 2015, the Ontario Securities Commission (the "Commission") ordered pursuant to subsections 127(1) and (5) of the *Securities Act*, RSO 1990, c S.5 (the "Act"), that pursuant to clause 2 of subsection 127(1) of the Act, trading in any securities by Lance Kotton ("Kotton") shall cease (the "Temporary Order"); and

2. the Commission further ordered that the Temporary Order shall take effect immediately and shall expire on the 15th day after its making unless extended by order of the Commission;

3. on November 9, 2015, the Commission issued a Notice of Hearing providing notice that it would hold a hearing on November 19, 2015, to consider whether, pursuant to subsections 127(7) and 127(8) of the Act, it is in the public interest for the Commission to extend the Temporary Order until the conclusion of the hearing or until such further time as considered necessary by the Commission, and to make such further orders as the Commission considers appropriate;

4. Kotton consented to an extension of the Temporary Order until December 17, 2015, which order was further extended until April 6, 2017;

5. on April 5, 2017, Staff of the Commission and counsel for Kotton appeared before the Commission requesting that the Temporary Order be extended on consent as against Kotton until May 26, 2017, and made submissions; and

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

IT IS ORDERED that:

1. the Temporary Order is extended as against Kotton until May 26, 2017; and

2. the hearing of this matter is adjourned until May 24, 2017 at 10:00 a.m., or such other date and time as provided by the Office of the Secretary and agreed to by the parties.

DATED at Toronto, Ontario this 5th day of April, 2017.

"Timothy Moseley"

2.2.3 Manitoba Telecom Services Inc – s. 1(10)(a)(ii)

Headnote

National Policy 11-206 Process for Cease to be a Reporting Issuer Applications – Application for an order that the issuer is not a reporting issuer under applicable securities laws – following an arrangement issuer has outstanding medium term notes held by more than 51 holders – issuer has no other securities outstanding apart from common shares owned by BCE and preferred shares owned by Bell Canada, a wholly-owned subsidiary of BCE – Bell Canada assumed the issuer's obligations and liabilities under the notes – issuer remaining as a co-borrower under the notes along with Bell Canada to avoid potential adverse tax consequences to noteholders – BCE guaranteeing obligations of issuer and Bell Canada under the notes – BCE is a reporting issuer in each province of Canada.

Applicable Legislative Provisions

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

March 30, 2017

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

AND

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

AND

IN THE MATTER OF
MANITOBA TELECOM SERVICES 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 Manitoba Securities Commission is the principal regulator for this application;

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

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

Interpretation

Terms defined in National Instrument 14-101 - *Definitions* 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 a corporation governed by *The Corporations Act* (Manitoba) (the **"Act"**) with its registered office located at 333 Main Street, Room MP 19A, P.O. Box 6666, Winnipeg , Manitoba, R3C 3V6.

2. On March 17, 2017 , BCE Inc. (**"BCE"**), through its wholly-owned subsidiary Bell Canada acquired all of the issued and outstanding common shares of the Filer (**"Common Shares"**) by way of statutory plan of arrangement under Section 185 of the Act (the **"Arrangement"**).

3. The Filer has the following outstanding medium term notes issued pursuant to (i) a trust indenture between the Filer and Montreal Trust Company of Canada (now Computershare Trust Company of Canada) dated May 1, 2001 , as supplemented (the **"2001 Indenture"**) and (ii) a trust indenture between the Filer and Computershare Trust Company of Canada dated August 20, 2011 (the **"2011 Indenture"** , collectively with the 2001 Indenture, the **"Indentures"**):

   (i) $200,000,000 principal amount of 5.625% medium term notes (Series 8) due December 16, 2019 issued pursuant to the 2001 Indenture (the **"Series 8 Notes"**);

   (ii) $200,000,000 principal amount of 4.59% notes (Series 9) due October 1, 2018 issued pursuant to the 2011 Indenture (the **"Series 9 Notes"**); and

   (iii) $225,000,000 principal amount of 4.00% medium-term notes (Series 10) due May 27, 2024 issued pursuant to the 2011 Indenture (the **"Series 10 Notes"**, collectively with the Series 8 Notes and the Series 9 Notes, the **"Notes"**).

4. The sole registered holder of the Notes is the Canadian Depositary for Securities Limited. Based upon a report provided by Broadridge, as at March 17, 2017, the Series 8 Notes, the Series 9 Notes and the Series 10 Notes were beneficially held by 3,025, 1,458 and 1,299 holders resident in Canada, respectively

5. The Common Shares were delisted from the Toronto Stock Exchange on March 20, 2017.

6. On March 27, 2017 , a series of transactions involving the Filer were completed which resulted in, amongst other things, (i) BCE owning all of the Common Shares and Bell Canada, a wholly-owned subsidiary of BCE, owning all of the preferred shares of the Filer; (ii) the Filer owning common shares of Bell Canada representing less than 10% of its issued and outstanding common shares; and (iii) Bell Canada acquiring substantially all of the assets of the Filer and , through a supplement to each of the Indentures, assuming certain obligations and liabilities of the Filer, including the Filer's obligations and liabilities under the Notes, and BCE guaranteeing the obligations of Bell Canada and the Filer under the Notes (the "**Post-Closing Transactions"**).

7. Following the Post-Closing Transactions, all of the outstanding equity securities of the Filer are held by BCE, which holds all of the outstanding Common Shares, and Bell Canada, which holds all of the outstanding preferred shares of the Filer, and the Notes are only outstanding debt securities of the Filer.

8. Under the terms of the Indentures, upon the completion of the Post-Closing Transactions, the Filer was entitled to be released from its obligations in respect of the Notes. However, the Filer agreed to continue to be bound as a co-borrower under the Notes along with Bell Canada to avoid potentially adverse tax consequences on the holders of the Notes. ·

9. Under an asset transfer agreement pursuant to which Bell Canada acquired substantially all of the assets of the Filer and assumed the Filer's obligations and liabilities under the Notes, Bell Canada made an undertaking in favour of the Filer to (i) pay punctually when due the principal of, and interest, if any, on and all other amounts owing under, the Notes; (ii) perform and observe punctually all the obligations of the Filer under the Indentures and under and in respect of the Notes; and (iii) observe and perform each and every covenant, stipulation, promise, undertaking, condition and agreement of the Filer contained in the Indentures as if it had itself executed the Indentures as the Filer and had expressly agreed to observe and perform the same.

10. The Indentures do not contain a provision requiring the Filer to maintain its status as a reporting issuer.

11. Pursuant to a supplement to each of the Indentures (collectively , the **"Supplements"**) entered into as part of the Post-Closing Transactions, the Filer was released from certain covenants under the Indentures, including limitation on liens and debt restriction covenants and the requirement to provide financial information to holders of the Notes. Those covenants and all other obligations under the Notes and the Indentures (as amended by the Supplements in accordance with the Indentures) were assumed by Bell Canada as the Filer's assign under the Indentures.

12. Bell Canada is a reporting issuer in each of the provinces of Canada . It qualifies under the credit support issuer exemption and satisfies the conditions under subsection 13.4(2) of NI 51-102 (the **"Credit Support Issuer Exemption"**). In particular, but without limitation:

    (i) Bell Canada does not have any securities outstanding other than (i) common shares held by BCE and, following the Post-Closing Transactions, the Filer, (ii) non-convertible debt securities which are "designated credit support securities" as defined in Section 13.4 of NI 51-102, and (iii) certain commercial paper representing "designated credit support securities" as defined in Section 13.4 of NI 51-102;

    (ii) BCE is a reporting issuer in all of the provinces of Canada and has filed all documents it is required to file under NI 51-102;

    (iii) Bell Canada files in electronic format a notice indicating that it is relying on the continuous disclosure documents filed by BCE and setting out where those documents can be found for viewing in electronic format;

    (iv) Bell Canada files with such notice in electronic format, for the periods covered by the consolidated interim financial report or consolidated annual financial statements of BCE filed, consolidating summary financial information for BCE presented with a separate column for (a) BCE, (b) Bell Canada, (c) any other subsidiaries of BCE other than Bell Canada, (d) consolidating adjustments, and (e) total consolidated amounts;

13. BCE is a reporting issuer in each of the provinces of Canada and is not in default of any of its obligations under the securities legislation of such provinces. BCE common shares (each such common share, a "BCE Share") are listed on the Toronto Stock Exchange and the New York Stock Exchange under symbol "BCE".

14. The Filer meets the criteria set forth in Section 19(a), (c) and (d) of National Policy 11- 206 - Process for Cease to be a Reporting Issuer Applications ("NP 11-206") as follows:

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

    (ii) following the Post-Closing Transactions, the Filer's securities, including debt securities, will not be traded in Canada or another country on a marketplace or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported; and

    (iii) the Filer is not in default of securities legislation in any jurisdiction where it is a reporting issuer.

15. The Filer does not meet the criterion in Section 19(b) of NP 11-206 because, as noted in paragraph 4 above, it is not the case that the Notes are beneficially owned, directly or indirectly, by fewer than 15 security holders in each of the jurisdictions of Canada and fewer than 51 securityholders in total worldwide.

16. Upon the grant of the Order Sought, the Filer will no longer be a reporting issuer in any jurisdiction in Canada.

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.

“Chris Besko”
Director
The Manitoba Securities Commission

2.2.4 Quadrexx Hedge Capital Management Ltd. et al.

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

AND

IN THE MATTER OF
QUADREXX HEDGE CAPITAL MANAGEMENT LTD.,
QUADREXX SECURED ASSETS INC.,
MIKLOS NAGY and
TONY SANFELICE

ORDER

WHEREAS:

1. On January 30, 2014, Staff of the Ontario Securities Commission ("**Staff**") filed a Statement of Allegations with respect to Quadrexx Hedge Capital Management Ltd. ("**QHCM**"), Quadrexx Secured Assets Inc. ("**QSA**"), Miklos Nagy ("**Nagy"**) and Tony Sanfelice ("**Sanfelice**") (collectively, the "**Respondents**") pursuant to sections 127 and 127.1 of the *Securities Act*, RSO 1990, c S.5 (the "**Act**") and the Commission subsequently issued a related Notice of Hearing;

2. The Commission conducted the hearing on the merits, which concluded on May 27, 2016, following which the Commission issued its Reasons and Decision on the merits on February 6, 2017, wherein the Panel concluded the Respondents had contravened the Act;

3. On April 5, 2017, the Commission held a pre-hearing conference to schedule the hearing on sanctions and costs and address related issues; and

4. Staff, Nagy on behalf of himself, QHCM and QSA, and Sanfelice on behalf of himself, attended the pre-hearing conference and made submissions;

IT IS HEREBY ORDERED that:

1. This matter is adjourned to a further confidential pre-hearing conference on May 24, 2017 at 2:00 p.m., or such other date as may be agreed to by the parties and set by the Office of the Secretary;

2. Staff shall serve and file Staff's written submissions on sanctions and costs by no later than April 28, 2017;

3. The Respondents shall serve and file their written submissions on sanctions and costs by no later than July 7, 2017;

4. Staff shall serve and file Staff's reply submissions, if any, by no later than July 19, 2017; and

5. The hearing on sanctions and costs shall be held on July 26 and 27, 2017 at 10:00 a.m., or such other dates as may be agreed to by the parties and set by the Office of the Secretary.

DATED at Toronto this 6th day of April, 2017

"Timothy Moseley"

_____

2.2.5 Wilmington Trust, National Association and Barrick Gold Corporation – s. 46(4)

Headnote

Order pursuant to subsection 46(4) of the Business Corporations Act (Ontario) – trust indentures to be governed by the United States Trust Indenture Act of 1939, as amended, in connection with a public offering of debt securities of the issuer in the United States and Canada – relief conditional upon the trustee to be appointed under the trust indentures filing with the Commission and on SEDAR a submission to the non-exclusive jurisdiction of the courts and administrative tribunals of Ontario and appointment of an agent for service of process in Ontario – Canadian base shelf prospectus supplement will include disclosure about the existence of this order and a statement regarding the risks associated with the purchase of debt securities of the issuer under the trust indentures by a holder in Ontario as a result of the absence of a local trustee appointed under the trust indentures – trust indentures exempted from the requirements of Part V of the Business Corporations Act (Ontario).

Applicable Legislative Provisions

Business Corporations Act, R.S.O. 1990, c. B-16, as amended, ss. 46(2), 46(3), 46(4), Part V.
Securities Act, R.S.O. 1990, c.S.5, as amended.
Trust Indenture Act of 1939,53 Stat. 1149 (1939), 15 U.S.C., Secs. 77aaa-77bbb, as amended.

April 7, 2017

IN THE MATTER OF
THE BUSINESS CORPORATIONS ACT,
R.S.O. 1990, CHAPTER B.16, AS AMENDED
(THE "ACT")

AND

IN THE MATTER OF
WILMINGTON TRUST, NATIONAL ASSOCIATION

AND

BARRICK GOLD CORPORATION

ORDER
(Subsection 46(4) of the Act)

UPON the application of Wilmington Trust, National Association (the "**Applicant**") to the Ontario Securities Commission (the "**Commission**") for an order pursuant to subsection 46(4) of the Act exempting from the requirements of Part V of the Act a trust indenture to be entered into between Barrick Gold Corporation ("**Barrick**") and the Applicant in respect of senior debt securities of Barrick and a trust indenture to be entered into between Barrick and the Applicant in respect of subordinated debt securities of Barrick (each, an "**Indenture**" and, collectively, the "**Indentures**").

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

AND UPON it being represented by Barrick and the Applicant to the Commission that:

1. The Applicant is a body corporate incorporated under the laws of the State of Delaware and is neither resident nor authorized to do business as a trust company in Ontario. The Applicant's Corporate Trust office and principal place of business is 1100 North Market Street, Wilmington, Delaware, 19890.

2. Barrick is a corporation existing under the Act. Barrick's head office and principal place of business is Brookfield Place, TD Canada Trust Tower, Suite 3700, 161 Bay Street, P.O. Box 212, Toronto, Ontario, M5J 2S1. Barrick is a reporting issuer under the *Securities Act* (Ontario) (the "**OSA**") and is not in default of any requirement of the OSA and the respective regulations and rules under the OSA together with applicable published policy statements of the Canadian Securities Administrators. Barrick's common shares are listed on the Toronto Stock Exchange and the New York Stock Exchange under the symbol "ABX".

3. The Applicant will be the sole trustee under each Indenture to be entered into between Barrick and the Applicant.

4. Barrick filed a final short form base shelf prospectus (the "**Prospectus**") with the Commission and the securities regulatory authorities in each of the other provinces and territories of Canada on March 3, 2017 pursuant to National

Instrument 44-101 – *Short Form Prospectus Distributions* and National Instrument 44-102 – *Shelf Distributions* to qualify the distribution of certain securities (the "**Securities**"), including debt securities ("**Debt Securities**"), in each of the provinces and territories of Canada. Public offers and sales of Securities, including Debt Securities, may be made, from time to time, in the United States pursuant to the registration statement on Form F-10 (the "**Registration Statement**"), which was filed with the United States Securities and Exchange Commission (the "**SEC**") on February 16, 2017 under the multi-jurisdictional disclosure system, as amended on March 3, 2017 under the first amendment to the Registration Statement ("**Amendment No. 1 to the Registration Statement**"). The Prospectus forms a part of Amendment No. 1 to the Registration Statement.

5. Public offers and sales of the Debt Securities issued under each Indenture, if any, are expected to be made in the United States, but may also be made in one or more of the provinces and territories of Canada.

6. Issuances of Debt Securities, if any, are expected to be made under either Indenture or both Indentures.

7. Each Indenture is to be governed by the laws of the State of New York and the federal laws of the United States applicable therein.

8. A form of each Indenture was filed with the SEC as an exhibit to Amendment No. 1 to the Registration Statement.

9. Following the execution of an Indenture, such Indenture will be filed on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") in connection with the sale of Debt Securities thereunder.

10. Pursuant to subsection 46(2) of the Act, Part V of the Act will apply to each Indenture because the Prospectus was filed under the OSA.

11. As a result of the filing of the Registration Statement with the SEC, each Indenture is also subject to and governed by the provisions of the United States *Trust Indenture Act of 1939*, as amended (the "**TIA**"). The TIA requires, and each Indenture provides, that the trustee under an Indenture must satisfy the requirements of sections 310(a)(1), 310(a)(2) and 310(b) of the TIA, including that the trustee thereunder be organized under the laws of the United States, any State thereof or the District of Columbia and be authorized to execute corporate trust powers pursuant to such applicable laws.

12. Because the TIA regulates trustees and trust indentures of publicly offered debt securities in the United States in a manner that is consistent with Part V of the Act, holders of Debt Securities in Ontario will not, subject to the delivery of a submission to jurisdiction and an appointment of an agent for service of process ("**Submission to Jurisdiction and Appointment of Agent for Service of Process**"), derive any additional material benefit from having the Indentures be subject to Part V of the Act.

13. Prior to or concurrently with Barrick's filing of an executed Indenture with the Commission and the filing of any Canadian shelf prospectus supplement under the Prospectus (a "**Supplement**") in respect of an offering of Debt Securities, the Applicant will file with the Commission and on SEDAR a Submission to Jurisdiction and Appointment of Agent for Service of Process.

14. Any Supplement under which Debt Securities will be offered or sold in Canada will disclose the existence of the Order, if granted, and state that the Applicant, the assets of the Applicant and, if applicable, all or certain of its officers and directors are located outside of Ontario and, as a result, that it may be difficult for a holder that purchases Debt Securities in Canada to enforce its rights against the Applicant, the Applicant's assets or its officers or directors, and that the holder may have to enforce rights against the Applicant in the United States.

15. It is not currently anticipated that Debt Securities will be listed on any stock exchange, but listing may occur in the future.

16. While Barrick has applied for and received exemptive relief under subsection 46(4) of the Act from the Commission in the past, the indenture in respect of which such historical relief was granted is not suitable for use in connection with future issuances of Debt Securities by Barrick as such indenture provided for issuances of debt securities by subsidiaries of Barrick that were guaranteed by Barrick.

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

IT IS ORDERED, pursuant to subsection 46(4) of the Act, that each Indenture is exempt from Part V of the Act, provided that:

(a) each Indenture is governed by and subject to the TIA; and

(b) prior to or concurrently with Barrick's filing of an executed Indenture with the Commission and the filing of any Supplement in respect of an offering of Debt Securities, the Applicant, or any trustee that replaces the Applicant under the terms of such Indenture, has filed with the Commission and on SEDAR a Submission to Jurisdiction and Appointment of Agent for Service of Process.

"Philip Anisman"
Commissioner
Ontario Securities Commission

"William J. Furlong"
Commissioner
Ontario Securities Commission

2.2.6 Eco Oro Minerals Corp.

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

AND

IN THE MATTER OF
ECO ORO MINERALS CORP.

AND

IN THE MATTER OF
A HEARING AND REVIEW OF
A DECISION OF
THE TORONTO STOCK EXCHANGE

ORDER
(Rules 1.8 and 3 of the Ontario Securities Commission Rules of Procedure)

WHEREAS:

1. on March 27, 2017, pursuant to sections 21.7 and 127 of the *Securities Act*, RSO 1990, c S.5, Courtenay Wolfe and Harrington Global Opportunities Fund Ltd. (collectively, the "**Applicants**") filed a Notice of Application with the Ontario Securities Commission (the "**Commission**") for a hearing in respect of the issuance of 10,600,000 common shares (the "**Shares**") of Eco Oro Minerals Corp. ("**Eco Oro**") by Eco Oro to four shareholders of Eco Oro on or about March 16, 2017, and the decision of the Toronto Stock Exchange (the "**TSX**") on March 10, 2017 to grant conditional approval for the issuance of the Shares (the "**Application**");

2. on April 3, 2017, the Commission issued an Order setting a schedule for the hearing of the Application and the exchange of materials (the "**Scheduling Order**");

3. on April 3, 2017, Trexs Investments, LLC, Amber Capital LP and Paulson & Co. Inc. filed written submissions for respective motions for leave to intervene in the Application with full standing, including the right to adduce evidence and make submissions;

4. in accordance with Rule 11.4 of the *Ontario Securities Commission Rules of Procedure* (2014), 37 OSCB 4168, and subsection 5.1(1) of the *Statutory Powers Procedure Act*, RSO 1990, c S.22, the motions for leave to intervene were heard by means of written hearings;

5. Eco Oro consents to, Staff of the Commission does not oppose, and the Applicants and the TSX take no position on the motions for leave to intervene; and

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

IT IS HEREBY ORDERED THAT:

1. Trexs Investments, LLC, Amber Capital LP and Paulson & Co. Inc. are each granted leave to intervene in the Application, including the right to adduce evidence and make submissions; and

2. Leave to intervene is granted on the condition that the intervenors abide by the Scheduling Order, including by serving and filing any written materials for the Application by no later than 5:00 p.m. on Thursday, April 13, 2017.

DATED at Toronto, this 7th day of April, 2017.

"D. Grant Vingoe"
_____

"Monica Kowal"
_____

"Frances Kordyback"
_____

2.2.7 Dollarama Inc. and BMO Nesbitt Burns Inc.

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 – 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
DOLLARAMA INC. AND
BMO NESBITT BURNS INC.

ORDER
(Section 6.1 of National Instrument 62-104)

UPON the application (the "**Application**") of Dollarama Inc. (the "**Issuer**") and BMO Nesbitt Burns Inc. ("**BNBI**", 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 658,000 (the "**Program Maximum**") of its common shares (the "**Common Shares**") from BNBI pursuant to a share 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 to 4, inclusive, 9 to 20, inclusive, 22 to 29, inclusive, 34, 36, 38 to 40, inclusive, 42 and 43 as they relate to the Issuer;

AND UPON BNBI and Bank of Montreal ("**BMO**", and together with BNBI, the "**BMO Entities**") having represented to the Commission the matters set out in paragraphs 5 to 8, inclusive, 19 to 22, inclusive, 24, 28, 30 to 35, inclusive, 37, 41, 43 and 44 as they relate to the BMO Entities;

1. The Issuer is a corporation governed by the *Canada Business Corporations Act* (the "**CBCA**").

2. The registered and head office of the Issuer is located at 5805 Royalmount Avenue, Montreal, Québec, Canada, H4P 0A1.

3. The Issuer is a reporting issuer in each of the provinces and territories of Canada and the Common Shares are listed for trading on the Toronto Stock Exchange (the "TSX") under the symbol "DOL". The Issuer is not in default of any requirement of the securities legislation in the jurisdictions in which it is a reporting issuer.

4. The authorized share capital of the Issuer consists of an unlimited number of Common Shares and an unlimited number of preferred shares issuable in series, of which 114,259,109 Common Shares and no preferred shares were issued and outstanding as of March 27, 2017.

5. BNBI is a corporation governed by the CBCA. BMO is a Schedule I bank governed by the *Bank Act* (Canada). The corporate headquarters of each of the BMO Entities are located in Toronto, Ontario. BNBI is registered as an investment dealer under the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick, Newfoundland and Labrador, Prince Edward Island, Yukon, the Northwest Territories and Nunavut. It is also registered as: (a) a futures commission merchant under the *Commodity Futures Act* (Ontario); (b) a derivatives dealer under the *Derivatives Act* (Québec); and (c) a dealer (futures commission merchant) under *The Commodity Futures Act* (Manitoba). BNBI 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.

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

7. BNBI is the beneficial owner of 658,000 Common Shares, none of which were acquired by, or on behalf of, BNBI in anticipation or contemplation of resale to the Issuer (such Common Shares over which BNBI has beneficial ownership, the "**Inventory Shares**"). All of the Inventory Shares are held by BNBI in the Province of Ontario. No Common Shares were purchased by, or on behalf of, BNBI on or after February 21, 2017 being a date more than 30 days prior to the date of the Application, in anticipation or contemplation of a sale of Common Shares by BNBI to the Issuer.

8. BNBI is at arm's length to the Issuer and is not an "insider" of the Issuer, or an "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**"). BNBI is an "accredited investor" within the meaning of National Instrument 45-106 *Prospectus Exemptions*.

