The Ontario Securities Commission

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

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NATIONAL INSTRUMENT 58-101 *DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES*
AND
FORM 58-101F1 *CORPORATE GOVERNANCE DISCLOSURE*

December 11, 2014

On November 28, 2014, the Minister of Finance approved amendments (the Amendments) made by the Ontario Securities Commission (OSC or Commission) to National Instrument 58-101 *Disclosure of Corporate Governance Practices* and Form 58-101F1 *Corporate Governance Disclosure*.

The Amendments were made by the Commission on September 23, 2014.

The Amendments were published on the OSC website at http://www.osc.gov.on.ca on October 15, 2014 and in the OSC Bulletin on October 16, 2014 at (2014) 37 OSCB 9370.

The Amendments come into force on December 31, 2014.

The text of the Amendments is reproduced in Chapter 5 of this Bulletin.

1.4 Notices from the Office of the Secretary

1.4.1 TG Residential Value Properties Ltd.

FOR IMMEDIATE RELEASE
December 3, 2014

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

AND

IN THE MATTER OF
TG RESIDENTIAL VALUE PROPERTIES LTD.

TORONTO – The Commission issued an Order in the above named matter which provides that the hearing in this matter be adjourned until December 3, 2014, at 2:00 p.m.

A copy of the Order dated December 1, 2014 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOSÉE TURCOTTE
SECRETARY

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media_inquiries@osc.gov.on.ca

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OSC Contact Centre
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1.4.2 IAC – Independent Academies Canada Inc. et al.

FOR IMMEDIATE RELEASE
December 3, 2014

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

AND

IN THE MATTER OF
IAC – INDEPENDENT ACADEMIES CANADA INC.,
MICRON SYSTEMS INC.,
THEODORE ROBERT EVERETT and ROBERT H. DUKE

TORONTO – The Commission issued an Order pursuant to Subsections 127(1) and 127(10) of the *Securities Act* in the above named matter which provides that:

a) Staff's application to proceed by way of a written hearing is granted;

b) Staff's materials in respect of the written hearing shall be served and filed by no later than 4:00 p.m. on December 11, 2014;

c) The Respondents' responding materials, if any, shall be served and filed by no later than 4:00 p.m. on January 8, 2015; and

d) Staff's reply materials, if any, shall be served and filed by no later than 4:00 p.m. on January 22, 2015.

A copy of the Order dated December 1, 2014 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
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1.4.3 TG Residential Value Properties Ltd.

FOR IMMEDIATE RELEASE
December 4, 2014

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

AND

IN THE MATTER OF
TG RESIDENTIAL VALUE PROPERTIES LTD.

TORONTO – The Commission issued an Order in the above named matter which provides that pursuant to paragraph 2 of subsection 127(1) of the Act that, effective immediately, all trading in the securities of the Reporting Issuer, whether direct or indirect, shall cease unless this order is varied or revoked pursuant to section 144 of the Act, on application of a person or company affected by the decision.

A copy of the Order dated December 4, 2014 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
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1-877-785-1555 (Toll Free)

1.4.4 The Gatekeepers of Wealth Inc. and Joseph Bochner

FOR IMMEDIATE RELEASE
December 9, 2014

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

AND

IN THE MATTER OF
THE GATEKEEPERS OF WEALTH INC.
and JOSEPH BOCHNER

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

(a) Staff shall provide their hearing brief, witness lists, and witness statements to the Respondents by April 23, 2015;

(b) a pre-hearing conference shall take place on May 4, 2015 at 10:00 a.m.;

(c) the Respondents shall provide their hearing briefs, witness lists, and witness statements to Staff by May 7, 2015; and

(d) the hearing on the merits in this matter shall commence on June 9, 2015 at 10:00 a.m., and shall continue on June 10, 11, and 12, 2015.

A copy of the Order dated December 8, 2014 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOSÉE TURCOTTE
SECRETARY

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Investia Financial Services Inc. and Ten Star Financial Inc.

Headnote

Multilateral Instrument 11-102 Passport System – National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – National Instrument 33-109 Registration Information (NI 33-109) – Relief from certain filing requirements of NI 33-109 in connection with a bulk transfer of business locations and registered individuals pursuant to an asset purchase in accordance with section 3.4 of Companion Policy 33-109CP Registration Information.