9. On June 8, 2016, the Issuer announced the renewal of its normal course issuer bid (the "**Normal Course Issuer Bid**") to purchase for cancellation, during the 12-month period beginning on June 17, 2016 and ending on June 16, 2017, up to 5,975,854 issued and outstanding Common Shares, representing approximately 5.0% of the issued and outstanding Common Shares as of the date specified in the Notice of Intention to Make a Normal Course Issuer Bid (the "**Notice**"), which was submitted to, and accepted by, the TSX. The Notice specified that purchases made under the Normal Course Issuer Bid are to be conducted through the facilities of the TSX 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 NCIB Rules**") or a securities regulatory authority, including under automatic trading plans, and by private agreements under issuer bid exemption orders issued by securities regulatory authorities. On April 7, 2017, the TSX accepted an amendment to the Notice to specify that the Issuer may acquire Common Shares under share repurchase programs pursuant to issuer bid exemption orders issued by securities regulatory authorities.

10. The Normal Course Issuer Bid is being 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 is also being conducted in the normal course on published markets other than the TSX (such other published markets, collectively, 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 NCIB Rules, the Issuer has appointed RBC Dominion Securities Inc. as its designated broker in respect of the Normal Course Issuer Bid (the "**Responsible Broker**").

13. On June 8, 2016, the Issuer also announced the renewal of its automatic share purchase plan ("**ASPP**") 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 the Common Shares, including during regularly scheduled quarterly blackout periods and other internal blackout periods (each such time, a "**Blackout Period**"). The ASPP was pre-cleared by the TSX and complies with the TSX NCIB Rules and applicable securities laws. The ASPP will not be in effect during the Program Term.

14. To the best of the Issuer's knowledge, as of March 27, 2017, the "public float" for the Common Shares represented approximately 92% of all the issued and outstanding Common Shares for purposes of the TSX NCIB Rules. The Common Shares are "highly-liquid securities" within the meaning of 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**").

15. The Commission granted an order on December 23, 2016 pursuant to section 6.1 of NI 62-104 exempting the Issuer from the Issuer Bid Requirements in connection with proposed purchases by the Issuer of up to 150,000 Common Shares from The Bank of Nova Scotia pursuant to one or more private agreements (the "**BNS Order**"). The Issuer completed the purchase of 150,000 Common Shares under the BNS Order on January 4, 2017.

16. The Autorité des marchés financiers granted an order on December 28, 2016 pursuant to section 6.1 of NI 62-104 and section 263 of the *Securities Act* (Québec) exempting the Issuer from the Issuer Bid Requirements in connection with proposed purchases by the Issuer of up to 150,000 Common Shares from National Bank of Canada pursuant to one or more private agreements (the "**NBC Order**", and together with the BNS Order, the "**Off-Exchange Block Purchases**"). The Issuer completed the purchase of 150,000 Common Shares under the NBC Order on January 3, 2017.

17. The Commission granted an order on January 10, 2017 pursuant to section 6.1 of NI 62-104 exempting the Issuer from the Issuer Bid Requirements in connection with proposed purchases by the Issuer of up to 1,123,000 Common Shares from the Canadian Imperial Bank of Commerce (the "**CIBC Order**") pursuant to a share repurchase program. The Issuer completed the purchase of 1,120,040 Common Shares under the CIBC Order on March 13, 2017, and such program was terminated on that date.

18. As at the close of business on April 5, 2017, the Issuer had repurchased for cancellation a total of 5,080,162 Common Shares under the Normal Course Issuer Bid, including 300,000 Common Shares pursuant to Off-Exchange Block Purchases and 1,120,040 Common Shares pursuant to the CIBC Order.

19. Concurrently with the Application, the Issuer has filed an additional application with the Commission for exemptive relief from the Issuer Bid Requirements in connection with the proposed purchase by the Issuer of up to 237,000 Common Shares from BMO pursuant to a share repurchase program (the "**BMO Program**"). The BMO Program will begin on the Trading Day (as defined below) following completion or termination of the Program and will terminate on the earlier of April 27, 2017 and the date on which the Issuer will have purchased 237,000 Common Shares from BMO under the BMO Program.

20. 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 BNBI, and for BNBI to sell to the Issuer, that number of Common Shares equal to the Program Maximum.

21. Pursuant to the terms of the Program Agreement (as defined below), BNBI has been retained by BMO 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.

22. The Program will be governed by, and conducted in accordance with, the terms and conditions of a Repurchase Program Agreement that was entered into on March 21, 2017 among the Filers and BMO, as amended by an amended and restated Repurchase Program Agreement dated April 7, 2017 (the "**Program Agreement**"). A copy of the Program Agreement has been provided by the Filers to the Commission.

23. 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 a draft of the Press Release (as defined below); and (c) confirmed that it has no objection to the Issuer conducting the Program as part of the Normal Course Issuer Bid.

24. The Program will begin at least two clear Trading Days (as defined below) after the issuance of the Press Release (as defined below) and will terminate on the earlier of April 27, 2017 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 BMO Entities may unilaterally terminate the Program Agreement during the Program Term, except in the case of an event of default by a party thereunder.

25. 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**").

26. The Program Maximum, together with the maximum number of Common Shares that will be purchased pursuant to the BMO Program, is less than the number of Common Shares remaining that the Issuer is entitled to acquire under the Normal Course Issuer Bid.

27. The Program Term will not include a Blackout Period. In the event that a Blackout Period should arise during the Program Term, purchasing under the Program will cease immediately and will not recommence until following the expiration of the Blackout Period.

28. During the Program Term, BNBI will purchase Common Shares on the applicable Trading Day (as defined below) in accordance with instructions received by BNBI 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 the Responsible Broker if the Issuer was conducting the Normal Course Issuer Bid in reliance on the Exemptions.

29. The Issuer will not give purchase instructions in respect of the Program to BNBI at any time that the Issuer is aware of Undisclosed Information (as defined below).

30. All Common Shares acquired for the purposes of the Program by BNBI 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 NCIB 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 BNBI on each Trading Day shall not exceed the maximum daily limit that is imposed upon the Normal Course Issuer Bid pursuant to the TSX NCIB 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 (being 185,000 Common Shares) 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 BNBI on any given Trading Day shall not exceed the maximum daily limit that is imposed on the Normal Course Issuer Bid pursuant to the TSX NCIB Rules (being 119,304 Common Shares); and

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

31. The aggregate number of Common Shares acquired by BNBI 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.

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

    (a) the maximum number of Common Shares established in the instructions received by BNBI from the Issuer prior to the opening of trading on such day;

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

    (c) the number of Common Shares actually acquired up to the time that trading on the TSX in respect of a Trading Day has been suspended or any other event occurs that would impair BNBI's ability to acquire Common Shares on Canadian Markets (a "**Market Disruption Event**"); and

    (d) the Modified Maximum Daily Limit.

33. The "**Discounted Price**" per Common Share will be equal to (i) the volume weighted average price of the Common Shares on the Canadian Markets on the Trading Day on which purchases were made for the period starting at 9:31 a.m. ending prior to 3:30 p.m. (Toronto time) (excluding blocks of 10,000 or more shares and any trade above the maximum price established in the instructions received by BNBI from the Issuer prior to the opening of trading on such day) less an agreed upon discount, or (ii) upon the occurrence of a Market Disruption Event, the volume weighted average price of the Common Shares on the TSX from 9:31 a.m. (Toronto time) up to the time the Market Disruption Event occurred (subject to the same exclusions) less an agreed upon discount.

34. BNBI will deliver to the Issuer that number of Inventory Shares equal to the number of Common Shares purchased by BNBI on a Trading Day under the Program on the Trading Day immediately thereafter (or such other Trading Day as agreed to between the parties to the Program Agreement), and the Issuer will pay BNBI 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.

35. BNBI will not sell any Inventory Shares to the Issuer unless BNBI has purchased the equivalent number of Common Shares on Canadian Markets under the Program. The number of Common Shares that are purchased by BNBI on

Canadian Markets under the Program on a Trading Day will be equal to the Number of Common Shares for such Trading Day. BNBI will provide the Issuer with a daily written report of BNBI's purchases, which report will indicate, *inter alia*, the purchase price and settlement date for the sale by BNBI to the Issuer of the corresponding Inventory Shares, the aggregate number of Common Shares acquired under the Program, the Canadian Market on which such Common Shares were acquired, and the Modified Maximum Daily Limit.

36. During the Program Term, the Issuer will: (a) not purchase, directly or indirectly, any Common Shares (other than Inventory Shares purchased under the Program); (b) prohibit the Responsible Broker from acquiring any Common Shares on its behalf; and (c) prohibit the designated broker under the ASPP from acquiring any Common Shares on its behalf.

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

38. The Issuer will report its purchases of Common Shares under the Program to the TSX in accordance with the TSX NCIB 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.

39. The Issuer is of the view that: (a) it will be able to purchase Common Shares from BNBI 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 an appropriate use of the Issuer's funds.

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

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

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

43. At the time that the Issuer and the BMO Entities entered into the Program Agreement, neither the Issuer, nor any member of the Trading Products Group of BNBI, nor any personnel of either of the BMO 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, were aware of any "material change" or any "material fact" (each as defined in the Act) with respect to the Issuer or the Common Shares that had not been generally disclosed (the "**Undisclosed Information**").

44. Each of the BMO 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) has (i) ensured that its systems are capable of adhering to, and performing in accordance with, the requirements of the Program, the Program Agreement and this Order, and (ii) provided all necessary training and taken all necessary actions to ensure that the persons administering and executing the purchases under the Program are aware of, and understand the terms of, the Program Agreement and 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 BNBI 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 BNBI, and are:

(i) made in accordance with the NCIB Rules applicable to the Normal Course Issuer Bid, as modified by paragraph 30 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 NCIB 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 BMO 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, directly or indirectly, 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 Broker, and (iii) no Common Shares are acquired on behalf of the Issuer by the designated broker under the ASPP;

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

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

(f) at the time that the Filers and BMO entered into the Program Agreement:

(i) the Common Shares were "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 Trading Products Group of BNBI, or any personnel of either of the BMO 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, were aware of any Undisclosed Information;

(g) no purchase instructions in respect of the Program are given by the Issuer to BNBI at any time that the Issuer is aware of Undisclosed Information;

(h) no purchases of Common Shares under the Program will occur during a Blackout Period;

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

(j) in addition to reporting its purchases of Common Shares under the Program to the TSX in accordance with the TSX NCIB 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 10th day of April, 2017.

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

2.2.8 Dollarama Inc. and Bank of Montreal

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 – 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
DOLLARAMA INC. AND
BANK OF MONTREAL

ORDER
(Section 6.1 of National Instrument 62-104)

UPON the application (the "**Application**") of Dollarama Inc. (the "**Issuer**") and Bank of Montreal ("**BMO**", 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 237,000 (the "**Program Maximum**") of its common shares (the "**Common Shares**") from BMO pursuant to a share 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 to 4, inclusive, 9 to 20, inclusive, 22 to 29, inclusive, 34, 36, 38 to 40, inclusive, 42 and 43 as they relate to the Issuer;

AND UPON BMO and BMO Nesbitt Burns Inc. ("**BNBI**", and together with BMO, the "**BMO Entities**") having represented to the Commission the matters set out in paragraphs 5 to 8, inclusive, 19 to 22, inclusive, 24, 28, 30 to 35, inclusive, 37, 41, 43 and 44 as they relate to the BMO Entities;

1. The Issuer is a corporation governed by the Canada Business Corporations Act (the "**CBCA**").

2. The registered and head office of the Issuer is located at 5805 Royalmount Avenue, Montreal, Québec, Canada, H4P 0A1.

3. The Issuer is a reporting issuer in each of the provinces and territories of Canada and the Common Shares are listed for trading on the Toronto Stock Exchange (the "**TSX**") under the symbol "DOL". The Issuer is not in default of any requirement of the securities legislation in the jurisdictions in which it is a reporting issuer.

4. The authorized share capital of the Issuer consists of an unlimited number of Common Shares and an unlimited number of preferred shares issuable in series, of which 114,259,109 Common Shares and no preferred shares were issued and outstanding as of March 27, 2017.

5. BMO is a Schedule I bank governed by the *Bank Act* (Canada). BNBI is a corporation governed by the CBCA. The corporate headquarters of each of the BMO Entities are located in Toronto, Ontario. BNBI is registered as an investment dealer under the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick, Newfoundland and Labrador, Prince Edward Island, Yukon, the Northwest Territories and Nunavut. It is also registered as: (a) a futures commission merchant under the *Commodity Futures Act* (Ontario); (b) a derivatives dealer under the *Derivatives Act* (Québec); and (c) a dealer (futures commission merchant) under *The Commodity Futures Act* (Manitoba). BNBI 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.

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

7. BMO is the beneficial owner of 237,000 Common Shares, none of which were acquired by, or on behalf of, BMO in anticipation or contemplation of resale to the Issuer (such Common Shares over which BMO has beneficial ownership, the "**Inventory Shares**"). All of the Inventory Shares are held by BMO in the Province of Ontario. No Common Shares were purchased by, or on behalf of, BMO on or after February 21, 2017 being a date more than 30 days prior to the date of the Application, in anticipation or contemplation of a sale of Common Shares by BMO to the Issuer.

8. BMO is at arm's length to the Issuer and is not an "insider" of the Issuer, or an "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**"). BMO is an "accredited investor" within the meaning of National Instrument 45-106 *Prospectus Exemptions*.

9. On June 8, 2016, the Issuer announced the renewal of its normal course issuer bid (the "**Normal Course Issuer Bid**") to purchase for cancellation, during the 12-month period beginning on June 17, 2016 and ending on June 16, 2017, up to 5,975,854 issued and outstanding Common Shares, representing approximately 5.0% of the issued and outstanding Common Shares as of the date specified in the Notice of Intention to Make a Normal Course Issuer Bid (the "**Notice**"), which was submitted to, and accepted by, the TSX. The Notice specified that purchases made under the Normal Course Issuer Bid are to be conducted through the facilities of the TSX 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 NCIB Rules**") or a securities regulatory authority, including under automatic trading plans, and by private agreements under issuer bid exemption orders issued by securities regulatory authorities. On April 7, 2017, the TSX accepted an amendment to the Notice to specify that the Issuer may acquire Common Shares under share repurchase programs pursuant to issuer bid exemption orders issued by securities regulatory authorities.

10. The Normal Course Issuer Bid is being 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 is also being conducted in the normal course on published markets other than the TSX (such other published markets, collectively, 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 NCIB Rules, the Issuer has appointed RBC Dominion Securities Inc. as its designated broker in respect of the Normal Course Issuer Bid (the "**Responsible Broker**").

13. On June 8, 2016, the Issuer also announced the renewal of its automatic share purchase plan ("**ASPP**") 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 the Common Shares, including during regularly scheduled quarterly blackout periods and other internal blackout periods (each such time, a "**Blackout Period**"). The ASPP was pre-cleared by the TSX and complies with the TSX NCIB Rules and applicable securities laws. The ASPP will not be in effect during the Program Term.

14. To the best of the Issuer's knowledge, as of March 27, 2017, the "public float" for the Common Shares represented approximately 92% of all the issued and outstanding Common Shares for purposes of the TSX NCIB Rules. The Common Shares are "highly-liquid securities" within the meaning of 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**").

15. The Commission granted an order on December 23, 2016 pursuant to section 6.1 of NI 62-104 exempting the Issuer from the Issuer Bid Requirements in connection with proposed purchases by the Issuer of up to 150,000 Common Shares from The Bank of Nova Scotia pursuant to one or more private agreements (the "**BNS Order**"). The Issuer completed the purchase of 150,000 Common Shares under the BNS Order on January 4, 2017.

16. The Autorité des marchés financiers granted an order on December 28, 2016 pursuant to section 6.1 of NI 62-104 and section 263 of the *Securities Act* (Québec) exempting the Issuer from the Issuer Bid Requirements in connection with proposed purchases by the Issuer of up to 150,000 Common Shares from National Bank of Canada pursuant to one or more private agreements (the "**NBC Order**", and together with the BNS Order, the "**Off-Exchange Block Purchases**"). The Issuer completed the purchase of 150,000 Common Shares under the NBC Order on January 3, 2017.

17. The Commission granted an order on January 10, 2017 pursuant to section 6.1 of NI 62-104 exempting the Issuer from the Issuer Bid Requirements in connection with proposed purchases by the Issuer of up to 1,123,000 Common Shares from the Canadian Imperial Bank of Commerce (the "**CIBC Order**") pursuant to a share repurchase program. The Issuer completed the purchase of 1,120,040 Common Shares under the CIBC Order on March 13, 2017, and such program was terminated on that date.

18. As at the close of business on April 5, 2017, the Issuer had repurchased for cancellation a total of 5,080,162 Common Shares under the Normal Course Issuer Bid, including 300,000 Common Shares pursuant to Off-Exchange Block Purchases and 1,120,040 Common Shares pursuant to the CIBC Order.

19. Concurrently with the Application, the Issuer has filed an additional application with the Commission for exemptive relief from the Issuer Bid Requirements in connection with the proposed purchase by the Issuer of up to 658,000 Common Shares from BNBI pursuant to a share repurchase program (the "**BNBI Program**"). The BNBI Program will begin on or after April 13, 2017 and will terminate on the earlier of April 27, 2017 and the date on which the Issuer will have purchased 658,000 Common Shares from BNBI under the BNBI Program.

20. 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 BMO, and for BMO to sell to the Issuer, that number of Common Shares equal to the Program Maximum.

21. Pursuant to the terms of the Program Agreement (as defined below), BNBI has been retained by BMO 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.

22. The Program will be governed by, and conducted in accordance with, the terms and conditions of a Repurchase Program Agreement that was entered into on March 21, 2017 among the Filers and BNBI, as amended by an amended and restated Repurchase Program Agreement dated April 7, 2017 (the "**Program Agreement**"). A copy of the Program Agreement has been provided by the Filers to the Commission.

23. 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 a draft of the Press Release (as defined below); and (c) confirmed that it has no objection to the Issuer conducting the Program as part of the Normal Course Issuer Bid.

24. The Program will begin on the Trading Day (as defined below) following the completion or termination of the BNBI Program, and will terminate on the earlier of April 27, 2017 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 BMO Entities may unilaterally terminate the Program Agreement during the Program Term, except in the case of an event of default by a party thereunder.

25. 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**").

26. The Program Maximum, together with the maximum number of Common Shares that will be purchased pursuant to the BNBI Program, is less than the number of Common Shares remaining that the Issuer is entitled to acquire under the Normal Course Issuer Bid.

27. The Program Term will not include a Blackout Period. In the event that a Blackout Period should arise during the Program Term, purchasing under the Program will cease immediately and will not recommence until following the expiration of the Blackout Period.

28. During the Program Term, BNBI will purchase Common Shares on the applicable Trading Day (as defined below) in accordance with instructions received by BNBI 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 the Responsible Broker if the Issuer was conducting the Normal Course Issuer Bid in reliance on the Exemptions.

29. The Issuer will not give purchase instructions in respect of the Program to BNBI at any time that the Issuer is aware of Undisclosed Information (as defined below).

30. All Common Shares acquired for the purposes of the Program by BNBI 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 NCIB 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 BNBI on each Trading Day shall not exceed the maximum daily limit that is imposed upon the Normal Course Issuer Bid pursuant to the TSX NCIB 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 (being 185,000 Common Shares) 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 BNBI on any given Trading Day shall not exceed the maximum daily limit that is imposed on the Normal Course Issuer Bid pursuant to the TSX NCIB Rules (being 119,304 Common Shares); and

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

31. The aggregate number of Common Shares acquired by BNBI 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.

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

    (a) the maximum number of Common Shares established in the instructions received by BNBI from the Issuer prior to the opening of trading on such day;

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

    (c) the number of Common Shares actually acquired up to the time that trading on the TSX in respect of a Trading Day has been suspended or any other event occurs that would impair BNBI's ability to acquire Common Shares on Canadian Markets (a "**Market Disruption Event**"); and

    (d) the Modified Maximum Daily Limit.

33. The "**Discounted Price**" per Common Share will be equal to (i) the volume weighted average price of the Common Shares on the Canadian Markets on the Trading Day on which purchases were made for the period starting at 9:31 a.m. ending prior to 3:30 p.m. (Toronto time) (excluding blocks of 10,000 or more shares and any trade above the maximum price established in the instructions received by BNBI from the Issuer prior to the opening of trading on such day) less an agreed upon discount, or (ii) upon the occurrence of a Market Disruption Event, the volume weighted average price of the Common Shares on the TSX from 9:31 a.m. (Toronto time) up to the time the Market Disruption Event occurred (subject to the same exclusions) less an agreed upon discount.

34. BMO will deliver to the Issuer that number of Inventory Shares equal to the number of Common Shares purchased by BNBI on a Trading Day under the Program on the Trading Day immediately thereafter (or such other Trading Day as agreed to between the parties to the Program Agreement), and the Issuer will pay BMO 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.

35. BMO will not sell any Inventory Shares to the Issuer unless BNBI has purchased the equivalent number of Common Shares on Canadian Markets under the Program. The number of Common Shares that are purchased by BNBI on Canadian Markets under the Program on a Trading Day will be equal to the Number of Common Shares for such Trading Day. BNBI will provide the Issuer with a daily written report of BNBI's purchases, which report will indicate, *inter alia*, the purchase price and settlement date for the sale by BMO to the Issuer of the corresponding Inventory

Shares, the aggregate number of Common Shares acquired under the Program, the Canadian Market on which such Common Shares were acquired, and the Modified Maximum Daily Limit.

36. During the Program Term, the Issuer will: (a) not purchase, directly or indirectly, any Common Shares (other than Inventory Shares purchased under the Program); (b) prohibit the Responsible Broker from acquiring any Common Shares on its behalf; and (c) prohibit the designated broker under the ASPP from acquiring any Common Shares on its behalf.

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

38. The Issuer will report its purchases of Common Shares under the Program to the TSX in accordance with the TSX NCIB 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.

39. The Issuer is of the view that: (a) it will be able to purchase Common Shares from BMO 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 an appropriate use of the Issuer's funds.

40. The entering into of the Program Agreement has not adversely affected, and the purchase of Common Shares by BNBI in connection with the Program and the sale of Inventory Shares by BMO to the Issuer will not adversely affect, the Issuer or the rights of any of the Issuer's security holders and will not materially affect control of the Issuer.

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

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

43. At the time that the Issuer and the BMO Entities entered into the Program Agreement, neither the Issuer, nor any member of the Trading Products Group of BMO, nor any personnel of either of the BMO 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, were aware of any "material change" or any "material fact" (each as defined in the Act) with respect to the Issuer or the Common Shares that had not been generally disclosed (the "**Undisclosed Information**").

44. Each of the BMO 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) has (i) ensured that its systems are capable of adhering to, and performing in accordance with, the requirements of the Program, the Program Agreement and this Order, and (ii) provided all necessary training and taken all necessary actions to ensure that the persons administering and executing the purchases under the Program are aware of, and understand the terms of, the Program Agreement and 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 BMO 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 BNBI, and are:

    (i) made in accordance with the NCIB Rules applicable to the Normal Course Issuer Bid, as modified by paragraph 30 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 NCIB 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 BMO 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, directly or indirectly, 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 Broker, and (iii) no Common Shares are acquired on behalf of the Issuer by the designated broker under the ASPP;

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

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

(f) at the time that the Filers and BNBI entered into the Program Agreement:

(i) the Common Shares were "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 Trading Products Group of BMO, or any personnel of either of the BMO 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, were aware of any Undisclosed Information;

(g) no purchase instructions in respect of the Program are given by the Issuer to BNBI at any time that the Issuer is aware of Undisclosed Information;

(h) no purchases of Common Shares under the Program will occur during a Blackout Period;

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

(j) in addition to reporting its purchases of Common Shares under the Program to the TSX in accordance with the TSX NCIB 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 10th day of April, 2017.

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

2.3 Orders with Related Settlement Agreements

2.3.1 Sentry Investments Inc. and Sean Driscoll – ss. 127(1), 127.1

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

AND

IN THE MATTER OF
SENTRY INVESTMENTS INC. and
SEAN DRISCOLL

ORDER
(Subsections 127(1) and 127.1)

WHEREAS:

1. on March 31, 2017, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to subsections 127(1) and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act"), in connection with the allegations set out in the Statement of Allegations of Staff of the Commission ("Staff") dated March 31, 2017 (the "Statement of Allegations"), to consider whether it is in the public interest to make orders, as specified therein, against and in respect of Sentry Investments Inc. ("Sentry") and Sean Driscoll ("Driscoll") (collectively the "Respondents");

2. the Respondents and Staff have entered into a Settlement Agreement dated March 31, 2017 (the "Settlement Agreement");

3. prior to the Settlement Agreement, Sentry signed an undertaking on February 2nd, 2017 which is attached to this Order as Schedule "A" (the "Undertaking") in order to begin taking immediate corrective action in relation to certain compliance issues;

4. pursuant to the Undertaking, Sentry has entered into an agreement (the "Agreement") with a consultant (the "Consultant"), namely, PricewaterhouseCoopers LLP, that was approved by a Manager in the Compliance & Registrant Regulation Branch of the Commission (the "OSC Manager"), to examine, among other areas, Sentry's sales practice system, with a view to making recommendations to be included in a plan to be submitted to the OSC Manager no later than 90 days from the date of the Undertaking for review and approval by the OSC Manager (the "Plan");

5. Sentry Investments Corp. ("SIC") owns all of the voting shares of Sentry and all of the voting shares of SIC are owned by Petro Assets Inc., whose shares are owned by the Driscoll family;

6. the Respondents have represented to the Commission that Petro Assets Inc. has no direct involvement in the supervision or daily operations of Sentry or SIC;

7. the individual who controls the voting of all the shares of Petro Assets Inc. has signed an undertaking to the Commission that for so long as he exercises direct or indirect control over at least 51% of the voting shares of SIC, he shall ensure that a majority of the directors of SIC are independent of management of Sentry and not members of the Driscoll family;

8. Sentry has confirmed receipt of a reparation payment of $100,000 from Driscoll;

9. this Order may form the basis for parallel orders in other jurisdictions in Canada;

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

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

IT IS ORDERED THAT:

1. the Settlement Agreement is approved;

2. the Respondents are reprimanded, pursuant to paragraph 6 of subsection 127(1) of the Act;

3. Sentry shall

   a. continue to submit to a review of its practices and procedures in accordance with the terms set out in the Undertaking attached hereto as Schedule "A" and shall refrain from hosting a Mutual Fund Sponsored Conference, without approval of the Consultant that is reported to the OSC Manager, until the OSC Manager has communicated to Sentry that the OSC Manager is satisfied that the conclusions expressed in the Attestation Letter by the Consultant described in Schedule "A" are valid, pursuant to paragraph 4 of subsection 127(1) of the Act;

   b. pay an administrative penalty in the amount of $1,500,000 to the Commission, which amount shall be designated for allocation or for use by the Commission in accordance with subsections 3.4(2)(b)(i) or (ii) of the Act, pursuant to paragraph 9 of subsection 127(1) of the Act; and

   c. pay costs of the Commission's investigation in the amount of $150,000, pursuant to section 127.1 of the Act; and

4. Driscoll

   a. shall resign all positions that he holds as a director or officer of any investment fund manager ("IFM") or other registrant and as a director of any affiliate of Sentry, pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act;

   b. is prohibited from becoming or acting as a director or officer of SIC or of any IFM or other registrant or as a director of any affiliate of Sentry for a period of 2 years commencing on the date of the Commission's order approving this Settlement Agreement, pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the Act;

   c. is prohibited from becoming or acting as a UDP or CCO of any IFM or other registrant for a period of 5 years commencing on the date of the Commission's order approving this Settlement Agreement, pursuant to paragraphs 8.2 and 8.4 of subsection 127(1) of the Act;

   d. shall successfully complete the PDO Exam and Chief Compliance Officers Qualifying Exam referred to in section 3.1 of National Instrument 31-103 - *Registration Requirements, Exemptions and Ongoing Registrant Obligations* ("NI 31-103") as a condition of becoming an officer or director of SIC or of any IFM or other registrant and as a condition for future registration as a UDP; and

   e. shall successfully complete the PDO Exam and Chief Compliance Officers Qualifying Exam referred to in section 3.1 of NI 31-103 and the Osgoode Certificate in Regulatory Compliance and Legal Risk Management for Financial Institutions offered by Osgoode Professional Development as a condition for future registration as a CCO.

DATED at Toronto, this 5th day of April, 2017.

"Philip Anisman"

Schedule "A"

Undertaking

WHEREAS an investigation of conduct relating to Sentry Investment Inc.'s ("**Sentry**") mutual fund sales practices has been initiated by Staff of the Ontario Securities Commission (the "**Commission**") as a result of a compliance review by the Compliance and Registrant Regulation ("**CRR**") Branch and is not concluded;

AND WHEREAS a special committee composed of independent directors of the board of directors of Sentry Investments Corp. (the "**Special Committee**"), the direct shareholder of Sentry, has resolved, *inter alia*, to retain an independent compliance consultant ("**the Consultant**") to review and recommend improvements to certain aspects of Sentry's internal policies, procedures, practices and internal controls, and to require the Consultant to report its findings to the Commission;

AND WHEREAS Sentry supports and accepts the retention of the Consultant and seeks to take immediate corrective action in relation to certain compliance issues noted to date;

Sentry hereby undertakes that:

1. within 30 days of signing this Undertaking, Sentry will enter into an agreement (the "**Agreement**") with a Consultant that has been approved by a Manager in the CRR Branch of the Commission (the "**OSC Manager**");

2. the Agreement will provide that the Consultant will examine the areas set out in (i) and (ii) below, with a view to making recommendations to be included in a plan to be submitted to the OSC Manager no later than 90 days from the date of this Undertaking for review and approval by the OSC Manager (the "**Plan**"). In particular, the Consultant will examine:

    (i) Sentry's operations, internal controls, practices, policies and procedures relating to sales practices (the "**Sales Practice System**") to ensure that:

        a. the Sales Practice System fully complies with applicable law, including National Instrument 81-105 *Mutual Fund Sales Practices* ("**NI 81-105**")and section 11.1 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* ("**NI 31-103**");

        b. the Sales Practice System is tailored to the specific manner of business conducted by Sentry and is consistent with prudent business practices and best industry standards;

        c. Sentry's staff are required to report any misconduct or non-compliance in a timely manner and that there is an appropriate escalation process in place to ensure that Sentry's senior management, its board of directors and the board of directors of Sentry Investments Corp., can adequately oversee Sentry's activities in respect of the Sales Practice System;

        d. the Sales Practice System is designed to identify any non-compliance at an early stage and to allow for correction of the conduct in a timely manner; and

        e. all applicable Sentry staff are trained on business promotion matters (including Sentry's Ultimate Designated Person and members of Sentry's executive team) to ensure compliance with applicable laws related to the Sales Practice System, including NI 81-105;

    (ii) Sentry's operations, internal controls, practices, policies and procedures relating to the daily operation of Sentry's Investment Funds to ensure that Sentry's Transfer Agent, Fund Accounting, Trust Accounting, Portfolio Management and Independent Review Committee functions, fully comply with applicable laws, including section 11.1 of NI 31-103;

3. the Agreement will also provide that the Consultant will:

    (i) include in the Plan, a description of the review performed, the results of the review, and the Consultant's recommendations for any changes or improvements that the Consultant reasonably deems necessary to conform with 2 (i) to (ii) above;

(ii) assist Sentry in the implementation of the Plan including assisting Sentry and Sentry's counsel, in the preparation of policies, procedures and/or training materials, or in amending existing policies, procedures and/or training materials to ensure compliance with 2(i) and (ii) above;

(iii) submit written progress reports ("**Progress Report**") to the OSC Manager, every 90 days commencing 90 days after the approval of the Plan by the OSC Manager, detailing Sentry's progress with respect to the implementation of the Plan and stating whether the specific recommendations included in the Plan have been implemented and, if not, the expected date of completion and person(s) responsible for the implementation. The Consultant shall submit Progress Reports until the Plan has been fully implemented to the satisfaction of the OSC Manager;

(iv) submit, within 12 months of receiving confirmation from the OSC Manager that the Plan has been fully implemented (the "**Confirmation Date**"), a letter (the "**Attestation Letter**"), expressing his or her conclusions on whether the revised policies and procedures and internal controls set out in the Plan were working appropriately and adequately followed, administered and enforced by Sentry for the 9 month period commencing from the Confirmation Date;

(v) Include a report with the Attestation Letter which provides a description of the testing performed to support the conclusions contained in the Attestation Letter; and

(vi) submit such additional reports as may be requested by the OSC Manager for the purpose of satisfying the OSC Manager that the conclusions expressed in the Attestation Letter described above is valid.

4. the Plan and the Progress Reports will be reviewed and approved by the Special Committee and signed by a representative of the Special Committee as evidence of its review and approval;

5. Sentry shall provide the Consultant with reasonable access to all of Sentry's books and records necessary to complete the Consultant's mandate and will allow the Consultant to meet privately with Sentry's officers, directors and employees. Sentry shall require its officers, directors and employees to cooperate fully with the Consultant with respect to the Consultant's work and with respect to the implementation of the Plan or any of its specific recommendations; and

6. Sentry shall immediately submit to the Commission a direction giving consent for unrestricted access by Staff of the Commission to communicate with the Consultant regarding the Consultant's work and Sentry's progress with respect to the implementation of the Plan or any or its specific recommendations.

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

AND

IN THE MATTER OF
SENTRY INVESTMENTS INC. and
SEAN DRISCOLL

AND

IN THE MATTER OF
A SETTLEMENT AGREEMENT BETWEEN
STAFF OF THE ONTARIO SECURITIES COMMISSION

AND

SENTRY INVESTMENTS INC. and
SEAN DRISCOLL

SETTLEMENT AGREEMENT

PART I - INTRODUCTION

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

2. Investment fund managers ("IFMs") are prohibited from making a payment of money or providing a non-monetary benefit to a dealing representative ("DR") in connection with the distribution of securities, except in certain permitted circumstances under Parts 3 and 5 of National Instrument 81-105 *Mutual Fund Sales Practices* ("NI 81-105"). The Companion Policy to NI 81-105 provides that NI 81-105 was adopted in order to discourage sales practices and compensation arrangements that could be perceived as inducing dealers and their representatives to sell mutual fund securities on the basis of incentives they were receiving rather than on the basis of what was suitable for and in the best interests of their clients. The purpose of NI 81-105 is to provide a minimum standard of conduct to ensure that investor interests remain uppermost in the actions of mutual fund industry participants when they are distributing mutual fund securities and that conflicts of interest arising from sales practices and compensation arrangements are minimized.

3. Sentry is registered with the Commission as, among other things, an IFM. Sentry's investment fund products ("Sentry Products") are distributed to investors by DRs registered with third party dealers ("Participating Dealers").

4. As summarized below, between January 2011 and November 2016, in the case of Sentry, and between April 20, 2015 and September 12, 2016, in the case of Driscoll, Sentry and Driscoll failed to comply with NI 81-105 and failed to meet the minimum standards of conduct expected of industry participants in relation to certain sales practices. In addition, Sentry did not have adequate systems of controls and supervision in place around its sales practices to ensure compliance with NI 81-105 and Sentry did not maintain adequate books, records and other documents to demonstrate Sentry's compliance with NI 81-105.

5. In September 2015, Sentry held a mutual fund conference in Beverly Hills, California that did not comply with NI 81-105 (the "Sentry Conference"). Sentry provided excessive non-monetary benefits to DRs attending the Sentry Conference including hosting a party for DRs and their guests (collectively, the "Participants") at a mansion in Beverly Hills (the "BH Mansion Party") involving dinner, an open bar and various forms of entertainment at a cost to Sentry of over $1,000 USD per DR attending alone or over $2,000 USD per DR attending with a guest. DRs were also given gifts of Dom Perignon and Participants received jewellery from Tiffany & Co. ("Tiffany's"). Participants were also provided with the option of playing 18 holes of golf on the first day of the conference at Sentry's expense, and, on another day, with the choice of one of several afternoon activities including: a tour of a movie studio at Sentry's expense, a wine tasting tour at Sentry's expense or attending a free taping of a TV show. When the taping of the TV show was no longer available for the 12 DRs who arrived late for the event, a helicopter tour at Sentry's expense was substituted.

6. Since 2011, Sentry has failed to comply with NI 81-105 in relation to its annual spending on DRs on promotional gifts and business promotion activities ("Annual DR Spending") in a number of respects and has provided excessive annual non-monetary benefits to some DRs. In some limited instances, Sentry spent more than $4,000 per DR per year. Sentry has also provided excessive non-monetary benefits to DRs for one-time events such as concerts, hockey, baseball and basketball games, including playoff games and other sporting events. In several instances, the cost of these non-monetary benefits to Sentry exceeded $1,000 per DR per event. In addition, Sentry provided excessive non-monetary benefits in the form of purchasing tables for DRs at charity events. In 2012, Sentry paid $6,000 in relation to a charity event which was allocated entirely to a DR who, as set out in paragraph 7 below, also received tickets to an event at a cost to Sentry of over $12,000 in 2015 and over $15,000 in 2016. In addition, on occasion, Sentry provided excessive gifts to some DRs valued at over $200 including Christmas, birthday and baby gifts.

7. In each of 2015 and 2016, in response to requests by a DR to source Montreal Grand Prix Formula 1 race tickets (the "Montreal F1 Tickets"), Driscoll, Sentry's former Ultimate Designed Person ("UDP"), gifted the Montreal F1 Tickets to the DR at a cost of $12,495.29 in 2015 (the "2015 Montreal F1 Tickets") and $15,935.38 in 2016 (the "2016 Montreal F1 Tickets"). The DR in question was considered by Sentry to be one of its top ranking DRs based on the amount of Sentry assets held by the DR's clients. A Sentry representative did not attend these events with the DR.

8. In April 2015, Driscoll charged the cost of the 2015 Montreal F1 Tickets to Sentry. In April 2016, Driscoll personally paid for the 2016 Montreal F1 Tickets and then obtained a reimbursement from Sentry at a time when he was aware that staff of the Compliance and Registrant Regulation Branch ("CRR Staff") of the Commission was inquiring into Sentry's spending on DRs. In July 2016, after Driscoll became aware that the CRR review had been referred to the Enforcement Branch of the Commission (the "Enforcement Branch"), Driscoll reimbursed Sentry for the cost of the 2016 Montreal F1 Tickets. On September 9, 2016, staff of the Enforcement Branch ("Staff") served Sentry with a summons requiring it to provide details of its spending in 2015 on certain DRs including the DR who received the 2015 Montreal F1 Tickets. Two days later, Driscoll sought and obtained a reimbursement of $28,000 from the DR on account of the 2015 and 2016 Montreal F1 Tickets and shortly thereafter, he reported his conduct to Sentry's executive team and Sentry's board of directors. Driscoll's discussions with the former CCO of Sentry concerning the proposed purchase and reimbursement of the cost of the 2016 Montreal F1 Tickets are described in paragraph 82 below.

9. On September 15, 2016, Driscoll advised the board of directors of Sentry Investment Corp. ("SIC"), Sentry's parent company, about the purchase of the Montreal F1 Tickets, whereupon SIC, with the support of Sentry's board of directors, created a special committee comprised of the independent directors of SIC (the "Special Committee") to investigate the Montreal F1 Tickets and the Sentry Conference. The Special Committee promptly provided its detailed findings to Staff. In November 2016, Sentry, with the support of Driscoll, began taking corrective action including in response to the findings and recommendations of the Special Committee.

10. On October 24, 2016, Driscoll advised the Special Committee of his desire to resign as Chief Executive Officer ("CEO") and UDP of Sentry, with his resignation to take effect on a date to be determined in conjunction with the Special Committee. Thereafter, Driscoll's resignation was accepted and, on December 22, 2016, a new UDP was registered with the Commission.

PART II – JOINT SETTLEMENT RECOMMENDATION

11. Staff agree to recommend settlement of the proceeding commenced by the Notice of Hearing dated March 31, 2017 (the "Proceeding") against the Respondents according to the terms and conditions set out in Part VI of this Settlement Agreement (the "Settlement Agreement"). The Respondents agree to the making of an order in the form attached as Schedule "B" (the "Order"), based on the facts set out below.

12. For the purposes of this Proceeding, and any other regulatory proceeding commenced by a securities regulatory authority, the Respondents agree with the facts as set out in Parts III and IV and the conclusions set out in Part V of this Settlement Agreement.

PART III – AGREED FACTS

A. The Respondents

13. Through predecessor entities, Sentry has been a mutual fund manager since 1997. Sentry was incorporated on May 5, 2008 under Sentry Select Capital Inc., which name was changed to Sentry Investments Inc. on May 27, 2011. Since December 8, 2008, Sentry has been registered with the Commission as a Mutual Fund Dealer, Portfolio Manager and Commodity Trading Manager. Sentry has been registered as an IFM since December 17, 2010 and as an Exempt Market Dealer since April 19, 2013.

14. Driscoll was registered as Sentry's UDP from January 29, 2013 to December 22, 2016. The relevant period for the conduct referred to below is January 2011 to November 2016. Driscoll was Sentry's UDP for only part of that period.

B. The Legislative Framework

15. Subsection 2.1(1) of NI 81-105 states, among other things, that no member of the organization of a mutual fund shall, in connection with the distribution of securities of the mutual fund:

    a. make a payment of money to a Participating Dealer or a DR;

    b. provide a non-monetary benefit to a Participating Dealer or a DR; or

    c. pay for or make reimbursement of a cost or expense incurred or to be incurred by a Participating Dealer or DR.

16. Pursuant to section 1.1 of NI 81-105, a "member of the organization" referred to in subsection 2.1(1) includes an IFM (the "Member").

17. Subsection 2.1(2) of NI 81-105 provides the following exceptions to subsection 2.1(1) and allows a Member to:

    a. make a payment of money or provide a non-monetary benefit to a Participating Dealer, or pay for or make reimbursement of a cost or expense incurred or to be incurred by a Participating Dealer or DR, if permitted by Part 3 or 5 of NI 81-105; and

    b. provide a non-monetary benefit to a DR, if permitted by Part 5 of NI 81-105.

18. Part 5 of NI 81-105 deals with "Marketing and Educational Practices" and section 5.2 allows a Member to provide a non-monetary benefit to a DR by allowing the DR to attend a conference organized and presented by the Member (a "Mutual Fund Sponsored Conference") provided that:

    a. The primary purpose of the conference is the provision of educational information about financial planning, investing in securities, mutual fund industry matters, the mutual fund, the mutual fund family of which the mutual fund is a member or mutual funds generally ("Permitted Topics");

    b. The selection of the DRs to attend the conference is made exclusively by the Participating Dealer, uninfluenced by any Member;

    c. The conference is held in Canada, the US or in the location where the portfolio adviser of the mutual fund carries on business (provided certain conditions are met);

    d. No Member pays any travel, accommodation or personal incidental expenses associated with the attendance of the DR at the conference; and

    e. The costs relating to the organization and presentation of the conference are reasonable having regard to the purpose of the conference.

19. In addition, section 5.6 of NI 81-105 allows a Member to provide DRs with non-monetary benefits of a promotional nature and of minimal value, and to engage in business promotion activities that result in a DR receiving a non-monetary benefit if, among other things, the provision of the benefits and activities is neither so extensive nor so frequent as to cause a reasonable person to question whether the provision of the benefits or activities improperly influence the investment advice given by the DR to his or her clients.

C. The Sentry Conference

20. The Sentry Conference was held in Beverly Hills, California at the Beverly Wilshire Hotel from September 27, 2015 to September 30, 2015. This was the first Mutual Fund Sponsored Conference that Sentry had hosted. The provision of education on Permitted Topics was part of the program for the Sentry Conference.

21. The Sentry Conference did not comply with section 5.2 of NI 81-105 in the following respects:

    a. The primary purpose of the Sentry Conference was not the provision of Permitted Topics contrary to subsection 5.2(a) of NI 81-105;

b. Sentry, rather than the Participating Dealers, selected the DRs to attend the Sentry Conference contrary to subsection 5.2(b) of NI 81-105;

c. The costs relating to the organization and presentation of the Sentry Conference were not reasonable having regard to the purpose of the Sentry Conference contrary to subsection 5.2(e) of NI 81-105; and

d. Sentry paid for some of the DRs' travel, accommodation, and personal incidental expenses associated with the DRs' attendance at the Sentry Conference contrary to subsection 5.2(d) of NI 81-105.

(i) Primary purpose of the Sentry Conference

22. The Sentry Conference was referred to by Sentry as its "due diligence" conference. However, the primary purpose of the Sentry Conference was not the provision of Permitted Topics as an insufficient amount of time was spent on the provision of Permitted Topics compared to the time spent on non-permitted topics and recreational activities. In particular during the period Sunday, September 27, 2015 to Wednesday, September 30, 2015:

a. Participants were invited to play and some played a round of 18 holes of golf between 8:15 am and 3 pm on the Sunday followed by a reception that evening from 5:30 pm to 9:30 pm;

b. educational activities, including Permitted Topics sessions, were offered from 8:15 am to 3:30 pm on the Monday (excluding 1 hour and 30 minutes for lunch and breaks) and from 8:40 am to 11:45 am on the Tuesday (excluding a 15 minute break);

c. dinner and recreational activities were offered on the Monday evening commencing at 6:45 pm and, on the Tuesday afternoon, commencing at 12:45 pm for the afternoon activities and 6:30 pm for the evening activities; and

d. the only event taking place on the Wednesday prior to the Participants' departure was a breakfast at the hotel.

23. Sentry did not comply with subsection 5.2(a) of NI 81-105 since the time spent on dinners and recreational activities exceeded the time spent on Permitted Topics and therefore the primary purpose test was not met. As a result, the provision of non-monetary benefits by Sentry to DRs at the Sentry Conference breached section 2.1 of NI 81-105.

(ii) Sentry selected the DRs who attended the Sentry Conference

24. In advance of the Sentry Conference, Sentry contacted Participating Dealers to notify them of Sentry's intention to hold the Sentry Conference and to advise them of Sentry's intention to extend invitations directly to the Participating Dealers' DRs unless an objection was raised by a certain date.

25. When no objection was raised, Sentry proceeded to extend invitations directly to DRs. However, Sentry did not extend invitations to all of the Participating Dealers' DRs. Rather, Sentry selected and invited DRs based on Sentry's top 1000 list of DRs (based on the amount of Sentry assets held by the DR's clients) and/or Sentry's view of the selling potential of the DR.

26. Sentry did not comply with subsection 5.2(b) of NI 81-105 as Sentry influenced the selection of DRs to attend the Sentry Conference. As a result, the provision of non-monetary benefits by Sentry to DRs at the Sentry Conference breached section 2.1 of NI 81-105.

(iii) The costs relating to the organization of the Sentry Conference were not reasonable

27. Sentry originally planned to have approximately 465 attendees at the Sentry Conference, comprised of 250 DRs, 175 guests of DRs and 40 Sentry representatives. After completion of the registration period, Sentry anticipated a total of 322 attendees comprised of 282 Participants (159 DRs and 123 guests of DRs) and 40 Sentry representatives. However, shortly before the commencement of the Sentry Conference, approximately 75 DRs and/or their guests cancelled, resulting in a total of only approximately 247 actual attendees who attended the Sentry Conference comprised of 116 DRs, 91 guests of DRs and 40 Sentry staff.

28. The Sentry Conference ultimately cost Sentry approximately $2 million in total. Although some of these costs were attributable to invoices that were based on a guaranteed minimum number of attendees and a less favourable Canada-US exchange rate, a significant amount of the total cost related to the provision of excessive per person non-monetary benefits based on calculations accounting for the higher anticipated number of attendees of 322 rather than the actual number of attendees of 247.

29. Sentry's compliance department ("Sentry Compliance") approved a budget for the Sentry Conference based on approximately 465 attendees (the "Budget") that allowed for, among other expenditures, combined costs for dinner and entertainment of approximately $600 USD per attendee per evening. These approved figures were unreasonably high on a per DR basis.

30. In addition, Sentry Compliance did not ensure that all of the proposed spending on non-monetary benefits per DR included in the Budget were, on an individual and on an aggregate basis, reasonable having regard to the purpose of the conference.

31. As costs began to escalate beyond the amounts contained in the Budget, the Sentry employee responsible for organizing the event did not seek approval from Sentry Compliance regarding the higher costs in order to ensure compliance with Part 5 of NI 81-105.

(a) Dinners and Evening Entertainment

32. As set out below, the actual non-monetary benefits provided to DRs for dinners and evening entertainment were, in fact, much higher than the approximate $600 USD per attendee per evening set out in the Budget.

33. The BH Mansion Party that was held on the Monday evening included dinner, open bars, a cigar bar, a 10 piece 1920s band, a pianist, flapper dancers, fortune tellers, a lip reader, a handwriting analyst and a photographer. The total cost of the BH Mansion Party was approximately $335,166 USD. This resulted in a total non-monetary benefit of at least $1,041 USD per DR attending alone or $2,082 USD per DR attending with a guest, based on the 322 anticipated attendees.