Applicable Legislative Provisions

Multilateral Instrument 11-102 Passport System, s. 4.7(1).
National Instrument 33-109 Registration Information, ss. 2.2, 2.3, 3.2, 4.2.
Companion Policy 33-109CP Registration Information, s. 3.4.
National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions.

November 28, 2014

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

AND

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

AND

IN THE MATTER OF
INVESTIA FINANCIAL SERVICES INC.
("INVESTIA")

AND

TEN STAR FINANCIAL INC.
("TSF") (the "Filers")

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the "**Decision Maker**") has received an application from the Filers for a decision under the securities legislation of each of Ontario and Quebec (the "**Legislation**") providing exemptions from the requirements contained in sections 2.2, 2.3, 3.2 and 4.2 of National Instrument 33-109 *Registration Information* ("**NI 33-109**") pursuant to section 7.1 of NI 33-109 to allow the bulk transfer (the "**Bulk Transfer**") of registered individuals ("**TSF Individuals** ") and all business locations ("**Locations**") of TSF (branches and sub-branches) from TSF to INVESTIA, on the Transaction Date (defined below), in accordance with section 3.4 of the Companion Policy to NI 33-109 (the "**Exemption Sought**"). The application received from the Filers is in connection with the proposed acquisition by INVESTIA of all dealer rights and interest in TSF mutual fund and segregated fund business whereby TSF client accounts will be transferred to INVESTIA (the "**Transaction**").

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

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

(b) the Filers have provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* ("**MI 11-102**") is intended to be relied upon in British Columbia, Alberta, Saskatchewan and Manitoba , 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 MI 11-102 and National Instrument 14-101 *Definitions* have the same meaning if used in this decision, unless otherwise defined.

Representations

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

Investia Financial Services Inc.

1. INVESTIA is a company constituted by amalgamation under the *Canadian Business Corporations Act* ("**CBCA**") on September 1, 2009. It is a wholly-owned subsidiary of Industrial Alliance Insurance and Financial Services Inc.

2. INVESTIA is registered in Québec as a firm in the following categories: exempt market dealer, mutual fund dealer, restricted dealer and scholarship plan dealer. In the other provinces and territories of Canada, INVESTIA is registered as a dealer in the categories of exempt market dealer and mutual fund dealer. In addition, INVESTIA is a member of the Mutual Fund Dealers Association of Canada ("**MFDA**").

3. INVESTIA's registered head-office is located at 6700 Boulevard Pierre-Bertrand, Suite 300, Quebec, Province of Quebec, G2J 0B4.

4. INVESTIA is in compliance with all of the MFDA's requirements and is not in default of any requirements of securities legislation in any of the jurisdictions in which it is registered.

Ten Star Financial Inc.

5. TSF is a corporation constituted under the CBCA. It is a wholly-owned subsidiary of Ten Star Holdings Inc. Ten Star Holdings Inc. is owned by two individuals, David Baird and his spouse, Joyce Baird.

6. TSF is registered as a dealer in the category of mutual fund dealer in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Quebec and as a dealer in the category of exempt market dealer in Ontario. TSF is also a member of the MFDA.

7. TSF's registered head office is located at 95 Hamilton Street North, Suite 8, Waterdown, Ontario, L0R 2H0.

8. TSF is in compliance with all of the MFDA's requirements and is not in default of any requirements of securities legislation in any of the jurisdictions in which it is registered.

The Proposed Transaction

9. INVESTIA intends to acquire all dealer rights and interest in TSF's mutual fund and segregated fund business on or about December 1, 2014 (the "**Transaction Date**").

10. TSF's client accounts will be transferred to INVESTIA on the Transaction Date by way of a negative confirmation, as per MFDA Staff Notice MSN-0017.

11. On 26 September, 2014, the MFDA issued a letter approving the Transaction.

Submissions in support of exemptions

12. Subject to obtaining the Exemption Sought, no disruption in the services provided by the TSF Individuals to TSF's clients to be transferred to INVESTIA as part of the Transaction is anticipated as a result of the Transaction.

13. The Exemption Sought will not have any negative consequences on INVESTIA's ability to comply with any applicable regulatory requirements or to satisfy any obligations in respect of its clients and TSF's clients to be transferred to INVESTIA as part of the Transaction.

14. Given the number of TSF Individuals and Locations to be transferred from TSF to INVESTIA on the Transaction Date, it would be unduly time consuming and difficult to transfer each of the TSF Individuals and Locations through the National Registration Database ("**NRD**") in accordance with the requirements of National Instrument 33-109 *Registration Information* ("**NI 33-109**") if the Exemption Sought is not granted.

15. TSF is registered as a mutual fund dealer in six provinces, i.e. British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Quebec, and as an exempt market dealer in Ontario. Investia is also registered as a mutual fund dealer in those six provinces and as an exempt market dealer in Ontario. This provides the opportunity to seamlessly transfer the TSF Individuals and Locations on the Transaction Date by way of the Bulk Transfer.

16. At the time of the Bulk Transfer, the TSF Individuals will be all of the registered individuals of TSF save and except for two registered individuals of TSF which will not be part of the Bulk Transfer. The Locations will be the only branches and sub-branches of TSF. Accordingly, the transfer of the TSF Individuals and Locations on the Transaction Date by means of Bulk Transfer can be implemented without any significant disruption to the activities of the TSF Individuals, the Locations, TSF and INVESTIA.

17. Allowing the Bulk Transfer of the TSF Individuals to occur on the Transaction Date will benefit (and have no detrimental impact on) TSF's clients to be transferred to INVESTIA as part of the Transaction by ensuring that there is no interruption in registration of the TSF Individuals.

18. The Exemption Sought complies with the requirements of and the reasons for a bulk transfer as set out in Section 3.4 of the Companion Policy to NI 33-109 and Appendix C thereto.

19. It would not be prejudicial to the public interest to grant the Exemption Sought.

Decision

Each of the Decision Makers is satisfied that the decision meets the tests 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 the Filers make acceptable arrangements with CGI Information Systems and Management Consultants Inc. in respect of the Bulk Transfer and the Filers make these arrangements in advance of the Bulk Transfer.

"Eric Stevenson"
Superintendent, Client Services and Distribution Oversight

2.1.2 Graymont Limited and Montrose Property Holdings Ltd.

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Securities Act s. 53 Prospectus Requirements – First trade relief for securities acquired under an exemption that are subject to a seasoning period – First trades will occur within a limited group of permitted transferees, which consist of family members of shareholders, their holding companies and family trusts established for their benefit – There is no market for the securities and none is expected to develop.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 53, 74.

November 28, 2014

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
GRAYMONT LIMITED AND MONTROSE PROPERTY HOLDINGS LTD.
(together, 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) that trades of Montrose Shares (defined below) between Permitted Transferees (defined below) be exempt from the prospectus requirements of the Legislation (the Requested Relief), subject to certain terms and conditions.

2 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 Québec; 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

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

Representations

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

1. Graymont Limited (Graymont) is a corporation existing under the *Canada Business Corporations Act* (CBCA); Graymont's registered and head office is located at 200-10991 Shellbridge Way, Richmond, British Columbia, V6X 3C6;

2. Graymont operates a business primarily as a lime producer and also has operations in the construction materials business;

3. through its wholly-owned subsidiary, Ecowaste Industries Ltd., Graymont also operates a landfill business and a land development business, which it intends to transfer to Montrose Property Holdings Ltd. (Montrose) pursuant to a plan of arrangement under the CBCA (the Arrangement) to be completed on or before December 31, 2014;

4. Montrose was incorporated under the CBCA on October 9, 2014 for the purposes of completing the Arrangement; Montrose's registered office is located at Suite 1700, Park Place, 666 Burrard Street, Vancouver, British Columbia, V6C 2X8;

5. the shareholders of Graymont are:

   (a) members of the extended Graham family, being children, grandchildren and other descendants, whether by birth or adoption, of the late F. Ronald Graham, Graymont's founder (the Extended Graham Family);

   (b) companies of which a majority of the voting shares are owned, directly or indirectly, by or for the benefit of persons described in paragraph (a) above and their spouses, children and siblings (the Graham Family Holdcos);

   (c) trusts established for the benefit of the persons described in paragraph (a) above (the Graham Family Trusts and, together with the Extended Graham Family and the Graham Family Holdcos, the Graham Family Shareholders);

   (d) current or former directors, officers or employees of Graymont or its subsidiaries (Graymont Management Shareholders);

   (e) two trusts established for the benefit of a former officer of Graymont (the Graymont Officer Trusts); and

   (f) Jukes Enterprises Ltd. and Jukes Holdings Ltd. (together, the Jukes Family Holdcos), all of the voting shares of which are owned by the widow and the children, grandchildren or other descendants, whether by birth or adoption, of the late Chris Jukes, a shareholder of a predecessor company of Graymont,