34. The combined Tuesday evening events resulted in an approximate non-monetary benefit of at least $906 USD per DR attending alone and $1,812 USD per DR attending with a guest as set out below:

    a. on the evening of Tuesday, September 29, 2015, Participants could choose from a list of popular Beverly Hills restaurants for dinner paid for by Sentry. The total cost of the Tuesday dinners was approximately $107,394.11 USD and was based on the actual number of attendees of approximately 247 resulting in an approximate non-monetary benefit of $434 USD per DR attending alone and $868 USD per DR attending with a guest; and

    b. after dinner, Participants attended a block party at Two Rodeo Drive (the "Rodeo Drive Party") paid for by Sentry which consisted of transforming an outdoor shopping area into a Parisian themed sitting and standing area with dessert stations, a specialty coffee cart, an open bar, DJ and casino games. The total cost of the Rodeo Drive Party to Sentry was approximately $151,960 USD. This resulted in a total non-monetary benefit of at least $472 USD per DR attending alone and $944 USD per DR attending with a guest, based on the 322 anticipated attendees.

(b) Other Recreational Activities

35. The Sentry Conference began with an optional 18 holes of golf on Sunday, September 27, 2015 at a cost to Sentry of $36,984.67 USD. This resulted in an approximate non-monetary benefit of at least $308 USD per DR attending alone and $616 USD per DR attending with a guest based on 120 anticipated players.

36. On the evening of Sunday, September 27, 2015, Sentry held a reception at the Beverly Wilshire Hotel at a cost to Sentry of $109,333.24 USD. This resulted in an approximate non-monetary benefit of at least $340 USD per DR attending alone and $680 USD per DR attending with a guest, based on the 322 anticipated attendees.

37. For those who attended both Sunday events, this resulted in the provision of an approximate non-monetary benefit of $648 USD per DR attending alone or $1,296 USD per DR attending with a guest.

38. On the afternoon of Tuesday, September 29, 2015, Participants could choose from one of several events, including :

    a. a wine tasting event which cost Sentry $31,541.09 USD based on 98 anticipated attendees resulting in an approximate non-monetary benefit of at least $322 USD per DR attending alone and $644 USD per DR attending with a guest;

    b. a Universal Studios VIP Tour which cost Sentry $249 USD per person resulting in a non-monetary benefit of $249 USD per DR attending alone and $498 USD per DR attending with a guest; or

    c. attending a taping of a television show. There was no cost to Sentry for this event.

39. Approximately 2 Sentry representatives and 12 Participants were shuttled to the studio for the taping of the television show, but were refused entry as a result of their late arrival. At the last minute, without notifying Sentry Compliance or the Sentry executives in attendance at the Sentry Conference, the Sentry employee responsible for organizing the event arranged for a replacement activity for those Participants consisting of a helicopter tour at a cost to Sentry of $20,000 USD. This resulted in a non-monetary benefit of approximately $1,428 USD per DR attending alone and $2,856 USD per DR attending with a guest.

(c) Gifts

40. Sentry provided the following gifts to Participants (prior to and during the Sentry Conference):

    a. in advance of the Sentry Conference, a bottle of Dom Perignon champagne was delivered to each DR scheduled to attend the conference, at a cost to Sentry of $219.95 per DR (excluding delivery costs); and

    b. during the Sentry Conference, gifts were delivered to rooms of Participants consisting of:

        i. necklaces from Tiffany's ($216.75/necklace) or earrings from Tiffany's ($246.50/set of earrings) for the female Participants; and

        ii. engraved sterling silver cufflinks ($210/set of cufflinks) for the male Participants.

41. The provision of these gifts did not comply with section 5.6 of NI 81-105 as they were not of minimal value and were not promotional in nature.

(d) Reasonableness of meals, entertainment, recreational activities and gifts

42. In addition, the meals, evening entertainment, recreational activities and gifts referred to above, which were provided to DRs at the Sentry Conference did not comply with subsection 5.2(e) of NI 81-105 as they were, individually and collectively, not reasonable having regard to the purpose of the Sentry Conference. As a result, the provision of these non-monetary benefits by Sentry to DRs at the Sentry Conference was in breach of section 2.1 of NI 81-105.

(iv) Sentry paid for some of the DRs' travel and accommodation costs

43. During the Sentry Conference, Sentry provided transportation to DRs and their guests to and from afternoon and evening activities. The total transportation cost incurred by Sentry on account of Participants was approximately $27,000 USD.

44. Sentry charged a $75 registration fee per Participant to reimburse Sentry for its transportation costs incurred on behalf of DRs and their guests. However, Sentry collected the registration fee from less than one third of the Participants resulting in Sentry collecting only $6,700 from DRs as reimbursement for its transportation costs. Even if Sentry would have collected the registration fee from all 282 anticipated Participants, the total collected would have amounted to only $21,150 (compared to the $27,000 USD referred to above).

45. Sentry indirectly paid for some DR's accommodation costs by negotiating a discounted rate for a block of rooms to be occupied by DRs and most of the Sentry representatives in exchange for Sentry agreeing to take more expensive suites for certain of its executives. In addition, without consulting Sentry Compliance, the Sentry employee responsible for organizing the Sentry Conference personally paid a total of $3,929.72 USD for five room upgrades and room charges for certain DRs.

46. Sentry did not comply with subsection 5.2(d) of NI 81-105 because Sentry paid for some travel and accommodation expenses associated with the DRs' attendance at the Sentry Conference. As a result, the provision of non-monetary benefits by Sentry to DRs at the Sentry Conference was in breach of section 2.1 of NI 81-105.

(v) Provision of other benefits at the Sentry Conference not permitted under NI 81-105

(a) Provision of Guest Activities

47. Sentry also provided activities to guests of DRs while the DRs were participating in the educational sessions at the Sentry Conference. In particular, in the afternoon of Monday, September 28, 2015, Sentry hosted a 1920s Makeover Event at the Beverly Wilshire Hotel's Royal Suite for the guests of DRs (the "1920s Makeover Event"). As part of the 1920s Makeover Event, guests were provided with rented costumes, a bottle of custom perfume, hair styling and make-up application and the services of a photographer, all paid for by Sentry. The cost to Sentry of this event was

approximately $38,345 USD based on a minimum of 65 attendees resulting in a non-monetary benefit of approximately $590 USD per DR.

48. Part 5 of NI 81-105 permits the provision of certain non-monetary benefits from an IFM to a DR, not from an IFM to a guest of a DR. Sentry's provision of these non-monetary benefits to guests of DRs in the absence of the presence of a DR were in breach of section 2.1 of NI 81-105.

(b) Provision of Monetary Benefits

49. During the Sentry Conference, Sentry provided $500 USD gift certificates to three DRs (and/or their guests) as casino prizes.

50. The provision of gift certificates constitute the provision of monetary benefits which is contrary to Part 5 of NI 81-105 as only the provision of non-monetary benefits to DRs is permitted under that part. Part 3 of NI 81-105 deals with the provision of permitted monetary benefits to DRs. However, gift certificates are not allowable under this part of NI 81-105. As a result, Sentry provided these monetary benefits to DRs in breach of section 2.1 of NI 81-105.

D. Sentry's Annual DR Spending

51. During the period January 2011 to January 19, 2015, Sentry's written sales practices policy provided excessive Annual DR Spending limits comprised of the following annual limits:

    a. a $4,000 limit for tickets for entertainment events such as concerts, sporting events and theatre (with a $500 maximum amount per item limit);

    b. a $2,000 limit for recreational and leisure events such as golf, skiing and racing lessons (with a $300 maximum amount per item limit); and

    c. a $4,000 limit for prizes at charity events/auctions and dealer events or for branch gifts or other non-monetary benefits (with a maximum amount of $500 per item limit).

52. In practice, Sentry's Sales Department sought to manage the above expenditures to a total annual limit of $4,000 per DR, which annual limit was excessive.

53. Although actual Annual DR Spending did not ever reach the $10,000 combined limit set out in Sentry's written sales practice policy,

    a. there were numerous instances when Sentry spent excessive amounts annually on DRs including, in some limited instances, more than $4,000 per DR per year;

    b. Sentry provided DRs with a number of excessive non-monetary benefits for one-time events which, in many cases, exceeded Sentry's own maximum amount per item limit; and

    c. In other cases, Sentry's spending on one-time events adhered to Sentry's maximum amount per item limit but was still contrary to subsection 5.6 of NI 81-105 because of the cost and/or nature of the expense.

54. On January 19, 2015, Sentry reduced its total Annual DR Spending limit to $2,500. At the same time, Sentry communicated its expectation to its employees that no more than $500 per quarter should be spent on any individual DR in order to encourage adherence to the $2,500 Annual DR Spending limit. However, from January 2015 to September 30, 2016:

    a. there were numerous instances when Sentry's actual Annual DR Spending on individual DRs exceeded the $500 per quarter guideline; and

    b. there were no limits placed on Sentry's spending on DRs for one-time events resulting in Sentry's continued provision of excessive non-monetary benefits to DRs for one-time events.

55. Examples of excessive spending by Sentry on DRs for one-time events during the period January 2011 to September 30, 2016 (in addition to the Montreal F1 Tickets) included spending on expensive tickets to major performance events, hockey and play-off events and other sporting events. Sentry provided excessive non-monetary benefits to DRs for one-time events that in several instances exceeded $1,000. For example, tickets to Selena Gomez and One Direction costing Sentry over $1,000 per DR per event, hockey tickets for $2,184 and football tickets for $1,359.98.

56. In addition, Sentry provided excessive non-monetary benefits in the form of purchasing tables for DRs at charity events as follows:

    a. In 2012, Sentry paid $6,000 in relation to tables purchased for a charity event. This amount was entirely allocated to one DR, the same DR who, in 2015 and 2016, received the Montreal F1 Tickets. There were no Sentry representatives in attendance at this charity event; and

    b. In 2015, Sentry paid $4,000 in relation to a table purchased for a charity event, for which 8 out of 10 seats were entirely allocated to one DR. A Sentry representative attended this event.

57. In addition, since 2011, Sentry has, on occasion, provided excessive gifts to some DRs valued at over $200 including Christmas, birthday and baby gifts and has provided gift certificates to DRs in breach of section 2.1 of NI 81-105.

58. Since January 25, 2015, Sentry's sales practice policy has required that an employee of Sentry be in attendance for the duration of a business promotional activity. This requirement is designed to ensure that the activity qualifies as a business promotional activity.

59. However, on occasion, during the period January 25, 2015 to September 30, 2016, Sentry provided some DRs with tickets to sporting and theatre events without sending a Sentry employee to attend the event with the DR.

60. As a result of all of the above, during the period January 2011 to September 30, 2016, Sentry provided non-monetary benefits to DRs that did not comply with section 5.6 of NI 81-105 resulting in Sentry providing non-monetary benefits to DRs in breach of section 2.1 of NI 81-105.

E. Lack of Controls around Sentry's Sales Practices

61. During the period January 2011 to October 2016, Sentry failed to put in place an adequate record keeping system and adequate controls including procedures for tracking and reporting the individual and aggregate Annual DR Spending by all employees of Sentry (the "DR Spending Records System"). In particular, during this period, Sentry failed to:

    a. include in its DR Spending Records System,

        i. non-monetary benefits provided to DRs by Sentry's executive team, including the Montreal F1 Tickets;

        ii. the purchasing of tables at charitable events by Sentry to which DRs (and their guests) were invited to attend as Sentry guests; and

        iii. some gifts provided to DRs;

    b. adequately train and supervise its employees on its DR Spending Records System;

    c. adequately train the Sentry employees who were providing non-monetary benefits to DRs on the requirements of NI 81-105;

    d. adequately supervise the employees providing non-monetary benefits to DRs; and

    e. carry out adequate testing of its DR Spending Records System resulting in Sentry's excessive Annual DR Spending continuing undetected over a long period of time.

62. During the period January, 2015 to September 30, 2015, Sentry failed to impose appropriate systems of controls and supervision to ensure that the Sentry Conference complied with Part 5 of NI 81-105 including failing to:

    a. establish internal parameters prior to the Sentry Conference to assist Sentry in determining the reasonableness of the proposed non-monetary benefits, on an individual and aggregate basis;

    b. establish a process requiring the involvement of Sentry Compliance at each stage of the organization of the Sentry Conference, including the development, approval and execution of the Budget;

    c. track all non-monetary benefits provided to DRs (including non-monetary benefits provided to guests of DRs) at the Sentry Conference, including the recording of:

i. the names of DRs and guests who attended dinners, evening activities and recreational activities at the Sentry Conference; and

ii. the names of DRs and guests who received other non-monetary benefits during the Sentry Conference; and

d. reconcile actual spending of non-monetary benefits provided to DRs at the Sentry Conference with those contemplated by the Budget.

63. As a result of the above, during the period January 2011 to October 2016, Sentry failed to establish and maintain adequate systems of controls and supervision around its sales practices to ensure compliance with section 2.1 and Part 5 of NI 81-105 in breach of section 32(2) of the Act and section 11.1 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* ("NI 31-103").

F. Failure to maintain adequate Books and Records in relation to Sentry's Sales Practices

64. During the period January 2011 to October 2016, Sentry failed to maintain adequate books and records in relation to its sales practices as follows:

a. As referred to above, Sentry did not keep track of the names of DRs and their guests attending each event at the Sentry Conference or the names of DRs and their guests who received other non-monetary benefits at the conference;

b. Sentry did not keep track of the names of DRs and their guests when Sentry purchased a table for charitable events and invited DRs (and their guests) as Sentry's guests; and

c. Sentry did not always track the gifts that it provided to DRs.

65. As a result, during the period January 2011 to October 2016, Sentry was not able to accurately track the non-monetary benefits it provided to DRs.

66. During the period January 2011 to October 2016, Sentry failed to maintain adequate books, records and other documents as were reasonably required to demonstrate Sentry's compliance with Part 5 of NI 81-105 and was therefore in breach of paragraph 3 of subsection 19(1) of the Act.

G. Other conduct contrary to the public interest regarding Sentry's Books and Records

67. In at least two instances in 2015, Sentry staff recorded the presence of a Sentry employee at one-time events paid for by Sentry for the benefit of a DR when, in fact, a Sentry employee did not attend the event.

68. In addition, following the Sentry Conference, in or about November 2015, unbeknownst to Sentry's executives, the Sentry employee responsible for organizing the Sentry Conference attempted to conceal Sentry's non-compliance with NI 81-105 by:

a. mischaracterizing the three $500 gift certificates referred to above as ten $150 gift certificates on Sentry's internal records;

b. seeking revised invoices from two third party service providers in order to conceal some of the non-monetary benefits provided to DRs on account of dinners, evening entertainment and accommodation; and

c. paying for some DR accommodation costs personally.

69. The conduct referred to above was contrary to the public interest and contrary to Sentry's obligation under paragraph 1 of subsection 19(1) of the Act to maintain adequate books and records for the proper recording of its business transactions and financial affairs.

H. The Montreal F1 Tickets

70. In 2015 and 2016, Sentry's sales practice policies stated that Sentry could not pay for or reimburse the costs associated with business promotional activities for investors or clients of DRs. This requirement is consistent with NI 81-105 as the only circumstance contemplated by NI 81-105 in which an IFM may provide a benefit to clients of a DR is in the context of Cooperative Marketing Practices pursuant to section 5.1 of NI 81-105. That section allows an IFM to pay some of the costs associated with an event hosted by a DR provided that the event meets certain requirements,

including that the primary purpose of the event is to promote or provide educational information concerning the mutual fund, the mutual fund family of which the mutual fund is a member or mutual funds generally. An event that does not meet the primary purpose test would be considered a client appreciation event which is not eligible for IFM support under section 5.1 of NI 81-105. As such, section 5.1, does not permit an IFM to provide a DR with compensation or reimbursement for costs associated with client appreciation events.

71. In April 2015, a DR requested Driscoll's assistance in sourcing Montreal F1 Tickets. On April 20, 2015, Driscoll authorized the purchase by Sentry of two Montreal F1 Tickets for that DR in the amount of $12,495.29. This amount was well above Sentry's Annual DR Spending limit of $2,500. In addition, the expenditure did not qualify as a promotional activity under Sentry's sales practice policies as a Sentry representative did not attend this event with the DR. The event took place in Montreal during the weekend of June 5, 2015. By June 8, 2015, Driscoll was aware that the DR had taken a client to the event.

72. Driscoll did not report his non-compliance with Sentry's sales practice policy to Sentry's Chief Compliance Officer ("CCO") or to Sentry's board of directors at that time.

73. On or about December 10, 2015, CRR Staff wrote to Sentry about the Sentry Conference and sought documents from Sentry. By February 2016, Driscoll was aware that CRR Staff had also sought and obtained records from Sentry regarding Sentry's Annual DR Spending in 2015.

74. The purchase of the Montreal F1 Tickets in 2015 did not appear in the Sentry records provided to CRR Staff since, as mentioned above, Sentry's DR Spending Records System did not capture these types of non-monetary benefits at that time.

75. In April 2016, the same DR referred to above again requested Driscoll's assistance in sourcing Montreal F1 Tickets. On April 6, 2016, Driscoll purchased four Montreal F1 Tickets for the same DR referred to above in the amount of $15,935.38, which amount was well above Sentry's Annual DR Spending limit of $2,500. Driscoll paid for the tickets personally and then sought a reimbursement from Sentry. A Sentry representative did not attend this event with the DR.

76. The DR in question was considered by Sentry as one of its top ranking DRs based on the amount of Sentry assets held by the DR's clients.

77. On July 4, 2016, CRR Staff advised Sentry that it had concerns with Sentry's compliance with Part 5 of NI 81-105 in relation to the Sentry Conference and advised Sentry that the matter had been referred to the Enforcement Branch.

78. On July 20, 2016, Driscoll reimbursed Sentry in the amount of $15,935.38 for the 2016 Montreal F1 Tickets.

79. On September 9, 2016, Staff served Sentry with a summons requiring it to provide details of its spending in 2015 on certain DRs including the DR who received the Montreal F1 Tickets. Two days later, Driscoll contacted the DR who received the Montreal F1 Tickets and sought and obtained a reimbursement of $28,000 from the DR on account of the 2015 and 2016 Montreal F1 Tickets.

80. On September 12, 2016, Driscoll informed Sentry's senior executives and external legal counsel and, on September 15, 2016, Driscoll informed Sentry and SIC's boards of directors about the 2015 and 2016 Montreal F1 Tickets and the steps he had taken to date to obtain a reimbursement from the DR for the cost of the tickets.

81. Upon completion of the investigation by the Special Committee, Driscoll reimbursed Sentry for the 2015 Montreal F1 Tickets, having already reimbursed Sentry for the 2016 Montreal F1 Tickets on July 20, 2016.

82. Jasmin Jabri ("Jabri") was registered with the Commission as Sentry's CCO in 2016, reporting directly to Driscoll. In or about the end of March 2016, there were discussions between Driscoll and Jabri regarding the proposed purchase of the 2016 Montreal F1 Tickets for the DR. On or about April 6, 2016, Jabri was aware that Driscoll had, in fact, purchased the 2016 Montreal F1 Tickets for the DR. Neither Driscoll nor Jabri took steps to escalate or rectify the matter at that time. In July 2016, Driscoll subsequently discussed with Jabri his proposed reimbursement to Sentry for the cost of the 2016 Montreal F1 Tickets. Neither Driscoll nor Jabri took steps to escalate the matter at that time.

83. Jabri voluntarily resigned as the CCO of Sentry effective December 31, 2016. Jabri agreed to provide and has provided Staff with a signed undertaking to: (a) successfully complete the Osgoode Certificate in Regulatory Compliance and Legal Risk Management for Financial Institutions offered by Osgoode Professional Development before reapplying for registration as a CCO of any registrant; and (b) not to reapply for registration as a CCO of any registrant before January 1, 2018.

I. Driscoll's failure to meet his obligations as the UDP of Sentry

84. Driscoll was the CEO and UDP of Sentry from January 29, 2013 until December 22, 2016. As such, pursuant to section 5.1 of NI 31-103, Driscoll was required to:

a) supervise the activities of Sentry that were directed towards ensuring compliance with securities legislation by Sentry and the individuals acting on Sentry's behalf; and

b) promote compliance by Sentry and individuals acting on Sentry's behalf with securities legislation.

85. In 2015 and 2016, Driscoll did not comply with Sentry's own Annual DR Spending limit and Sentry's sales practices policy when he gifted the Montreal F1 Tickets to a DR. These gifts were excessive and did not constitute a non-monetary benefit of a promotional nature and of minimal value pursuant to section 5.6 of NI 81-105.

86. Driscoll was aware that CRR Staff was looking into Sentry's Annual DR Spending when he personally paid for the 2016 Montreal F1 Tickets.

87. Apart from his discussions with Sentry's former CCO, Driscoll did not inform Sentry's senior executive team or its board of directors of his conduct until he became aware that Staff was seeking records relating to Sentry's spending on the DR who received the Montreal F1 Tickets.

88. In respect of the above, Driscoll did not promote compliance by Sentry and individuals acting on Sentry's behalf with securities legislation. Rather, he caused Sentry to breach section 2.1 of NI 81-105 in relation to the Montreal F1 Tickets.

89. During the period April 20, 2015 to September 12, 2016, Driscoll breached his obligations as the UDP of Sentry and he caused Sentry to breach section 2.1 of NI 81-105 in relation to his conduct pertaining to the Montreal F1 Tickets referred to above. As an officer and director of Sentry, he authorized, permitted and/or acquiesced in Sentry's breach of section 2.1 of NI 81-105 pursuant to section 129.2 of the Act.

PART IV – MITIGATING FACTORS

90. Sentry advises Staff of the following:

a. Sentry, not the Sentry Products, paid for the monetary and non-monetary benefits at issue;

b. the performance of the Sentry Products has not been impacted by these matters. The management expense ratios of the Sentry Products were not affected by the monetary and non-monetary benefits that were paid to DRs; and

c. Sentry, not the Sentry Products, will pay all costs, fines and expenses relating to the resolution of the matters described in this Settlement Agreement, including the administrative fine, costs of the Commission's investigation and the fees charged by PricewaterhouseCoopers LLP in relation to its engagement as the Consultant, as described in the Undertaking at Schedule "A" to this Settlement Agreement.

91. Commencing in 2013, during Driscoll's tenure as UDP, Sentry made efforts to improve its compliance function including in relation to sales practices and NI 81-105. These initiatives included increasing the number of full time compliance specialists at Sentry from three to five, the appointment of a new CCO and revising and updating all of Sentry's compliance policies and procedures (including reducing Sentry's Annual DR Spending limit) and its Code of Conduct and Ethics.

92. In February 2016, at Driscoll's direction, Sentry cancelled a further Mutual Fund Sponsored Conference scheduled to occur in April 2016.

93. Since November 2016, Sentry, with the support of Driscoll, has taken steps to ensure the completeness and accuracy of its DR Spending Records. Responsibility for the oversight and maintenance of the DR Spending Records has been moved from Sentry's Sales Department to Sentry's Finance Department. In addition, controls have been enhanced to ensure that executive level expenditures and non-monetary benefits provided through charitable events are appropriately included in Sentry's DR Spending Records System and are subject to review and approval.

94. Upon learning about the Montreal F1 Tickets from Driscoll in September 2016, the Special Committee promptly investigated the matter and the Sentry Conference and reported its findings to Staff of the Commission in October 2016.

95. As a result of the Special Committee's recommendations, corrective action was taken by Sentry commencing in December 2016 including the following:

    a. enhanced reporting by the CCO to the Special Committee and the board of directors of both of Sentry and SIC;

    b. Sentry initiated steps to identify and retain an independent compliance consultant (the "Consultant") for the purpose of enhancing its compliance function and ensuring consistency with securities law and industry best practices, and entered into discussions with Staff concerning the terms of an undertaking in relation thereto;

    c. on December 22, 2016, Driscoll resigned as the CEO and UDP of Sentry and a new CEO was appointed and registered as a UDP with the Commission;

    d. the Special Committee recommended and Driscoll accepted the making of a reparation payment to Sentry in the amount of $100,000, which amount has been paid by him; and

    e. in January 2017, Sentry created a formal Management Committee, the mandate of which includes supporting the work of the Consultant, oversight and monitoring of the implementation of the Consultant's recommendations and supporting the efforts of the UDP and CCO to nurture a culture of compliance within Sentry.

96. In December 2016, Sentry created two additional compliance officer positions. In addition, in January 2017, the mandate of the board of directors of Sentry was updated to require that Sentry promptly escalate to the board of SIC all matters of significance affecting Sentry's obligations as a registrant, including issues relating to its compliance with applicable securities laws and inquiries by securities regulators.

97. All of the voting shares of Sentry are owned by SIC. All of the voting shares of SIC are owned by Petro Assets Inc., whose shares are owned by the Driscoll family. The Respondents advise Staff that Petro Assets Inc. has no direct involvement in the supervision or daily operations of Sentry or SIC. On January 30, 2017, the holder of 100% of the voting control of the shares of Petro Assets Inc., who is not Driscoll, offered to sign, and did sign, an undertaking to the Commission that for so long as he exercises direct or indirect control over at least 51% of the voting shares of SIC, and consistent with his long-standing practice, he shall continue to ensure that a majority of the directors of SIC are independent of management of Sentry and not members of the Driscoll family.

98. On February 2, 2017, Sentry signed the undertaking attached to this Settlement Agreement as Schedule "A" (the "Undertaking"). Pursuant to the Undertaking, Sentry undertook to enter into an agreement (the "Agreement") with a Consultant approved by a Manager in the CRR Branch (the "OSC Manager"), to examine, among other areas, Sentry's sales practices system, with a view to making recommendations to be included in a plan to be submitted to the OSC Manager no later than 90 days from the date of the Undertaking for review and approval by the OSC Manager (the "Plan").

99. Consistent with the Undertaking, on January 31, 2017, Sentry retained a Consultant approved by the OSC Manager, namely PricewaterhouseCoopers LLP and entered into the Agreement with the Consultant.

100. On December 23, 2016, Sentry's new CEO and UDP signed an undertaking to the Commission that in his capacity as UDP, he will work alongside the Consultant to ensure that any requests for information by the Consultant are fulfilled promptly, that any recommendations of the Consultant are implemented by Sentry in a timely manner and to receive training to increase his knowledge of the requirements of Ontario securities law including the requirement to establish and maintain an adequate system of compliance under section 11.1 of the NI 31-103.

101. On January 3, 2017, a new CCO for Sentry was registered with the Commission.

102. Sentry and Driscoll have cooperated with Staff in connection with Staff's investigation of the matters referred to in this Settlement Agreement.

103. Sentry and Driscoll have no disciplinary history with the Commission.

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

104. By engaging in the conduct described above, Sentry admits and acknowledges that it has breached Ontario securities law and that it has acted contrary to the public interest in that:

a. during the period August 2015 to September 2015, Sentry provided non-monetary benefits to DRs and/or their guests in connection with the Sentry Conference that did not meet the requirements of sections 5.2 and 5.6 of NI 81-105 and provided monetary benefits to DRs in the form of gift certificates that were not permitted under Part 3 of NI 81-105 resulting in Sentry providing non-monetary and monetary benefits in breach of section 2.1 of NI 81-105 and contrary to the public interest;

b. during the period January 2011 to September 30, 2016, Sentry provided non-monetary benefits to DRs in relation to its Annual DR Spending and in relation to its spending on DRs on one-time events (including in relation to the Montreal F1 Tickets) that did not meet the requirements of section 5.6 of NI 81-105 and provided monetary benefits to DRs in the form of gift certificates that were not permitted under Part 3 of NI 81-105 resulting in Sentry providing non-monetary and monetary benefits in breach of section 2.1 of NI 81-105 and contrary to the public interest;

c. during the period January 2011 to October 2016, Sentry failed to establish and maintain adequate systems of controls and supervision around its sales practices to ensure compliance with section 2.1 and Part 5 of NI 81-105 in breach of section 32(2) of the Act and section 11.1 of NI 31-103 and contrary to the public interest;

d. during the period January 2011 to October 2016, Sentry failed to maintain adequate books, records and other documents as were reasonably required to demonstrate its compliance with NI 81-105 in breach of paragraph 3 of subsection 19(1) of the Act and contrary to the public interest; and

e. in 2015, Sentry failed to maintain adequate books and records for the proper recording of its business transactions and financial affairs in breach of paragraph 1 of subsection 19(1) of the Act and contrary to the public interest.

105. Driscoll admits and acknowledges that, in connection with the Montreal F1 Tickets, he breached Ontario securities law and that he acted contrary to the public interest in that:

a. during the period April 20, 2015 to September 12, 2016, he failed to meet his obligations as the UDP of Sentry in breach of section 5.1 of NI 31-103 and contrary to the public interest;

b. during the period April 20, 2015 to September 12, 2016, as an officer and director of Sentry, he did authorize, permit and/or acquiesce in Sentry's breach of section 2.1 of NI 81-105 pursuant to section 129.2 of the Act; and

c. as Sentry's UDP during the period April 20, 2015 to September 12, 2016, he acted contrary to the public interest in failing to disclose Sentry's breach of NI 81-105 through his gifting of the Montreal F1 Tickets to a DR to Sentry's board of directors.

PART VI – TERMS OF SETTLEMENT

106. The Respondents agree to the terms of settlement listed below and to the Order attached hereto as Schedule "B" that provides that:

a. the Settlement Agreement is approved;

b. the Respondents are reprimanded, pursuant to paragraph 6 of subsection 127(1) of the Act;

c. Sentry shall

i. continue to submit to a review of its practices and procedures in accordance with the terms set out in the Undertaking attached hereto as Schedule "A" and shall refrain from hosting a Mutual Fund Sponsored Conference until the OSC Manager has communicated to Sentry that the OSC Manager is satisfied that the conclusions expressed in the Attestation Letter by the Consultant described in Schedule "A" are valid, pursuant to paragraph 4 of subsection 127(1);

ii. pay an administrative penalty in the amount of $1,500,000 by wire transfer to the Commission before the commencement of the Settlement Hearing, which amount shall be designated for allocation or for use by the Commission in accordance with subsections 3.4(2)(b)(i) or (ii) of the Act, pursuant to paragraph 9 of subsection 127(1) of the Act; and

iii. pay costs of the Commission's investigation in the amount of $150,000, by wire transfer to the Commission before the commencement of the Settlement Hearing, pursuant to section 127.1 of the Act; and

d. Driscoll

i. shall resign all positions that he holds as a director or officer of any IFM or other registrant and as director of any affiliate of Sentry, pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act;

ii. is prohibited from becoming or acting as a director or officer of SIC or of any IFM or other registrant or as a director of any affiliate of Sentry for a period of 2 years commencing on the date of the Commission's order approving this Settlement Agreement, pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the Act;

iii. is prohibited from becoming or acting as a UDP or CCO of any IFM or other registrant for a period of 5 years commencing on the date of the Commission's order approving this Settlement Agreement, pursuant to paragraphs 8.2 and 8.4 of subsection 127(1) of the Act;

iv. shall successfully complete the PDO Exam and Chief Compliance Officers Qualifying Exam referred to in section 3.1 of NI 31-103 as a condition of becoming an officer or director of SIC or of any IFM or other registrant and as a condition for future registration as a UDP; and

v. shall successfully complete the PDO Exam and Chief Compliance Officers Qualifying Exam referred to in section 3.1 of NI 31-103 and the Osgoode Certificate in Regulatory Compliance and Legal Risk Management for Financial Institutions offered by Osgoode Professional Development as a condition for future registration as a CCO.

107. The Respondents undertake to consent to a regulatory Order made by any provincial or territorial securities regulatory authority in Canada containing any or all of the prohibitions set out in sub-paragraphs 106(c)(i) and 106(d) above. These prohibitions may be modified to reflect the provisions of the relevant provincial or territorial securities law.

108. The Respondents agree to attend in person at the hearing before the Commission to consider the proposed settlement.

109. The Respondents acknowledge that this Settlement Agreement and proposed Order may form the basis for parallel orders in other jurisdictions in Canada. The securities laws of some other Canadian jurisdictions allow orders made in this matter to take effect in those other jurisdictions automatically, without further notice to the Respondents. The Respondents should contact the securities regulator of any other jurisdiction in which it/he may intend to engage in any securities or derivatives related activities, prior to undertaking such activities.

PART VII – STAFF COMMITMENT

110. If the Commission approves this Settlement Agreement, Staff will not commence any proceeding under Ontario securities law against the Respondents in relation to the facts set out in Part III of this Settlement Agreement, subject to the provisions of paragraph 111 below and except with regard to the items referred to at subparagraph 2(ii) of the Undertaking attached at Schedule "A" to this Settlement Agreement and to the Order of the Commission (the "Other Areas of Review"). Nothing in this Settlement Agreement shall be interpreted as limiting Commission Staff's ability to commence proceedings against the Respondents in relation to the Other Areas of Review.

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

PART VIII – PROCEDURE FOR APPROVAL OF SETTLEMENT

112. The parties will seek approval of this Settlement Agreement at a public hearing before the Commission scheduled for April 5, 2017 or on another date agreed to by Staff and the Respondents, according to the procedures set out in this Settlement Agreement and the Commission's Rules of Procedure.

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

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

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

116. Whether or not the Commission approves this Settlement Agreement, the Respondents 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 IX – DISCLOSURE OF SETTLEMENT AGREEMENT

117. If the Commission does not approve this Settlement Agreement or does not make the order substantially in the form of the order attached as Schedule "B" to this Settlement Agreement:

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

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

118. Both parties will keep the terms of the Settlement Agreement confidential until the Commission approves the Settlement Agreement, except as is necessary to make submissions at the settlement hearing. If, for whatever reason, the Commission does not approve the Settlement Agreement, the terms of the Settlement Agreement shall remain confidential indefinitely, unless Staff and the Respondents otherwise agree or if required by law.

PART X – EXECUTION OF SETTLEMENT AGREEMENT

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

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

Dated at Toronto this 31st day of March, 2017.

SENTRY INVESTMENTS INC.

By: "Philip Yuzpe"
By: "Ryan Caughay"

SEAN DRISCOLL

"Veronica Sjolin"
Witness

By: "Sean Driscoll"

COMMISSION STAFF

By: "Jeff Kehoe"
Director, Enforcement Branch

Schedule "A"

Undertaking

WHEREAS an investigation of conduct relating to Sentry Investment Inc.'s ("**Sentry**") mutual fund sales practices has been initiated by Staff of the Ontario Securities Commission (the "**Commission**") as a result of a compliance review by the Compliance and Registrant Regulation ("**CRR**") Branch and is not concluded;

AND WHEREAS a special committee composed of independent directors of the board of directors of Sentry Investments Corp. (the "**Special Committee**"), the direct shareholder of Sentry, has resolved, *inter alia*, to retain an independent compliance consultant ("**the Consultant**") to review and recommend improvements to certain aspects of Sentry's internal policies, procedures, practices and internal controls, and to require the Consultant to report its findings to the Commission;

AND WHEREAS Sentry supports and accepts the retention of the Consultant and seeks to take immediate corrective action in relation to certain compliance issues noted to date;

Sentry hereby undertakes that:

1. within 30 days of signing this Undertaking, Sentry will enter into an agreement (the "**Agreement**") with a Consultant that has been approved by a Manager in the CRR Branch of the Commission (the "**OSC Manager**");

2. the Agreement will provide that the Consultant will examine the areas set out in (i) and (ii) below, with a view to making recommendations to be included in a plan to be submitted to the OSC Manager no later than 90 days from the date of this Undertaking for review and approval by the OSC Manager (the "**Plan**"). In particular, the Consultant will examine:

    (i) Sentry's operations, internal controls, practices, policies and procedures relating to sales practices (the "Sales Practice System") to ensure that:

        a. the Sales Practice System fully complies with applicable law, including National Instrument 81-105 *Mutual Fund Sales Practices* ("**NI 81-105**")and section 11.1 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* ("NI 31-103");

        b. the Sales Practice System is tailored to the specific manner of business conducted by Sentry and is consistent with prudent business practices and best industry standards;

        c. Sentry's staff are required to report any misconduct or non-compliance in a timely manner and that there is an appropriate escalation process in place to ensure that Sentry's senior management, its board of directors and the board of directors of Sentry Investments Corp., can adequately oversee Sentry's activities in respect of the Sales Practice System;

        d. the Sales Practice System is designed to identify any non-compliance at an early stage and to allow for correction of the conduct in a timely manner; and

        e. all applicable Sentry staff are trained on business promotion matters (including Sentry's Ultimate Designated Person and members of Sentry's executive team) to ensure compliance with applicable laws related to the Sales Practice System, including NI 81-105;

    (ii) Sentry's operations, internal controls, practices, policies and procedures relating to the daily operation of Sentry's Investment Funds to ensure that Sentry's Transfer Agent, Fund Accounting, Trust Accounting, Portfolio Management and Independent Review Committee functions, fully comply with applicable laws, including section 11.1 of NI 31-103;

3. the Agreement will also provide that the Consultant will:

    (i) include in the Plan, a description of the review performed, the results of the review, and the Consultant's recommendations for any changes or improvements that the Consultant reasonably deems necessary to conform with 2 (i) to (ii) above;

    (ii) assist Sentry in the implementation of the Plan including assisting Sentry and Sentry's counsel, in the preparation of policies, procedures and/or training materials, or in amending existing policies, procedures and/or training materials to ensure compliance with 2(i) and (ii) above;

(iii) submit written progress reports ("**Progress Report**") to the OSC Manager, every 90 days commencing 90 days after the approval of the Plan by the OSC Manager, detailing Sentry's progress with respect to the implementation of the Plan and stating whether the specific recommendations included in the Plan have been implemented and, if not, the expected date of completion and person(s) responsible for the implementation. The Consultant shall submit Progress Reports until the Plan has been fully implemented to the satisfaction of the OSC Manager;

(iv) submit, within 12 months of receiving confirmation from the OSC Manager that the Plan has been fully implemented (the "**Confirmation Date**"), a letter (the "**Attestation Letter**"), expressing his or her conclusions on whether the revised policies and procedures and internal controls set out in the Plan were working appropriately and adequately followed, administered and enforced by Sentry for the 9 month period commencing from the Confirmation Date;

(v) Include a report with the Attestation Letter which provides a description of the testing performed to support the conclusions contained in the Attestation Letter; and

(vi) submit such additional reports as may be requested by the OSC Manager for the purpose of satisfying the OSC Manager that the conclusions expressed in the Attestation Letter described above is valid.

4. the Plan and the Progress Reports will be reviewed and approved by the Special Committee and signed by a representative of the Special Committee as evidence of its review and approval;

5. Sentry shall provide the Consultant with reasonable access to all of Sentry's books and records necessary to complete the Consultant's mandate and will allow the Consultant to meet privately with Sentry's officers, directors and employees. Sentry shall require its officers, directors and employees to cooperate fully with the Consultant with respect to the Consultant's work and with respect to the implementation of the Plan or any of its specific recommendations; and

6. Sentry shall immediately submit to the Commission a direction giving consent for unrestricted access by Staff of the Commission to communicate with the Consultant regarding the Consultant's work and Sentry's progress with respect to the implementation of the Plan or any or its specific recommendations.

Schedule "B"

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

AND

**IN THE MATTER OF
SENTRY INVESTMENTS INC. and
SEAN DRISCOLL**

**ORDER
(Subsections 127(1) and 127.1)**

WHEREAS:

1. on March 31, 2017, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to subsections 127(1) and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act"), in connection with the allegations as set out in the Statement of Allegations of Staff of the Commission ("Staff") dated March 31, 2017 (the "Statement of Allegations"), to consider whether it is in the public interest to make orders, as specified therein, against and in respect of Sentry Investments Inc. ("Sentry") and Sean Driscoll ("Driscoll") (collectively the "Respondents");

2. the Respondents and Staff entered into a Settlement Agreement dated March 31, 2017 (the "Settlement Agreement");

3. prior to the Settlement Agreement, Sentry signed an undertaking on February 2nd, 2017 which is attached to this Order as Schedule "A" (the "Undertaking") in order to begin taking immediate corrective action in relation to certain compliance issues;

4. pursuant to the Undertaking, Sentry entered into an agreement (the "Agreement") with a consultant (the "Consultant"), namely, PricewaterhouseCoopers LLP, that was approved by a Manager in the CRR Branch of the Commission (the "OSC Manager"), to examine, among other areas, Sentry's sales practice system, with a view to making recommendations to be included in a plan to be submitted to the OSC Manager no later than 90 days from the date of the Undertaking for review and approval by the OSC Manager (the "Plan");

5. Sentry Investments Corp. ("SIC") owns all of the voting shares of Sentry, all of the voting shares of SIC are owned by Petro Assets Inc., whose shares are owned by the Driscoll family, and the Respondents have represented to the Commission that Petro Assets Inc. has no direct involvement in the supervision or daily operations of Sentry or SIC;

6. the individual who controls the voting of all the shares of Petro Assets Inc. has signed an undertaking to the Commission that for so long as he exercises direct or indirect control over at least 51% of the voting shares of SIC, he shall ensure that a majority of the directors of SIC are independent of management of Sentry and not members of the Driscoll family;

7. Sentry has confirmed receipt of a reparation payment of $100,000 from Driscoll;

8. this Order may form the basis for parallel orders in other jurisdictions in Canada;

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

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

IT IS ORDERED THAT:

a. the Settlement Agreement is approved;

b. the Respondents are reprimanded, pursuant to paragraph 6 of subsection 127(1) of the Act;

c. Sentry shall

i. continue to submit to a review of its practices and procedures in accordance with the terms set out in the Undertaking attached hereto as Schedule "A" and shall refrain from hosting a Mutual Fund Sponsored Conference until the OSC Manager has communicated to Sentry that the OSC Manager is satisfied that the conclusions expressed in the Attestation Letter by the Consultant described in Schedule "A" are valid, pursuant to paragraph 4 of subsection 127(1) of the Act;

ii. pay an administrative penalty in the amount of $1,500,000 to the Commission which amount shall be designated for allocation or for use by the Commission in accordance with subsections 3.4(2)(b)(i) or (ii) of the Act, pursuant to paragraph 9 of subsection 127(1) of the Act; and

iii. pay costs of the Commission's investigation in the amount of $150,000 pursuant to section 127.1 of the Act; and

d. Driscoll

i. shall resign all positions that he holds as a director or officer of any investment fund manager ("IFM") or other registrant and as a director of any affiliate of Sentry, pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act;

ii. is prohibited from becoming or acting as a director or officer of SIC or of any IFM or other registrant or as a director of any affiliate of Sentry for a period of 2 years commencing on the date of the Commission's order approving this Settlement Agreement, pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the Act;

iii. is prohibited from becoming or acting as a UDP or CCO of any IFM or other registrant for a period of 5 years commencing on the date of the Commission's order approving this Settlement Agreement, pursuant to paragraphs 8.2 and 8.4 of subsection 127(1) of the Act;

iv. shall successfully complete the PDO Exam and Chief Compliance Officers Qualifying Exam referred to in section 3.1 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* ("NI 31-103") as a condition of becoming an officer or director of SIC or of any IFM or other registrant and as a condition for future registration as a UDP; and

v. shall successfully complete the PDO Exam and Chief Compliance Officers Qualifying Exam referred to in section 3.1 of NI 31-103 and the Osgoode Certificate in Regulatory Compliance and Legal Risk Management for Financial Institutions offered by Osgoode Professional Development as a condition for future registration as a CCO.

DATED at Toronto, this day of April, 2017.

2.3.2 Mark Steven Rotstein and Equilibrium Partners Inc. – ss. 127, 127.1

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

AND

IN THE MATTER OF
MARK STEVEN ROTSTEIN AND
EQUILIBRIUM PARTNERS INC.

ORDER
(Sections 127 and 127.1 of the Securities Act)

WHEREAS:

1. on February 29, 2016, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to sections 127 and 127.1 of the *Securities Act*, RSO 1990, c S.5, (the "*Securities Act*") in relation to the Statement of Allegations filed by Staff of the Commission ("Staff") on February 29, 2016 with respect to Mark Steven Rotstein ("Rotstein") and Equlibrium Partners Inc. ("EQ") (collectively, the "Respondents");

2. the Respondents entered into a Settlement Agreement with Staff dated April 3, 2017 (the "Settlement Agreement") in relation to the matters set out in the Statement of Allegations; and

3. the Commission issued a Notice of Hearing dated April 6, 2017 setting out that it proposed to consider the Settlement Agreement;

AND UPON reviewing the Settlement Agreement, the Notice of Hearing, the Statement of Allegations and upon considering submissions from Respondents' counsel and from Staff of the Commission;

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

IT IS HEREBY ORDERED THAT:

1. this Settlement Agreement is approved;

2. pursuant to paragraphs 2 and 2.1 of subsection 127(1) of the *Securities Act*, the Respondents will be prohibited from trading in any securities or derivatives for a period of 10 years, and will be prohibited from acquiring any securities for a period of 10 years, except in respect of the following:

    a. trades or acquisitions in Rotstein's registered retirement savings plan account;

    b. trades or acquisitions in the registered education savings plan accounts of Rotstein's children;

    c. the exercise of an election to convert a debenture into 300,000 common shares of EQ Inc., an entity over which neither Respondent exercises control (the "Common Shares"), which shares, if acquired, will be held in a non-registered account; and

    d. the subsequent sale of the Common Shares;

3. any proceeds from the sale of the Common Shares shall be paid to the Commission forthwith, to the extent of any outstanding amount described in paragraphs 9 and 10, and shall be applied to such outstanding amount;

4. pursuant to paragraph 3 of subsection 127(1) of the *Securities Act*, any exemptions contained in Ontario securities law do not apply to each of the Respondents for a period of 10 years;

5. pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the *Securities Act*, Rotstein resign all positions that he holds as a director or officer of any issuer, registrant, or investment fund manager, except in respect of EQ, so long as EQ is not a reporting issuer and does not engage in any business that is subject to regulation under the *Securities Act*;

6. pursuant to paragraph 8 of subsection 127(1) of the *Securities Act*, Rotstein be prohibited, for a period of 10 years, from becoming or acting as a director or officer of any issuer, except in respect of EQ, so long as EQ is not a reporting issuer and does not engage in any business that is subject to regulation under the *Securities Act*;

7. pursuant to paragraphs 8.2 and 8.4 of subsection 127(1) of the *Securities Act*, Rotstein be prohibited, for a period of 15 years, from becoming or acting as a director or officer of a registrant or an investment fund manager;

8. pursuant to paragraph 8.5 of subsection 127(1) of the *Securities Act*, each of Rotstein and EQ be prohibited, for a period of 15 years, from becoming or acting as a registrant, an investment fund manager or a promoter;

9. pursuant to paragraph 9 of subsection 127(1) of the *Securities Act*, Rotstein and EQ be required to pay an administrative penalty of $265,000, jointly and severally, according to the terms set out in paragraph 11, which amount will be designated for allocation or for use by the Commission pursuant to subsection 3.4(2)(b)(i) or (ii) of the *Securities Act*;

10. pursuant to section 127.1 of the *Securities Act*, Rotstein and EQ shall pay $10,000 in respect of Staff's costs, for which they shall be jointly and severally liable, according to the terms set out in paragraph 11;

11. in regard to the payments ordered at paragraphs 9 and 10 above, Rotstein and EQ shall be jointly and severally liable to make payments in the form of certified cheques or bank drafts payable to the Commission as follows:

    a. $55,000 payable before the commencement of the hearing by the Commission to approve this Settlement Agreement, which amount shall be returned to Rotstein and EQ forthwith if the Commission does not approve this Settlement Agreement at the hearing;

    b. subsequent annual payments as necessary until the full amount is paid, as follows:

        i. $55,000 payable on or before April 11, 2018;

        ii. $55,000 payable on or before April 11, 2019;

        iii. $55,000 payable on or before April 11, 2020; and

        iv. $55,000 payable on or before April 11, 2021;

    (the "Payment Plan");

12. notwithstanding the Payment Plan, in the event that Rotstein and/or EQ fail to comply with any of the terms of the Payment Plan, the unpaid balance of all of the amounts set out in paragraphs 9 and 10 shall become payable and enforceable immediately, along with interest from the date of the Commission's order approving the Settlement Agreement, in accordance with section 129 of the *Courts of Justice Act* RSO 1990, c C-43;

13. the sanctions in paragraphs 2 through 8 shall continue in force without any limitation as to time period until the entire amounts owing under paragraphs 9 and 10 are paid in full, including interest as described in paragraph 12, if applicable; and

14. pursuant to subsection 127(2) of the *Securities Act*, the Respondents shall send all current and former EQ clients a letter, enclosing the signed Settlement Agreement and the order of the Commission approving the Settlement Agreement in the form attached hereto as Schedule "A".

DATED at Toronto, Ontario this 11th day of April, 2017.

"Timothy Moseley"

_____

"Monica Kowal"

_____

"AnneMarie Ryan"

_____

Schedule "A"

Letter to Current and Former Clients

I, along with my company, Equilibrium Partners Inc. ("EQ"), were named in an enforcement proceeding brought by Staff of the Ontario Securities Commission. On April 3, 2017, EQ and I entered into a settlement with Staff, in which we admitted that we traded securities and advised without registration, and thereby breached subsections 25(1) and (3) of the Securities Act. We also admitted that we acted contrary to the public interest. We broke securities laws by, among other things, trading on your behalf and on other clients' behalves. On certain occasions, I impersonated my clients in dealing with market participants, such as online brokers, in order to carry out these trades, and thereby misled those market participants while conducting activity for which I, and my company EQ, should have been registered.

On April 11, 2017, the Ontario Securities Commission approved the settlement, and issued an Order. I attach copies of the Settlement Agreement and the Order for your review. Among other things, the Order requires me to stop trading and advising for a period of 10 years, and to not act as a registrant, investment fund manager or promoter for a period of 15 years, at which time, if I wish to become registered under Ontario securities laws, I will have to apply to the Commission and obtain registration. This means that I cannot recommend securities or derivatives to you, execute buy or sell orders for you, or assist you in any way in dealing with securities and derivatives. Please see paragraph 19 of the Agreement for a list of tasks I can no longer perform for you. This list is not exhaustive.

This letter and its attachments are provided to you as part of my settlement with Staff of the Ontario Securities Commission.

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

AND

IN THE MATTER OF
MARK STEVEN ROTSTEIN AND
EQUILIBRIUM PARTNERS INC.

SETTLEMENT AGREEMENT BETWEEN STAFF OF THE ONTARIO SECURITIES COMMISSION AND MARK STEVEN ROTSTEIN AND EQUILIBRIUM PARTNERS INC.

PART I – INTRODUCTION

1. The Ontario Securities Commission (the "Commission") will issue a Notice of Hearing to announce that the Commission will hold a hearing to consider whether, pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "*Securities Act*"), it is in the public interest for the Commission to make certain orders in respect of Mark Steven Rotstein ("Rotstein") and Equilibrium Partners Inc. ("EQ") (collectively, the "Respondents").

2. For about 15 months, Rotstein and EQ traded and advised in contravention of the *Securities Act*, and acted in a manner which was contrary to the public interest and harmful to the integrity of Ontario's capital markets. One of the stated purposes of the *Securities Act* is that investors should be protected from unfair and improper practices. Further, it is a fundamental principle of the legislation that high standards of fitness and business conduct are maintained, in order to ensure honest and responsible conduct by market participants. The primary means by which this is achieved is through registration under the *Securities Act*. Rotstein and EQ did not comply with the registration requirements of the *Securities Act*, thereby avoiding any regulatory oversight, and depriving their clients of the protections to which they were entitled.

PART II – JOINT SETTLEMENT RECOMMENDATION

3. Staff of the Commission ("Staff") agree to recommend settlement of the proceeding commenced by Notice of Hearing dated February 29, 2016 (the "Proceeding") against the Respondents according to the terms and conditions set out below in this agreement (the "Settlement Agreement"). The Respondents agree to the making of an order in the form attached as Schedule "A", based on the facts set out below.

PART III – AGREED FACTS

4. For the purposes of this Proceeding, and any other regulatory proceeding commenced by a securities regulatory authority, the Respondents agree with the facts as set out in Part III of this Settlement Agreement.

Overview

5. Rotstein, a former registrant, and his company, EQ, engaged in the business of trading in and advising in respect of securities without being registered, in breach of the requirements of the *Securities Act*.

6. Rotstein was registered under the *Securities Act* for more than 15 years, from 1997 until July 2012.[1] In October 2012, Rotstein incorporated EQ. Rotstein was the founder, owner and directing mind of EQ, as well as its sole director, officer and employee. EQ has never been registered under the *Securities Act*.

7. Between July 2, 2013 and October 4, 2014 (the "Material Time"), Rotstein and EQ engaged in trading and advising contrary to the *Securities Act*. In addition to providing other services to their clients, Rotstein and EQ carried out a significant number of transactions for and with clients during the Material Time, with a settlement value of approximately $14,450,000. Rotstein suggested to certain clients that they set up self-directed investment accounts if they so desired and if their personal financial circumstances so warranted. Rotstein requested that certain of these clients provide him with information, including their date of birth, social insurance number and their passwords, which he could use to access their accounts, and these clients agreed to do so and did in fact provide this information. On many occasions, telephonic communications with employees of market participants were required, and when

[1] But for a two month period in 2011, as explained at paragraph 8.

communicating with employees of market participants by telephone, Rotstein impersonated clients, thereby misleading the employee of the market participant and the market participant itself as to his true identity.

Rotstein's Disciplinary History While a Registrant

8. Rotstein resides in Toronto, Ontario. He was registered under the *Securities Act* from February 1997 until April 2011, and from July 2011 until July 2012.

9. While he was a registrant, Rotstein was named in two disciplinary proceedings brought by the Investment Industry Regulatory Organization of Canada ("IIROC").

10. Rotstein worked for RBC Dominion Securities Inc. ("RBC DS") from February 1997 until April 2011. By the spring of 2011, while still employed by RBC DS, Rotstein had about 2000 client accounts, with assets valued at about $500,000,000.

11. Rotstein was terminated for cause by RBC DS on April 5, 2011. IIROC brought a proceeding stemming from Rotstein's conduct while at RBC DS.

12. Meanwhile, Rotstein had joined Scotia Capital Inc. ("Scotia Capital") in April 2011. Many of Rotstein's RBC DS clients moved their business to Scotia Capital. Rotstein was subject to close supervision at Scotia Capital as a term of his reactivated registration.

13. While still employed at Scotia Capital, Rotstein settled the IIROC proceeding and admitted that he had engaged in a practice, for over a decade, of signing client names and passing those signatures off as the clients' on account and investment documents, in dozens and potentially hundreds of instances. An IIROC hearing panel accepted the settlement agreement on April 18, 2012. Among other things, Rotstein paid a fine of $250,000.

14. Rotstein resigned from Scotia Capital on July 10, 2012, which resulted in the automatic suspension of his registration. IIROC then brought another proceeding. Rotstein settled this second IIROC proceeding, and admitted that in June 2012, he had entered a trade for a client without the client's knowledge or authorization, contrary to IIROC Dealer Member Rule 29.1.

15. An IIROC hearing panel accepted the settlement agreement on July 3, 2014. Among other things, Rotstein was prohibited from registering with IIROC for a period of 18 months and, in the event that his registration was reactivated, he agreed he would be subject to strict supervision and to terms and conditions regarding his record keeping. As a result, Rotstein was not eligible for registration until January 3, 2016 at the earliest.

Rotstein Incorporates EQ and They Trade and Advise Unlawfully Outside of the Registration Regime

16. Rotstein incorporated EQ on October 29, 2012. Rotstein is the founder, owner and directing mind of EQ, as well as its sole director, officer and employee. Rotstein is responsible for all activities undertaken by EQ. EQ has never been registered under the *Securities Act*.

17. Rotstein created a website for EQ, and described the company as being "in the business of partnering with individuals and families to help ensure financial and personal balance in their lives, delivered through a 'Family Office [which] acts as a trusted advisor to families and individuals.'"

18. From the incorporation of EQ on October 29, 2012 and through the Material Time, Rotstein and EQ obtained approximately 40 clients. The services that Rotstein and EQ provided to these clients included the following:

    (a) providing financial planning advice to families and individuals, including overseeing various aspects of their financial affairs;

    (b) assisting families and individuals with retirement planning and budgeting;

    (c) providing cash flow planning and analysis;

    (d) referring clients to and working with clients in conjunction with a range of professional advisors; and

    (e) providing estate and succession planning and multi-generational education services.

19. In addition, during the Material Time, Rotstein and EQ traded on behalf of and advised certain of EQ's clients by, among other things:

(a) recommending that clients open self-directed investment accounts;

(b) assisting clients with the investment account opening process;

(c) accessing clients' investment accounts;

(d) preparing investment planning reports for clients;

(e) offering an opinion about an issuer or its securities;

(f) making recommendations about an investment in an issuer or its securities;

(g) communicating with market participants in order to execute buy and sell orders for clients, and to obtain and provide information about clients and their investments; and

(h) in certain instances, exercising *de facto* discretionary authority over client investment accounts.

20. Rotstein suggested to certain clients that they set up self-directed investment accounts if they so desired and if their personal financial circumstances so warranted. Rotstein requested that certain of these clients provide him with information, including their date of birth, social insurance number and their passwords, which he could use to access their accounts, and these clients agreed to do so and did in fact provide this information. On many occasions, telephonic communications with employees of market participants were required, and when communicating with employees of market participants by telephone, Rotstein impersonated clients, thereby misleading the employee of the market participant and the market participant itself as to his true identity.

21. In certain instances, Rotstein also engaged in trading and advising when clients maintained a trading or advising relationship with a registered dealing representative. For example, Rotstein recommended the purchase or sale of specific securities to an EQ client, who in turn communicated those trading instructions to a registered dealing representative.

22. During the Material Time, Rotstein and EQ conducted a significant number of transactions for and with clients, of which the majority were carried out electronically, with the remainder carried out by telephone. The settlement value of these transactions was approximately $14,450,000.

23. Rotstein and EQ charged clients for the services that they provided, including in respect of unregistered trading and advising. The fee arrangements varied among clients, but mainly consisted of an annual retainer.

The Respondents' Position

24. The Respondents assert that the following facts are true, and Staff take no issue with those facts. The parties agree that these are relevant and mitigating factors:

(a) The respondents' breaches of Ontario securities laws did not result in any investor losses.

(b) None of Rotstein's or EQ's clients raised any concerns or complaints with Rotstein or EQ about the activities in their accounts.

(c) Neither Rotstein nor EQ benefitted from carrying out the trading and advising at issue, other than through the receipt of fees as described at paragraph 23, which fees were not dependent on the amount or volume of the client's trading activities.

(d) The total monetary payment of $275,000 under this Settlement Agreement is considerably greater than Rotstein's or EQ's annual income.

(e) Rotstein and EQ cooperated with Staff's investigation.

(f) Rotstein acknowledges the seriousness of his misconduct and expresses remorse.

PART IV – BREACHES OF ONTARIO SECURITIES LAW AND CONDUCT CONTRARY TO THE PUBLIC INTEREST

25. During the Material Time, without being registered to do so, Rotstein and EQ engaged in the business of trading in securities and engaged in the business of advising with respect to investing in, buying or selling securities, and as such, breached subsections 25(1) and (3) of the *Securities Act*.

26. Further, Rotstein authorized, permitted or acquiesced in EQ's non-compliance with Ontario securities law and as such is deemed to have not complied with Ontario securities law pursuant to section 129.2 of the *Securities Act*.

27. Rotstein's and EQ's misconduct was contrary to the public interest and harmful to the integrity of Ontario's capital markets. One of the stated purposes of the *Securities Act* is that investors should be protected from unfair and improper practices. Further, it is a fundamental principle of the legislation that high standards of fitness and business conduct are maintained, in order to ensure honest and responsible conduct by market participants. The primary means by which this is achieved is through registration under the *Securities Act*. Throughout the Material Time, Rotstein and EQ did not comply with the registration requirements of the *Securities Act*, thereby avoiding any regulatory oversight, and depriving their clients of the protections to which they were entitled.

PART V – TERMS OF SETTLEMENT

28. The Respondents agree to the terms of settlement set out below, and to an order in substantially the form attached hereto, made pursuant to subsection 127(1) and section 127.1 of the *Securities Act* that:

(a) this Settlement Agreement is approved;

(b) pursuant to paragraphs 2 and 2.1 of subsection 127(1) of the *Securities Act*, the Respondents will be prohibited from trading in any securities or derivatives for a period of 10 years, and will be prohibited from acquiring any securities for a period of 10 years, except in respect of the following:

i. trades or acquisitions in Rotstein's registered retirement savings plan account;

ii. trades or acquisitions in the registered education savings plan accounts of Rotstein's children;

iii. the exercise of an election to convert a debenture into 300,000 common shares of EQ Inc., an entity over which neither Respondent exercises control (the "Common Shares"), which shares, if acquired, will be held in a non-registered account; and

iv. the subsequent sale of the Common Shares;

(c) any proceeds from the sale of the Common Shares shall be paid to the Commission forthwith, to the extent of any outstanding amount described in subparagraphs (i) and (j), and shall be applied to such outstanding amount;

(d) pursuant to paragraph 3 of subsection 127(1) of the *Securities Act*, any exemptions contained in Ontario securities law do not apply to each of the Respondents for a period of 10 years;

(e) pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the *Securities Act*, Rotstein resign all positions that he holds as a director or officer of any issuer, registrant, or investment fund manager, except in respect of EQ, so long as EQ is not a reporting issuer and does not engage in any business that is subject to regulation under the *Securities Act*;

(f) pursuant to paragraph 8 of subsection 127(1) of the *Securities Act*, Rotstein be prohibited, for a period of 10 years, from becoming or acting as a director or officer of any issuer, except in respect of EQ, so long as EQ is not a reporting issuer and does not engage in any business that is subject to regulation under the *Securities Act*;

(g) pursuant to paragraphs 8.2 and 8.4 of subsection 127(1) of the *Securities Act*, Rotstein be prohibited, for a period of 15 years, from becoming or acting as a director or officer of a registrant or an investment fund manager;

(h) pursuant to paragraph 8.5 of subsection 127(1) of the *Securities Act*, each of Rotstein and EQ be prohibited, for a period of 15 years, from becoming or acting as a registrant, an investment fund manager or a promoter;

(i) pursuant to paragraph 9 of subsection 127(1) of the *Securities Act*, Rotstein and EQ be required to pay an administrative penalty of $265,000, jointly and severally, according to the terms set out in paragraph 29, which amount will be designated for allocation or for use by the Commission pursuant to subsection 3.4(2)(b)(i) or (ii) of the *Securities Act*; and

(j) pursuant to section 127.1 of the *Securities Act*, Rotstein and EQ be required to pay $10,000 in respect of Staff's costs, for which they shall be jointly and severally liable.

29. In regard to the payments ordered at subparagraphs 28(i) and (j) above, Rotstein and EQ shall be jointly and severally liable to make payments in the form of certified cheques or bank drafts payable to the Commission as follows:

    (a) $55,000 payable before the commencement of the hearing by the Commission to approve this Settlement Agreement, which amount shall be returned to Rotstein and EQ forthwith if the Commission does not approve this Settlement Agreement at the hearing;

    (b) subsequent annual payments as necessary until the full amount is paid, as follows:

        i. $55,000 payable on or before April 11, 2018;

        ii. $55,000 payable on or before April 11, 2019;

        iii. $55,000 payable on or before April 11, 2020;

        iv. $55,000 payable on or before April 11, 2021

    (the "Payment Plan");

30. Notwithstanding the Payment Plan set out in paragraph 29 above, in the event that Rotstein and/or EQ fail to comply with any of the terms of the Payment Plan, the unpaid balance of all of the amounts set out in subparagraphs 28(i) and (j) shall become payable and enforceable immediately, along with interest from the date of the Commission's order approving the Settlement Agreement, in accordance with section 129 of the *Courts of Justice Act* RSO 1990, c. C-43, as amended.

31. The sanctions in subparagraphs 28 (b)-(h) shall continue in force without any limitation as to time period until the entire amounts owing under subparagraphs 28(i) and (j) are paid in full, including interest as described in paragraph 30, if applicable.

32. Pursuant to subsection 127(2) of the *Securities Act*, the Respondents shall send all current and former EQ clients a letter, enclosing the signed Settlement Agreement and the order of the Commission approving the Settlement Agreement, in the form attached hereto as Schedule "B".

33. The Respondents undertake to consent to a regulatory order made by any provincial or territorial securities regulatory authority in Canada containing any or all of the sanctions set out in paragraphs 28-32 above. These sanctions may be modified to reflect the provisions of the relevant provincial or territorial securities law.

PART VI – STAFF COMMITMENT

34. If the Commission approves this Settlement Agreement, Staff will not commence any proceeding under Ontario securities law against the Respondents in relation to the facts set out in Part III of this Settlement Agreement, subject to the provisions of paragraph 35 below.

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

PART VII – PROCEDURE FOR APPROVAL OF SETTLEMENT

36. The parties will seek approval of this Settlement Agreement at a public hearing before the Commission scheduled for April 11, 2017, or on another date agreed to by Staff and the Respondents, according to the procedures set out in this Settlement Agreement and the Commission's Rules of Procedure.

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

38. If the Commission approves this Settlement Agreement, the Respondents agree to waive all rights to a full hearing, judicial review or appeal of this matter under the *Securities Act*.

39. If the Commission approves this Settlement Agreement, the Respondents will not make any public statement that is inconsistent with this Settlement Agreement or with any additional agreed facts submitted at the settlement hearing.

40. Whether or not the Commission approves this Settlement Agreement, the Respondents 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 VIII – DISCLOSURE OF SETTLEMENT AGREEMENT

41. If the Commission does not approve this Settlement Agreement or does not make an order in substantially the form attached as Schedule "A" to this Settlement Agreement:

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

    (b) Staff and the Respondents 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.

42. The parties shall keep the terms of this Settlement Agreement confidential until the Commission approves this Settlement Agreement, subject to the parties' need to make submissions at the public settlement hearing.

PART IX – EXECUTION OF SETTLEMENT AGREEMENT

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

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

Dated this 3rd day of April, 2017

"Mark Steven Rotstein"
on behalf of himself and
Equilibrium Partners Inc.

"Jeff Kehoe"
Director, Enforcement Branch

Schedule "A"

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

AND

IN THE MATTER OF
MARK STEVEN ROTSTEIN AND
EQUILIBRIUM PARTNERS INC.

ORDER

WHEREAS:

1. on February 29, 2016, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "*Securities Act*") in relation to the Statement of Allegations filed by Staff of the Commission ("Staff") on February 29, 2016 with respect to Mark Steven Rotstein ("Rotstein") and Equlibrium Partners Inc. ("EQ") (collectively, the "Respondents");

2. the Respondents entered into a Settlement Agreement with Staff dated [DATE], 2017 (the "Settlement Agreement") in relation to the matters set out in the Statement of Allegations; and

3. the Commission issued a Notice of Hearing dated April [DATE], 2017 setting out that it proposed to consider the Settlement Agreement;

AND UPON reviewing the Settlement Agreement, the Notice of Hearing, the Statement of Allegations and upon considering submissions from Respondents' counsel and from Staff of the Commission;

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

IT IS HEREBY ORDERED THAT:

(a) this Settlement Agreement is approved;

(b) pursuant to paragraphs 2 and 2.1 of subsection 127(1) of the *Securities Act*, the Respondents will be prohibited from trading in any securities or derivatives for a period of 10 years, and will be prohibited from acquiring any securities for a period of 10 years, except in respect of the following:

   i. trades or acquisitions in Rotstein's registered retirement savings plan account;

   ii. trades or acquisitions in the registered education savings plan accounts of Rotstein's children;

   iii. the exercise of an election to convert a debenture into 300,000 common shares of EQ Inc., an entity over which neither Respondent exercises control (the "Common Shares"), which shares, if acquired, will be held in a non-registered account; and

   iv. the subsequent sale of the Common Shares;

(c) any proceeds from the sale of the Common Shares shall be paid to the Commission forthwith, to the extent of any outstanding amount described in subparagraphs (i) and (j), and shall be applied to such outstanding amount;

(d) pursuant to paragraph 3 of subsection 127(1) of the Securities Act, any exemptions contained in Ontario securities law do not apply to each of the Respondents for a period of 10 years;

(e) pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the *Securities Act*, Rotstein resign all positions that he holds as a director or officer of any issuer, registrant, or investment fund manager, except in respect of EQ, so long as EQ is not a reporting issuer and does not engage in any business that is subject to regulation under the *Securities Act*;

(f) pursuant to paragraph 8 of subsection 127(1) of the *Securities Act*, Rotstein be prohibited, for a period of 10 years, from becoming or acting as a director or officer of any issuer, except in respect of EQ, so long as EQ is not a reporting issuer and does not engage in any business that is subject to regulation under the *Securities Act*;

(g) pursuant to paragraphs 8.2 and 8.4 of subsection 127(1) of the *Securities Act*, Rotstein be prohibited, for a period of 15 years, from becoming or acting as a director or officer of a registrant or an investment fund manager;

(h) pursuant to paragraph 8.5 of subsection 127(1) of the *Securities Act*, each of Rotstein and EQ be prohibited, for a period of 15 years, from becoming or acting as a registrant, an investment fund manager or a promoter;

(i) pursuant to paragraph 9 of subsection 127(1) of the *Securities Act*, Rotstein and EQ be required to pay an administrative penalty of $265,000, jointly and severally, according to the terms set out in paragraph (k), which amount will be designated for allocation or for use by the Commission pursuant to subsection 3.4(2)(b)(i) or (ii) of the *Securities Act*;

(j) pursuant to section 127.1 of the *Securities Act*, Rotstein and EQ shall pay $10,000 in respect of Staff's costs, for which they shall be jointly and severally liable;

(k) in regard to the payments ordered at subparagraphs (i) and (j) above, Rotstein and EQ shall be jointly and severally liable to make payments in the form of certified cheques or bank drafts payable to the Commission as follows:

a. $55,000 payable before the commencement of the hearing by the Commission to approve this Settlement Agreement, which amount shall be returned to Rotstein and EQ forthwith if the Commission does not approve this Settlement Agreement at the hearing;

b. subsequent annual payments as necessary until the full amount is paid, as follows:

i. $55,000 payable on or before April 11, 2018;

ii. $55,000 payable on or before April 11, 2019;

iii. $55,000 payable on or before April 11, 2020;

iv. $55,000 payable on or before April 11, 2021

(the "Payment Plan");

(l) notwithstanding the Payment Plan, in the event that Rotstein and/or EQ fail to comply with any of the terms of the Payment Plan, the unpaid balance of all of the amounts set out in subparagraphs (i) and (j) shall become payable and enforceable immediately, along with interest from the date of the Commission's order approving the Settlement Agreement, in accordance with section 129 of the *Courts of Justice Act* RSO 1990, c. C-43, as amended;

(m) the sanctions in subparagraphs (b)-(h) shall continue in force without any limitation as to time period until the entire amounts owing under subparagraphs (i) and (j) are paid in full, including interest as described in subparagraph (l), if applicable; and

(n) pursuant to subsection 127(2) of the *Securities Act*, the Respondents shall send all current and former EQ clients a letter, enclosing the signed Settlement Agreement and the order of the Commission approving the Settlement Agreement in the form attached hereto as Schedule "A".

DATED at Toronto, Ontario this 11th day of April, 2017.

Schedule "B"

Letter to Current and Former Clients

I, along with my company, Equilibrium Partners Inc. ("EQ"), were named in an enforcement proceeding brought by Staff of the Ontario Securities Commission. On [DATE], 2017, EQ and I entered into a settlement with Staff, in which we admitted that we traded securities and advised without registration, and thereby breached subsections 25(1) and (3) of the Securities Act. We also admitted that we acted contrary to the public interest. We broke securities laws by, among other things, trading on your behalf and on other clients' behalves. On certain occasions, I impersonated my clients in dealing with market participants, such as online brokers, in order to carry out these trades, and thereby misled those market participants while conducting activity for which I, and my company EQ, should have been registered.

On April 11, 2017, the Ontario Securities Commission approved the settlement, and issued an Order. I attach copies of the Settlement Agreement and the Order for your review. Among other things, the Order requires me to stop trading and advising for a period of 10 years, and to not act as a registrant, investment fund manager or promoter for a period of 15 years, at which time, if I wish to become registered under Ontario securities laws, I will have to apply to the Commission and obtain registration. This means that I cannot recommend securities or derivatives to you, execute buy or sell orders for you, or assist you in any way in dealing with securities and derivatives. Please see paragraph 19 of the Agreement for a list of tasks I can no longer perform for you. This list is not exhaustive.

This letter and its attachments are provided to you as part of my settlement with Staff of the Ontario Securities Commission.

This page intentionally left blank

Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions, Orders and Rulings

3.1.1 Sentry Investments Inc. and Sean Driscoll

IN THE MATTER OF
SENTRY INVESTMENTS INC. AND
SEAN DRISCOLL

ORAL REASONS FOR APPROVAL OF A SETTLEMENT

Hearing:	April 5, 2017		
Decision:	April 5, 2017		
Panel:	Philip Anisman	–	Commissioner and Chair of the Panel
Appearances:	Michelle Vaillancourt	–	For Staff of the Commission
	Jennifer Lynch	–	
	Evan Rankin (Student-at-law)	–	
	Linda Fuerst	–	For Sentry Investments Inc.
	Laura Paglia	–	For Sean Driscoll

ORAL REASONS AND DECISION

The following reasons have been prepared for publication in the Ontario Securities Commission Bulletin, based on the reasons delivered orally in the hearing as edited and approved by the panel, to provide a public record.

[1] I shall approve this Settlement Agreement and make an order in the terms it contemplates.

[2] The Settlement Agreement resolves a proceeding that raises serious regulatory issues of two types. The first is sales practices that may adversely affect investors and investor confidence in the integrity of our markets. The proceeding is based on failures to comply with National Instrument 81-105 – Mutual Fund Sales Practices, (1998) 21 OSCB 2713 ("National Instrument 81-105"), which limits payments and gifts by mutual funds to registered dealers and their representatives who sell the funds' securities. Such payments and gifts may influence registered representatives to consider factors other than the best interests of their clients when recommending investments to them. National Instrument 81-105 was adopted to prohibit payments and gifts that are likely to have this effect in an attempt to ensure that registered representatives who sell mutual funds act in the best interests of their clients on the basis of the clients' investment objectives and circumstances and the merits of the investments they recommend, without being influenced by conflicting monetary or other inducements.

[3] The second issue addressed in this proceeding is the obligation of all registrants to ensure that their business is operated in compliance with their regulatory obligations by establishing internal supervisory procedures, controls and recordkeeping practices that are appropriate to their business.

[4] This is the first Commission proceeding that addresses sales practices involving prohibited payments and gifts made by an investment fund manager and the systemic supervisory failures that permitted them. The seriousness of the conduct admitted by the respondents in the Settlement Agreement is reflected in the sanctions they agreed to. These include a significant administrative fine paid by Sentry Investments Inc. and a ban on acting in a senior position with a registrant agreed to by Mr. Driscoll.

[5] These sanctions, albeit serious, are not necessarily the sanctions that might have been imposed by a panel, had this matter proceeded to a hearing on the merits in which Commission Staff were successful in proving their case. A settlement is based on the facts admitted by the respondents and agreed to by Staff, which may or may not be the facts that a Commission

panel would find after a contested hearing on the merits. Even on the same facts, a panel might impose a different sanction, as in a sanctions hearing a panel must impose the sanction it considers to be correct.

[6] But this is a settlement hearing convened to consider a settlement agreement. A settlement will be approved if the sanctions agreed to by the parties are within a reasonable range of appropriateness in light of the admitted facts, recognizing and taking into account the settlement process and its benefits. A settlement reached early in a proceeding reduces the costs required to conduct a lengthy hearing and permits the Commission's resources, including Staff time, that would otherwise have been expended to be directed to other matters, increasing the Commission's overall enforcement capabilities.

[7] The resolution of proceedings through settlements thus benefits the Commission, the regulatory process, investors, and the securities markets generally, as well as respondents who are able to put a matter of this nature behind them and move on with their business.

[8] Settlement agreements also enable enforcement Staff to obtain resolutions that include remediation and establish procedures to ensure that respondents conduct their business in compliance with their regulatory obligations. Both further the Commission's mandate; it has long been accepted that the purpose of the Commission's sanctioning authority is not to punish, but to protect investors and our markets. Sanctions imposed by the Commission are intended to deter, both specifically and generally, future conduct that may contravene Ontario securities law or be inconsistent with the public interest.

[9] Although the conduct admitted in this Settlement Agreement was serious, there is no need to describe it in detail here. The Settlement Agreement will become a public document and will speak for itself. It may be useful, however, to address from the perspective of the Commission's protective role the reasons that approval of this settlement and imposition of the agreed sanctions are in the public interest.

[10] Neither respondent has a disciplinary history with the Commission and both cooperated with Staff's investigation of the conduct described in the Settlement Agreement.

[11] Sentry's acceptance of responsibility for its sales and supervisory practices is reflected in the fine to which it has agreed, which in light of our precedents is significant. More important, although it did not self-report, Sentry's response to these issues, once identified by Commission Staff, has been proactive. It supported the appointment of a special committee of the independent directors of its parent corporation, Sentry Investments Corp., who conducted their own investigation, reported the results to Commission Staff, and retained an independent compliance consultant approved by Staff to review Sentry's sales and supervisory practices, procedures and controls, subject to Staff oversight. Sentry has committed to adopt the consultant's recommendations, again subject to Staff approval and oversight.

[12] The Sentry organization has made other changes to its governance structure, which will continue to be monitored by the independent directors of Sentry's parent corporation, as provided in the Settlement Agreement and the Undertaking of Sentry that is attached to it, which Undertaking will become a part of the Commission's Order. Such remediation is an important component of this Settlement Agreement, as it institutionalizes a process to ensure compliance as part of Sentry's organizational structure. This is a significant reason for finding that approval of the Settlement Agreement is in the public interest.

[13] The sanctions agreed to by Mr. Driscoll serve the same purposes. His payment of $100,000 to Sentry as reparation for his conduct and the orders prohibiting him from acting as a director or officer of Sentry and its affiliates until he has satisfactorily completed courses on regulatory compliance should serve to prevent repetition of his conduct. They may also deter others who are in similar positions from engaging in such conduct.

[14] The orders to be made today include a reprimand of both Sentry and Mr. Driscoll. In some circumstances, a reprimand may be the mildest form of sanction available to the Commission. In others, a reprimand can reflect recognition and acceptance of responsibility by the parties who receive it. This is such a case.

[15] Mr. Driscoll's agreement to be reprimanded demonstrates a recognition of his responsibilities as a registrant and as an officer of a registrant in that it goes beyond a mere payment of money and requires him to stand and publicly acknowledge responsibility for his conduct. Mr. Driscoll, please stand. With that in mind, Mr. Driscoll, I have asked you to stand to receive this reprimand, which you may consider administered. Thank you, Mr. Driscoll, you may be seated.

[16] A reprimand for Sentry raises more difficult issues in view of the fact that Sentry is a corporation, which, while having responsibilities as a registrant, is a fictional person. As Lord Chancellor Thurlow said in the eighteenth century, it "has no soul to be damned, and no body to be kicked." But the Commission's enforcement goals are not to damn or otherwise punish.

[17] The activities of corporations are conducted by individuals. A reprimand administered to a person who is responsible for the conduct of a corporation may reflect an acknowledgement of organizational responsibility that contributes to a culture of compliance, which, it is trite to say, begins at the top of an organization and only then may permeate the procedures and

practices that the organization adopts to ensure regulatory compliance and fairness for investors. With this in mind, I ask the representative of Sentry to stand and identify himself and his position.

[Philip Yuzpe, Chief Executive Officer and Ultimate Designated Person of Sentry Investments Inc.]

[18] Mr. Yuzpe, I understand you were recently appointed to your position as CEO and UDP of Sentry and were not personally responsible for the conduct described in the Settlement Agreement. You are neither named in it nor a party to these proceedings. As a result, your receipt of Sentry's reprimand has a symbolic aspect that, I suggest, is important for an effective culture of compliance. Mr. Yuzpe, I am obligated to and I now administer to you, as the chief executive officer of Sentry, the reprimand required by the order to which Sentry agreed.

[19] I have approved the Settlement Agreement. I shall sign the Order, with the change agreed by the parties in the hearing. The Registrar will provide copies to the parties.

[20] With that, I thank both respondents' counsel and Staff counsel for achieving this Settlement Agreement and for your very helpful submissions in the two settlement conferences that preceded this hearing and in this hearing. The hearing is now concluded.

DATED at Toronto this 5th day of April, 2017.

"Philip Anisman"

This page intentionally left blank

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

THERE IS NOTHING TO REPORT THIS WEEK.

Failure to File Cease Trade Orders

Company Name	Date of Order	Date of Revocation
Orsu Metals Corp.	06-April-2017	
Petromin Resources Ltd.	10-April-2017	

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

THERE IS NOTHING TO REPORT THIS WEEK.

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
Performance Sports Group Ltd.	19 October 2016	31 October 2016	31 October 2016		

This page intentionally left blank

Chapter 5

Rules and Policies

5.1.1 CSA Staff Notice 11-335 Notice of Local Amendments and Changes in Certain Jurisdictions

CSA/ACVM Canadian Securities Administrators Autorités canadiennes en valeurs mobilières

CSA Staff Notice 11-335
Notice of Local Amendments and Changes in Certain Jurisdictions

April 13, 2017

From time to time, a local jurisdiction may amend a national or multilateral instrument or change a policy or companion policy that affects activity only in that jurisdiction. The CSA recognize that such a local amendment or change may nonetheless be of interest or importance beyond the local jurisdiction and CSA staff are issuing this Notice to identify amendments and changes implemented in Alberta, New Brunswick, Nova Scotia, Nunavut, Saskatchewan and Yukon. For public convenience, CSA members in other jurisdictions will update the text of the applicable material on their websites to reflect these local amendments and changes.

The local amendments and changes referred to in this notice comprise those shown in Annexes A to G of this notice from Alberta, New Brunswick, Nova Scotia and Saskatchewan to:

- Multilateral Instrument 11-102 *Passport System*,
- National Instrument 14-101 *Definitions*,
- National Instrument 21-101 *Marketplace Operation*,
- National Instrument 23-102 *Use of Client Brokerage Commissions*,
- National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*,
- Companion Policy 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*, and
- National Instrument 55-104 *Insider Reporting Requirements and Exemptions*.

There are further local amendments comprising those in Annexes H and I of this notice. These local amendments are to the following instruments:

- Multilateral Instrument 11-102 *Passport System* (Nunavut and Yukon),
- National Instrument 33-109 *Registration Information*, National Instrument 45-102 *Resale of Securities*, National Instrument 45-106 *Prospectus Exemptions* and National Instrument 62-103 *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues* (all Nunavut only), and
- National Instrument 55-102 *System for Electronic Disclosure by Insiders* (SEDI) (Nunavut and New Brunswick).

The text of rule and policy consolidations on the websites of CSA members will be updated, as necessary, to reflect these local amendments and changes. For further background on Annexes A to G, see CSA Multilateral Notice of Amendments to Certain National, Multilateral and Local Instruments and Changes to Companion Policy 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* related to Derivatives Regulation in Alberta, New Brunswick, Nova Scotia and Saskatchewan (October 6, 2016). You may direct questions regarding this Notice to:

Kari Horn
Alberta Securities Commission
Tel: 403-297-4698
kari.horn@asc.ca

Sylvia Pateras
Autorité des marchés financiers
Tel: 514-395-0337, extension 2536
sylvia.pateras@lautorite.qc.ca

Chris Besko
The Manitoba Securities Commission
Tel: 204-945-2561
Chris.Besko@gov.mb.ca

Simon Thompson
Ontario Securities Commission
Tel: 416-593-8261
sthompson@osc.gov.on.ca

Susan Powell
Financial and Consumer Services Commission (New Brunswick)
Tel: 506-643-7697
susan.powell@fcnb.ca

Sonne Udemgba
Financial and Consumer Affairs Authority of Saskatchewan
Tel: 306-787-5879
sonne.udemgba@gov.sk.ca

Steven Dowling
Securities Division, Prince Edward Island
Tel: 902-368-4551
sddowling@gov.pe.ca

H. Jane Anderson
Nova Scotia Securities Commission
Tel: 902-424-0179
jane.anderson@novascotia.ca

Jeff Mason
Office of Superintendent of Securities, Nunavut
Tel: 867-975-6591
JMason@gov.nu.ca

Rhonda Horte
Office of the Yukon Superintendent of Securities
Tel: 867-667-5466
rhonda.horte@gov.yk.ca

John O'Brien, Superintendent of Securities
Office of the Superintendent of Securities, Service NL
Tel: (709) 729-4909
johnobrien@gov.nl.ca

Thomas Hall
Department of Justice
Government of the Northwest Territories
Tel: (867) 767-9260 ext. 82180
tom_hall@gov.nt.ca

ANNEX A

Local Amendments to Multilateral Instrument 11-102 *Passport System*
in Alberta, New Brunswick, Nova Scotia and Saskatchewan

Appendix D of Multilateral Instrument 11-102 Passport System is amended as follows:

(a) ***in respect of the row entitled "***Trading exchange contracts on an exchange in jurisdiction***" by replacing***

(i) ***under the column titled "***Alberta***" replacing "***s.106 & 107***" with "***n/a***",***

(ii) ***under the column titled "***Saskatchewan***" replacing "***s.40***" with "***n/a***", and***

(iii) ***under the column titled "***New Brunswick***" replacing "***s.70.1***" with "***n/a***", and***

(b) ***in respect of the row entitled "***Trading exchange contracts on an exchange outside jurisdiction***" by replacing***

(i) ***under the column titled "***Alberta***" replacing "***s.108 & 109***" with "***n/a***",***

(ii) ***under the column titled "***Saskatchewan***" replacing "***s.41***" with "***n/a***", and***

(iii) ***under the column titled "***New Brunswick***" replacing "***s.70.2***" with "***n/a***".***

These amendments became effective in Alberta, New Brunswick and Nova Scotia on February 1, 2017 and in Saskatchewan on February 8, 2017.

ANNEX B

Local Amendments to National Instrument 14-101 *Definitions*
in Alberta, New Brunswick, Nova Scotia and Saskatchewan

Subsection 1.1(3) of National Instrument 14-101 Definitions is amended by adding the following definition:

"exchange contract" means, in Alberta, New Brunswick, Nova Scotia and Saskatchewan, a derivative:

(a) that is traded on an exchange;

(b) that has standardized terms and conditions determined by that exchange; and

(c) for which a clearing agency substitutes, through novation or otherwise, the credit of the clearing agency for the credit of the parties to the derivative..

These amendments became effective in Alberta, New Brunswick and Nova Scotia on February 1, 2017 and in Saskatchewan on February 8, 2017.

ANNEX C

Local Amendments to National Instrument 21-101 *Marketplace Operation* in Alberta, New Brunswick, Nova Scotia and Saskatchewan

Section 1.4 of National Instrument 21-101 Marketplace Operation is amended by adding the following subsection:

(4) In Alberta, New Brunswick, Nova Scotia and Saskatchewan, the term “security”, when used in this Instrument, includes an option that is an exchange contract..

These amendments became effective in Alberta, New Brunswick and Nova Scotia on February 1, 2017 and in Saskatchewan on February 8, 2017.

ANNEX D

Local Amendments to National Instrument 23-102 *Use of Client Brokerage Commissions* in Alberta, New Brunswick, Nova Scotia and Saskatchewan

Section 1.2 of National Instrument 23-102 Use of Client Brokerage Commissions is replaced with the following:

1.2 Interpretation – Security

For the purposes of this Instrument,

(a) in British Columbia, “security” includes an exchange contract;

(b) in Quebec, “security” includes a standardized derivative, and

(c) in Alberta, New Brunswick, Nova Scotia and Saskatchewan, “security” includes a derivative..

These amendments became effective in Alberta, New Brunswick and Nova Scotia on February 1, 2017 and in Saskatchewan on February 8, 2017.

ANNEX E

Local Amendments to National Instrument 31-103 Registration *Requirements, Exemptions and Ongoing Registrant Obligations* in Alberta, New Brunswick, Nova Scotia and Saskatchewan

1. Section 1.2 of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations is replaced with the following:

1.2 Interpretation of "Securities" in Alberta, British Columbia, New Brunswick, Nova Scotia and Saskatchewan

(1) In British Columbia, a reference to "securities" in this Instrument includes "exchange contracts", unless the context otherwise requires.

(2) In Alberta, New Brunswick, Nova Scotia and Saskatchewan, a reference to "securities" in this Instrument includes "derivatives", unless the context otherwise requires.**.**

2. Section 8.2 is amended by

(a) adding ", Nova Scotia***" before "***and Saskatchewan***" in the heading,***

(b) replacing subsection (1) with the following:

Despite section 1.2, in Alberta, British Columbia, New Brunswick, Nova Scotia and Saskatchewan, a reference to "securities" in this Division excludes "exchange contracts".***, and***

(c) in Alberta, repealing subsection (2).

3. Section 8.20 is amended by

(a) adding ", Nova Scotia***" before "***and Saskatchewan***" in the heading,***

(b) replacing subsection (1) with the following:

In Alberta, British Columbia, New Brunswick, Nova Scotia and Saskatchewan, the dealer registration requirement does not apply to a person or company in respect of a trade in an exchange contract by the person or company if one of the following applies:

(a) the trade is made through a registered dealer, if the dealer is registered in a category that permits the trade unless, in furtherance of the trade, the person or company seeking the exemption solicits or contacts directly any purchaser or prospective purchaser in relation to the trade;

(b) the trade is made to a registered dealer who is purchasing as principal, if the dealer is registered in a category that permits the trade.***, and***

(c) in Alberta, repealing subsection (1.1).

4. Section 8.20.1 is amended by

(a) adding ", Nova Scotia***" before "***and Saskatchewan***" in the heading,***

(b) replacing subsection (1) with the following:

In Alberta, British Columbia, New Brunswick, Nova Scotia and Saskatchewan, the dealer registration requirement does not apply to a registered adviser, or an advising representative or associate advising representative acting on behalf of the registered adviser, in respect of trading activities related to exchange contracts that are incidental to its providing advice to a client, if the trade is made through a dealer registered in a category that permits the trade or a dealer operating under an exemption from the dealer registration requirement., and

(c) in Alberta, repealing subsection (1.1).

5. Section 8.26 is amended by

(a) replacing subsection (1) with the following:

Despite section 1.2, in Alberta, British Columbia, New Brunswick, Nova Scotia and Saskatchewan, a reference to “securities” in this section excludes “exchange contracts”., and

(b) in Alberta, repealing subsection (1.1).

These amendments became effective in Alberta, New Brunswick and Nova Scotia on February 1, 2017 and in Saskatchewan on February 8, 2017.

ANNEX F

Local Changes to Companion Policy 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* in Alberta, New Brunswick, Nova Scotia and Saskatchewan

Appendix B to Companion Policy 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations is changed as follows:

(a) ***the list entitled "***Terms defined in National Instrument 14-101 Definitions***" is changed by adding the following:***

- ***"***exchange contract (AB, SK, NB and NS only)***"; and***

(b) ***the list entitled "***Terms defined in the Securities Act of most jurisdictions***" is changed by replacing "***exchange contract (BC, AB, SK and NB only)***" with "***exchange contract (BC only)***".***

These changes became effective in Alberta, New Brunswick and Nova Scotia on February 1, 2017 and in Saskatchewan on February 8, 2017.

ANNEX G

Local Amendments to National Instrument 55-104 *Insider Reporting Requirements and Exemptions* in Alberta, New Brunswick, Nova Scotia and Saskatchewan

Subsection 1.1(1) of National Instrument 55-104 Insider Reporting Requirements and Exemptions is amended in the definition of "derivative***"***

(a) in paragraph (a)

(i) by adding "Nova Scotia***," before "***Nunavut***", and***

(ii) by adding ", Saskatchewan***" before "***and the Yukon Territory***", and***

(b) in paragraph (b)

(i) by adding "Nova Scotia***," before "***Nunavut***", and***

(ii) by adding ", Saskatchewan***" before "***and the Yukon Territory***".***

These amendments became effective in Alberta, New Brunswick and Nova Scotia on February 1, 2017 and in Saskatchewan on February 8, 2017.

ANNEX H

Local Amendments to Multilateral Instrument 11-102 *Passport System*
in Nunavut and Yukon

Appendix D of Multilateral Instrument 11-102 Passport System is amended under the subheading "Insider Reporting" by replacing "s.1 of Local Rule 55-501***" in the columns pertaining to Nunavut and Yukon with "***s. 104***".***

This amendment was effective in Nunavut on April 1, 2017 and in Yukon on April 30, 2010.

ANNEX I

Other Local Amendments in Nunavut and New Brunswick

1. Schedule B to Form 33-109F2 of National Instrument 33-109 Registration Information, Schedule A to Form 33-109F3 of that Instrument, Schedule O to Form 33-109F4 of that Instrument, Schedule A to Form 33-109F5 of that Instrument and Form 33-109F6 of that Instrument, and Schedule F to Form 33-109F7 of that Instrument are amended by replacing "Deputy Registrar of Securities***" under the heading "***Nunavut***" with "***Superintendent of Securities***".***

2. Form 45-102F1 of National Instrument 45-102 Resale of Securities is amended by replacing "Director, Legal Registries Division***" under the heading "***Department of Justice, Nunavut***" with "***Superintendent of Securities***".***

3. National Instrument 45-106 Prospectus Exemptions is amended

(a) in Appendix A, by adding the following after the text pertaining to Nova Scotia and before the text pertaining to Ontario:

NUNAVUT "contract", "group", "life insurance" and "policy" have the respective meanings assigned to them under the Insurance Act (Nunavut).

"insurance company" means an insurer as defined in the Insurance Act (Nunavut) that is licensed under that Act.***; and***

(b) in Appendix B, by adding the following after the text pertaining to Nova Scotia and before the text pertaining to Ontario:

NUNAVUT Paragraph (c) of the definition of "distribution" in subsection 1(1) of the *Securities Act* (Nunavut)**.**

4. Forms 55-102F1, 55-102F2, 55-102F3 and 55-102F6 of National Instrument 55-102 System for Electronic Disclosure by Insiders (SEDI) are amended by

(a) replacing the contact information for Nunavut with the following:

Government of Nunavut
Office of Superintendent of Securities
P.O. Box 100, Station 570
1st Floor, Brown Building
Iqaluit, Nunavut XOA OHO

Contact person: Superintendent of Securities
Tel: (867) 975-6590
Fax: (867) 975-6595
Email: securities@gov.nu.ca

(b) in the contact information for New Brunswick by replacing references to "New Brunswick Securities Commission**" with references to "**Financial and Consumer Services Commission**".**

5. Appendix D of National Instrument 62-103 The Early Warning System and Related Take-Over Bid and Insider Reporting Issues is amended by adding, in the row pertaining to Nunavut, "Section 11 of the Securities Act (Nunavut) and***" before "***Sections 1.8 and 1.9***".***

Sections 3 and 5 became effective in Nunavut on April 1, 2017.

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

INVESTMENT FUNDS

Issuer Name:
Phillips, Hager & North Community Values Balanced Fund
Phillips, Hager & North Community Values Canadian Equity Fund
Phillips, Hager & North Community Values Global Equity Fund
Principal Regulator - Ontario
Type and Date:
Amendment #3 to Final Simplified Prospectus dated April 6, 2017
Received on April 7, 2017
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Phillips, Hager & North Investment Funds Ltd.
Promoter(s):
RBC Global Asset Management Inc.
Project #2485597

Issuer Name:
Cambridge Balanced Yield Pool
Cambridge Canadian Short-Term Bond Pool
Cambridge Premium Yield Pool
Harbour Analyst Fund
Signature Floating Rate Income Pool
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectus dated April 3, 2017
NP 11-202 Preliminary Receipt dated April 4, 2017
Offering Price and Description:
Class A, A1, A2, A3, A4, A5, E, EF, F, F1, F2, F3, F4. F5, I, O and P units
Underwriter(s) or Distributor(s):
-
Promoter(s):
CI Investments Inc.
Project #2608430

Issuer Name:
Dynamic Corporate Bond Strategies Class
Dynamic Corporate Bond Strategies Fund
Dynamic Money Market Class
Dynamic Strategic Bond Fund
Dynamic Canadian Asset Allocation Class
Dynamic Power Balanced Class
Dynamic Aurion Tactical Balanced Class
Dynamic Power Canadian Growth Class
Dynamic Power Dividend Growth Class
Dynamic Global Value Class
Dynamic EAFE Value Class
Dynamic Emerging Markets Class
Dynamic Power American Currency Neutral Fund
DMP Power Global Growth Class
DMP Resource Class
DMP Value Balanced Class
Dynamic Resource Fund
Dynamic Strategic Growth Portfolio
Dynamic Strategic Resource Class
Principal Regulator - Ontario
Type and Date:
Amendment #1 to Final Simplified Prospectus dated April 7, 2017
Received on April 7, 2017
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
1832 Asset Management L.P.
GCIC Ltd.
Promoter(s):
1832 Asset Management L.P.
Project #2540701

Issuer Name:
Dynamic Emerging Markets Fund
Principal Regulator - Ontario
Type and Date:
Amendment #1 to Final Simplified Prospectus, dated April 7, 2017
Received on April 7, 2017
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
1832 Asset Management L.P.
Promoter(s):
-
Project #2484442

Issuer Name:
Horizons S&P/TSX Capped Energy Index ETF
Horizons S&P/TSX Capped Financials Index ETF
Principal Regulator - Ontario
Type and Date:
Amendment #1 to Final Long Form Prospectus dated April 3, 2017
Received on April 4, 2017
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
Horiozns ETFs Management (Canada) Inc.
Project #2509599

Issuer Name:
imaxx Canadian Bond Fund
imaxx Canadian Dividend Fund
imaxx Canadian Equity Growth Fund
imaxx Canadian Fixed Pay Fund
imaxx Global Equity Growth Fund
imaxx Money Market Fund
Principal Regulator - Ontario
Type and Date:
Combined Preliminary and Pro Forma Simplified Prospectus dated April 6, 2017
NP 11-202 Preliminary Receipt dated April 7, 2017
Offering Price and Description:
A and F Class, Series O Units and Series 0, 3 and 5 Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2609404

Issuer Name:
North American Financial 15 Split Corp.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated April 5, 2017
NP 11-202 Preliminary Receipt dated April 5, 2017
Offering Price and Description:
Offering: $ * - * Preferred Shares and * Class A Shares
Prices: $ * per Preferred Share and $ * per Class A Share
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
CIBC World Markets Inc.
Scotia Capital Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
GMP Securities L.P.
Canaccord Genuity Corp.
Raymond James Ltd.
Desjardins Securities Inc.
Echelon Wealth Partners Inc.
Industrial Alliance Securities Inc.
Mackie Research Capital Corporation
Manulife Securities Incorporated
Promoter(s):
-
Project #2608822

Issuer Name:
North American Financial 15 Split Corp.
Principal Regulator - Ontario
Type and Date:
Amended and Restated to Preliminary Short Form Prospectus dated April 6, 2017
NP 11-202 Preliminary Receipt dated April 6, 2017
Offering Price and Description:
Offering: $54,110,300 - 2,833,000 Preferred Shares and 2,833,000 Class A Shares
Prices: $10.00 per Preferred Share and $9.10 per Class A Share
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
CIBC World Markets Inc.
Scotia Capital Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
GMP Securities L.P.
Canaccord Genuity Corp.
Raymond James Ltd.
Desjardins Securities Inc.
Echelon Wealth Partners Inc.
Industrial Alliance Securities Inc.
Mackie Research Capital Corporation
Manulife Securities Incorporated
Promoter(s):
-
Project #2608822

Issuer Name:
Phillips, Hager & North Community Values Balanced Fund
Phillips, Hager & North Community Values Canadian Equity Fund
Phillips, Hager & North Community Values Global Equity Fund
Principal Regulator - Ontario
Type and Date:
Amendment #3 to Final Simplified Prospectus dated April 6, 2017
Received on April 7, 2017
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
RBC Global Asset Management Inc.
Project #2485604

Issuer Name:
Scotia Private Canadian Mid Cap Pool
Principal Regulator - Ontario
Type and Date:
Amendment #2 to Final Simplified Prospectus dated April 10, 2017
Received on April 10, 2017
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Scotia Capital Inc.
Scotia Securities Inc.
Scotia Capital Inc. (for Pinnacle Class and Class F units only)
Scotia Capital Inc. (for Pinnacle Class only)
1832 Asset Management L.P.
Promoter(s):
1832 Asset Management L.P
Project #2540087

Issuer Name:
Purpose Best Ideas Fund
Purpose Core Dividend Fund
Purpose Duration Hedged Real Estate Fund
Purpose Monthly Income Fund
Purpose Short Duration Tactical Bond Fund
Purpose Tactical Hedged Equity Fund
Purpose Total Return Bond Fund
Principal Regulator - Ontario
Type and Date:
Combined Preliminary and Pro Forma Simplified Prospectus dated April 5, 2017
NP11-202 Preliminary Receipt dated April 7, 2017
Offering Price and Description:
ETF units, Class A units, Class F units and Class D units
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
Purpose Investments Inc.
Project #2609079

Issuer Name:
AIP Canadian Enhanced Income Class
AIP Global Macro Class
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated March 27, 2017
NP 11-202 Receipt dated April 6, 2017
Offering Price and Description:
Series A, F and I shares @ net asset value
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2582764

Issuer Name:
Fidelity Canadian Growth Company Fund
Fidelity Dividend Plus Fund
Fidelity Special Situations Fund
Fidelity True North Fund
Fidelity Small Cap America Fund
Fidelity U.S. Dividend Fund
Fidelity U.S. Dividend Currency Neutral Fund
Fidelity Emerging Markets Fund
Fidelity Global Concentrated Equity Fund
Fidelity Frontier Emerging Markets Fund
Fidelity International Growth Fund
Fidelity Global Technology Fund
Fidelity U.S. Monthly Income Currency Neutral Fund
Fidelity Tactical High Income Fund
Fidelity Conservative Income Fund
Fidelity Income Portfolio
Fidelity ClearPath 2030 Portfolio
Fidelity ClearPath 2055 Portfolio
Fidelity Canadian Money Market Fund
Fidelity American High Yield Fund
Fidelity Floating Rate High Income Currency Neutral Fund
Fidelity International Concentrated Equity Fund
Principal Regulator - Ontario
Type and Date:
Amendment #3 to Final Simplified Prospectus dated March 28, 2017
NP 11-202 Receipt dated April 6, 2017
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Fidelity Investments Canada ULC
Fidelity Investments Canada Limited
Promoter(s):
Fidelity Investments Canada ULC
Project #2535350

Issuer Name:
Fidelity International Growth Investment Trust
Principal Regulator - Ontario
Type and Date:
Amendment #1 to Final Simplified Prospectus dated March 31, 2017
NP 11-202 Receipt dated April 5, 2017
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Fidelity Investments Canada ULC
Promoter(s):
FIDELITY INVESTMENTS CANADA ULC
Project #2515520

Issuer Name:
Horizons S&P/TSX Capped Energy Index ETF
Horizons S&P/TSX Capped Financials Index ETF
Principal Regulator - Ontario
Type and Date:
Amendment #1 to Final Long Form Prospectus dated April 3, 2017
NP 11-202 Receipt dated April 7, 2017
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
Horizons ETFs Management (Canada) Inc.
Project #2509599

Issuer Name:
imaxx Money Market Fund
Principal Regulator - Ontario
Type and Date:
Amendment #1 to Final Simplified Prospectus dated March 24, 2017
NP 11-202 Receipt dated April 7, 2017
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
Foresters Financial Investment Management Company of Canada Inc.
Project #2465651

Issuer Name:
Invesco Global Dividend Income Fund
Invesco Global Monthly Income Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated April 3, 2017
NP 11-202 Receipt dated April 4, 2017
Offering Price and Description:
Series A, Series F, Series I, Series P, Series PF and Series PTF units @ net asset value
Underwriter(s) or Distributor(s):
-
Promoter(s):
Invesco Canada Ltd.
Project #2587766

Issuer Name:
Mackenzie Core Plus Canadian Fixed Income ETF
Mackenzie Core Plus Global Fixed Income ETF
Mackenzie Floating Rate Income ETF
Mackenzie Global High Yield Fixed Income ETF
Mackenzie Unconstrained Bond ETF
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated April 3, 2017
NP 11-202 Receipt dated April 4, 2017
Offering Price and Description:
units @ net asset value
Underwriter(s) or Distributor(s):
-
Promoter(s):
Mackenzie Financial Corporation
Project #2585822

Issuer Name:
Manulife Asia Equity Class
Manulife Asia Total Return Bond Fund
Manulife Balanced Equity Private Pool
Manulife Balanced Income Private Trust
Manulife Bond Fund
Manulife Canadian Balanced Fund
Manulife Canadian Balanced Private Pool
Manulife Canadian Bond Plus Fund
Manulife Canadian Corporate Bond Fund
Manulife Canadian Dividend Growth Class
Manulife Canadian Dividend Growth Fund
Manulife Canadian Dividend Income Class
Manulife Canadian Dividend Income Fund
Manulife Canadian Equity Balanced Class
Manulife Canadian Equity Private Pool
Manulife Canadian Fixed Income Private Trust
Manulife Canadian Focused Class
Manulife Canadian Focused Fund
Manulife Canadian Growth and Income Private Trust
Manulife Canadian Investment Class
Manulife Canadian Investment Fund
Manulife Canadian Monthly Income Class
Manulife Canadian Monthly Income Fund
Manulife Canadian Opportunities Balanced Class
Manulife Canadian Opportunities Balanced Fund
Manulife Canadian Opportunities Class
Manulife Canadian Opportunities Fund
Manulife Canadian Stock Class
Manulife Canadian Stock Fund
Manulife China Class
Manulife Conservative Income Fund
Manulife Corporate Bond Fund
Manulife Corporate Fixed Income Private Trust
Manulife Covered Call U.S. Equity Class
Manulife Covered Call U.S. Equity Fund
Manulife Diversified Income Portfolio
Manulife Diversified Investment Fund
Manulife Diversified Strategies Fund
Manulife Dividend Income Class
Manulife Dividend Income Fund
Manulife Dividend Income Private Pool
Manulife Dollar-Cost Averaging Fund
Manulife Emerging Markets Class
Manulife Emerging Markets Debt Fund
Manulife Emerging Markets Fund
Manulife Floating Rate Income Fund
Manulife Global All Cap Focused Fund
Manulife Global Balanced Fund
Manulife Global Balanced Private Trust
Manulife Global Dividend Class
Manulife Global Dividend Fund
Manulife Global Dividend Growth Class
Manulife Global Dividend Growth Fund
Manulife Global Equity Class
Manulife Global Equity Private Pool
Manulife Global Equity Unconstrained Class
Manulife Global Equity Unconstrained Fund
Manulife Global Fixed Income Private Trust
Manulife Global Infrastructure Class
Manulife Global Infrastructure Fund
Manulife Global Real Estate Unconstrained Class
Manulife Global Real Estate Unconstrained Fund
Manulife Global Small Cap Balanced Fund
Manulife Global Small Cap Fund
Manulife Global Strategic Balanced Yield Fund
Manulife Global Tactical Credit Fund
Manulife Growth Opportunities Class
Manulife Growth Opportunities Fund
Manulife High Yield Bond Fund
Manulife International Equity Private Trust
Manulife International Focused Fund
Manulife International Value Equity Fund
Manulife Leaders Balanced Growth Portfolio
Manulife Leaders Balanced Income Portfolio
Manulife Leaders Opportunities Portfolio
Manulife Money Fund
Manulife Money Market Private Trust
Manulife Monthly High Income Class
Manulife Monthly High Income Fund
Manulife Portrait Aggressive Portfolio
Manulife Portrait Conservative Portfolio
Manulife Portrait Dividend Growth & Income Portfolio
Manulife Portrait Dividend Growth & Income Portfolio Class
Manulife Portrait Growth Portfolio
Manulife Portrait Growth Portfolio Class
Manulife Portrait Moderate Portfolio
Manulife Preferred Income Class
Manulife Short Term Bond Fund
Manulife Short Term Yield Class
Manulife Simplicity Balanced Portfolio
Manulife Simplicity Conservative Portfolio
Manulife Simplicity Global Balanced Portfolio
Manulife Simplicity Growth Portfolio
Manulife Simplicity Moderate Portfolio
Manulife Strategic Balanced Yield Fund
Manulife Strategic Dividend Bundle
Manulife Strategic Income Fund
Manulife Strategic Investment Grade Global Bond Fund
Manulife Tactical Income Fund
Manulife U.S. All Cap Equity Class
Manulife U.S. All Cap Equity Fund
Manulife U.S. Balanced Private Trust
Manulife U.S. Balanced Value Private Trust
Manulife U.S. Dividend Income Class
Manulife U.S. Dividend Income Fund
Manulife U.S. Dividend Income Registered Fund
Manulife U.S. Dollar Floating Rate Income Fund
Manulife U.S. Dollar Strategic Balanced Yield Fund
Manulife U.S. Dollar Strategic Income Fund
Manulife U.S. Dollar U.S. All Cap Equity Fund
Manulife U.S. Equity Fund
Manulife U.S. Equity Private Pool
Manulife U.S. Fixed Income Private Trust
Manulife U.S. Monthly High Income Fund
Manulife U.S. Opportunities Fund
Manulife U.S. Tactical Credit Fund
Manulife Unhedged U.S. Monthly High Income Fund
Manulife Value Balanced Class
Manulife Value Balanced Fund
Manulife World Investment Class
Manulife World Investment Fund
Manulife Yield Opportunities Fund
Principal Regulator - Ontario
Type and Date:

Amendment #2 to Simplified Prospectus and Amendment #4 5 to AIF dated March 31, 2017
NP 11-202 Receipt dated April 5, 2017
Offering Price and Description:
Advisor Series securities, Series D securities, Series F securities, Series FT5 securities, Series FT6 securities, Series FT7 securities, Series FT8 securities, Series T5 securities, Series T6 securities, Series T7 securities, Series T8 securities
Underwriter(s) or Distributor(s):
Manulife Asset Management Investments Inc.
Promoter(s):
Manulife Asset Management Limited
Project #2496519

Issuer Name:
MDPIM S&P/TSX Capped Composite Index Pool
MDPIM International Equity Index Pool
MDPIM S&P 500 Index Pool
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated March 31, 2017
NP 11-202 Receipt dated April 4, 2017
Offering Price and Description:
Series A units
Underwriter(s) or Distributor(s):
MD Management Limited
Promoter(s):
MD Financial Management Inc.
Project #2582991

Issuer Name:
Multi-Asset Equity Completion
Russell Investments Multi-Factor International Equity Pool
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated April 3, 2017
NP 11-202 Receipt dated April 6, 2017
Offering Price and Description:
Series B, F and O units @ net asset value
Underwriter(s) or Distributor(s):
Russell Investments Canada Limited
Promoter(s):
Russell Investments Canada Limited
Project #2592698

Issuer Name:
Sphere FTSE Asia Sustainable Yield Index ETF
Sphere FTSE Canada Sustainable Yield Index ETF
Sphere FTSE Emerging Markets Sustainable Yield Index ETF
Sphere FTSE Europe Sustainable Yield Index ETF
Sphere FTSE US Sustainable Yield Index ETF
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated April 4, 2017
NP 11-202 Receipt dated April 6, 2017
Offering Price and Description:
Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2584700

NON-INVESTMENT FUNDS

Issuer Name:
Ag Growth International Inc.
Principal Regulator - Manitoba
Type and Date:
Preliminary Short Form Prospectus dated April 10, 2017
NP 11-202 Preliminary Receipt dated April 10, 2017
Offering Price and Description:
$75,000,000.00
4.85% Convertible Unsecured Subordinated Debentures
Price: $1,000 per Debenture

Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
National Bank Financial Inc.
TD Securities Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
Raymond James Ltd.
Altacorp Capital Inc.
Laurentian Bank Securities Inc.
Promoter(s):
-
Project #2608683

Issuer Name:
Cardinal Resources Limited
Type and Date:
Preliminary Long Form Prospectus dated April 5, 2017
(Preliminary) Receipted on April 5, 2017
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2608830

Issuer Name:
Glorious Creation Limited
Principal Regulator - British Columbia
Type and Date:
Preliminary Long Form Prospectus dated April 4, 2017
NP 11-202 Preliminary Receipt dated April 4, 2017
Offering Price and Description:
Maximum Offering: $2,400,000.00 or 8,000,000 Shares (the "Maximum Offering")
Minimum Offering: $1,410,000.00 or 4,700,000 Shares (the "Minimum Offering")
Price: $0.30 per Share
Underwriter(s) or Distributor(s):
Mackie Research Capital Corporation
Promoter(s):
Kong Yuk Kan
Project #2608548

Issuer Name:
IntelGenx Technologies Corp.
Principal Regulator - Quebec
Type and Date:
Preliminary Short Form Prospectus dated April 5, 2017
NP 11-202 Preliminary Receipt dated April 5, 2017
Offering Price and Description:
Maximum: $10,000,000.00
Minimum: $7,000,000.00
8% Convertible Unsecured Subordinated Debentures due June 30, 2020
Price: $1,000.00 per Debenture
Underwriter(s) or Distributor(s):
Desjardins Securities Inc.
Laurentian Bank Securities Inc.
Promoter(s):
-
Project #2608826

Issuer Name:
K-Bro Linen Inc.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated April 10, 2017
NP 11-202 Preliminary Receipt dated April 10, 2017
Offering Price and Description:
$50,160,000.00 - 1,320,000 Common Shares
Price: $38.00 per Common Share
Underwriter(s) or Distributor(s):
TD Securities Inc.
Acumen Capital Finance Partners Limited
GMP Securities L.P.
Laurentian Bank Securities Inc.
Cormark Securities Inc.
National Bank Financial Inc.
Echelon Wealth Partners Inc.
Promoter(s):
-
Project #2608636

Issuer Name:
Nevada Zinc Corporation
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated April 10, 2017
NP 11-202 Preliminary Receipt dated April 10, 2017
Offering Price and Description:
Up to CDN $2,000,000.00 - * Units
CDN $* per Unit
Underwriter(s) or Distributor(s):
Canaccord Genuity Corp.
Promoter(s):
-
Project #2610039

Issuer Name:
North American Nickel Inc.
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus dated April 5, 2017
NP 11-202 Preliminary Receipt dated April 5, 2017
Offering Price and Description:
Up to $15,000,000.00 - Up to [*] Units
Price: $[*] per Unit
Underwriter(s) or Distributor(s):
Paradigm Capital Inc.
Promoter(s):
-
Project #2609084

Issuer Name:
Silver Wheaton Corp.
Principal Regulator - British Columbia
Type and Date:
Preliminary Base Shelf Prospectus dated April 6, 2017
NP 11-202 Preliminary Receipt dated April 6, 2017
Offering Price and Description:
US$2,000,000,000.00
Common Shares
Preferred Shares
Debt Securities
Subscription Receipts
Units
Warrants
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2609377

Issuer Name:
Source Energy Services Ltd.
Principal Regulator - Alberta
Type and Date:
Amended and Restated Preliminary Prospectus dated April 6, 2017
NP 11-202 Preliminary Receipt dated April 6, 2017
Offering Price and Description:
$175,000,004.00 - 16,666,667 Common Shares
Price: $10.50 per Common Share
Underwriter(s) or Distributor(s):
Scotia Capital Inc.
Morgan Stanley Canada Limited
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
Goldman Sachs Canada Inc.
Raymond James Ltd.
RBC Dominion Securities Inc.
Canaccord Genuity Corp.
AltaCorp Capital Inc.
GMP Securities L.P.
Peters & Co. Limited
Promoter(s):
-
Project #2583452

Issuer Name:
22 Capital Corp.
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated April 6, 2017
NP 11-202 Receipt dated April 7, 2017
Offering Price and Description:
$600,000.00 or 6,000,000 Common Shares
Price: $0.10 per Common Share
Underwriter(s) or Distributor(s):
Industrial Alliance Securities Inc.
Promoter(s):
Steven Mintz
Project #2596057

Issuer Name:
CT Real Estate Investment Trust
Principal Regulator - Ontario
Type and Date:
Final Base Shelf Prospectus dated April 5, 2017
NP 11-202 Receipt dated April 5, 2017
Offering Price and Description:
$2,000,000,000.00 - Units, Preferred Units, Debt Securities, Subscription Receipts, Warrants
Underwriter(s) or Distributor(s):
-
Promoter(s):
Canadian Tire Corporation, Limited
Project #2600084

Issuer Name:
Enbridge Income Fund Holdings Inc.
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated April 7, 2017
NP 11-202 Receipt dated April 7, 2017
Offering Price and Description:
15,085,000 Common Shares
Price: $33.15 Per Common Share
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
Scotia Capital Inc.
National Bank Financial Inc.
RBC Dominion Securities Inc.
TD Securities Inc.
Desjardins Securities Inc.
HSBC Securities (Canada) Inc.
J.P. Morgan Securities Canada Inc.
Altacorp Capital Inc.
Canaccord Genuity Corp.
GMP Securities L.P.
Peters & Co. Limited
Promoter(s):
-
Project #2601067

Issuer Name:
Source Energy Services Ltd.
Principal Regulator - Alberta
Type and Date:
Final Long Form Prospectus dated April 6, 2017
NP 11-202 Receipt dated April 7, 2017
Offering Price and Description:
$175,000,004.00 - 16,666,667 Common Shares at a price of $10.50 per Common Share
Underwriter(s) or Distributor(s):
Scotia Capital Inc.
Morgan Stanley Canada Limited
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
Goldman Sachs Canada Inc.
Raymond James Ltd.
RBC Dominion Securities Inc.
Canaccord Genuity Corp.
AltaCorp Capital Inc.
GMP Securities L.P.
Peters & Co. Limited
Promoter(s):
-
Project #2583452

Issuer Name:
Sprott Resource Holdings Inc. (formerly Adriana Resources Inc.)
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated April 4, 2017
NP 11-202 Receipt dated April 4, 2017
Offering Price and Description:
$30,000,000.00 - 120,000,000 Units at an offering price of $0.25 per Offered Unit
Underwriter(s) or Distributor(s):
Sprott Private Wealth LP
Haywood Securities Inc.
Promoter(s):
-
Project #2592521

This page intentionally left blank

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
New Registration	Applied Research Investment Advisors Corp. / Applied Research - Conseil en Investissements Corp.	Portfolio Manager	April 4, 2017
Voluntary Surrender	Rondeau Capital Inc.	Portfolio Manager	March 30, 2017
New Registration	Outcome Wealth Management Inc.	Portfolio Manager and Commodity Trading Manager	April 7, 2017
New Registration	DPN Capital Inc.	Exempt Market Dealer	April 7, 2017
Voluntary Surrender	FIAM LLC	Portfolio Manager	April 3, 2017

This page intentionally left blank

Chapter 13

SROs, Marketplaces, Clearing Agencies and Trade Repositories

13.3 Clearing Agencies

13.3.1 CDCC – Amendments to Sections A-102, A-220 and A-701 of the CDCC Rules – Notice of Commission Approval

NOTICE OF COMMISSION APPROVAL

AMENDMENTS TO SECTIONS A-102, A-220 AND A-701 OF THE RULES OF THE CANADIAN DERIVATIVES CLEARING CORPORATION IN ORDER TO ESTABLISH A HIGHER STANDARD OF LEGAL CERTAINTY WITH RESPECT TO BANKRUPTCY REMOTENESS

In accordance with the Rule Protocol between the Ontario Securities Commission (Commission) and The Canadian Derivatives Clearing Corporation (CDCC), the Commission approved on March 10, 2017, amendments related to establishing a higher standard of legal certainty with respect to bankruptcy remoteness.

A copy of the CDCC notice was published for comment on December 8, 2016 on the Commission's website at: http://www.osc.gov.on.ca. No comments were received.

13.3.2 CDCC – Amendments to Sections A-1A04 and A-401 of the CDCC Rules – Notice of Commission Approval

NOTICE OF COMMISSION APPROVAL

THE CANADIAN DERIVATIVES CLEARING CORPORATION (CDCC)

AMENDMENTS TO SECTIONS A-1A04 AND A-401 OF THE RULES OF CDCC IN ORDER TO ESTABLISH AND DOCUMENT CDCC'S CONSULTATION POWER

In accordance with the Rule Protocol between the Ontario Securities Commission (Commission) and CDCC, the Commission approved on February 7, 2017, changes to the amendments to Sections A-1A04 and A-401 in order for establish and document CDCC's consultation power.

A copy of the CDCC notice was published for comment on August 18, 2016 on the Commission's website at: http://www.osc.gov.on.ca. No comments were received.

The purpose of the rule amendments is to establish and document CDCC's intention to enter into consultation with the Bank of Canada before declaring certain clearing members non-conforming or using enforcement measures permitted under such status. Additional amendments were made to Sections A-1A04 and A-401 of the Rules of CDCC since publication for comment. The scope of CDCC's obligation to consult with the Bank of Canada was clarified to apply to a clearing member who may be affected by an order under subsection 39.13(1) of the *Canada Deposit Insurance Corporation Act* or the affiliates of such clearing member and CDCC will consult with the Bank of Canada pursuant to the CDCC rules. The language was adjusted accordingly to provide greater transparency as to the nature of the obligation of CDCC with respect to its consultation with the Bank of Canada.

A copy of the CDCC Notice containing the cumulative changes made to the rule is published on our website at http://www.osc.gov.on.ca.

Index