   (collectively, the Graymont Shareholders);

6. under the Arrangement, in exchange for their existing common shares and preferred shares of Graymont (Graymont Shares), Graymont Shareholders will receive new common shares of Graymont and common shares of Montrose (Montrose Shares);

7. accordingly, on completion of the Arrangement, all holders of Montrose Shares (Montrose Shareholders) will be, without exception, the exact same individuals, companies and trusts as the Graymont Shareholders;

8. the Graham Family Shareholders, Graymont and Computershare Trust Company of Canada entered into an amended and restated shareholder agreement dated October 27, 2014 (the Graham Family Shareholder Agreement), pursuant to which a Graham Family Shareholder may only transfer beneficial ownership of, or a beneficial interest in, Graymont Shares to:

   (a) the children, grandchildren or other descendants, whether by birth or adoption, of such Graham Family Shareholder;

   (b) trusts established for the benefit of the persons described in paragraph (a) above and the spouse of such Graham Family Shareholder;

   (c) companies of which a majority of the voting shares are owned, directly or indirectly, by or for the benefit of persons described in paragraphs (a) and (b) above;

   (d) other Graymont Shareholders;

(e) Graymont,

(collectively, the Permitted Graymont Family Transferees); or

(d) any other buyer,

9. each of the Graymont Management Shareholders has entered into a management shareholder agreement with Graymont, which agreements were entered between June 3, 1994 and June 25, 2014 (collectively, the Management Shareholder Agreements), pursuant to which a Graymont Management Shareholder may only transfer beneficial ownership of, or a beneficial interest in, Graymont Shares to:

(a) the estate of such Graymont Management Shareholder;

(b) other Graymont Shareholders;

(c) Graymont,

(collectively, the Permitted Graymont Management Transferees); or

(d) any other buyer,

10. each of the Graymont Officer Trusts has entered into a management shareholder agreement with Graymont dated March 25, 2013 in form and substance substantially similar to the Management Shareholder Agreements (collectively, the Graymont Officer Trust Shareholder Agreements), pursuant to which a Graymont Officer Trust may only transfer beneficial ownership of, or a beneficial interest in, Graymont Shares to:

(a) the beneficiary of such Graymont Officer Trust, being the former officer of Graymont and his current or former spouse and children;

(b) other Graymont Shareholders;

(c) Graymont,

(collectively, the Permitted Graymont Officer Trust Transferees); or

(d) any other buyer;

11. the Jukes Family Holdcos and Graymont have entered into an amended and restated shareholder agreement dated June 10, 1998 (the Jukes Shareholder Agreement), pursuant to which a Jukes Family Holdco may only transfer beneficial ownership of, or a beneficial interest in, Graymont Shares to:

(a) the current shareholders of such Jukes Family Holdco;

(b) the spouses and children, grandchildren or other descendants, whether by birth or adoption, of persons described in paragraph (a) above;

(c) trusts established for the benefit of persons described in paragraphs (a) and (b) above;

(d) the estate of a person described in paragraphs (a) or (b) above;

(e) companies of which a majority of the voting shares are owned, directly or indirectly, by or for the benefit of persons described in paragraphs (a) and (b) above;

(f) other Graymont Shareholders; or

(g) Graymont,

(collectively, the Permitted Jukes Transferees);

12. the Permitted Graymont Family Transferees, the Permitted Graymont Management Transferees, the Permitted Graymont Officer Trust Transferees and the Permitted Jukes Transferees are referred to collectively as the Permitted Transferees;

13. the Graham Family Shareholder Agreement, the Management Shareholder Agreements, the Graymont Officer Trust Shareholder Agreements and the Jukes Shareholder Agreement are referred to collectively as the Graymont Agreements;

14. each of the Graymont Shareholders intends to enter into a shareholder agreement with Montrose in form and substance substantially similar to the Graymont Agreement to which such Graymont Shareholder is currently a party, including containing restrictions on the transfer of Montrose Shares that are identical to those restrictions in the Graymont Agreements on the transfer of Graymont Shares (the Montrose Shareholder Agreements);

15. the articles of Montrose also provide that no Montrose Share may be sold, transferred or otherwise disposed of without the approval of the directors of Montrose;

16. the Filer is not and has no current intention of becoming a reporting issuer in any jurisdiction of Canada;

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

18. the Filer is not in default of any of its obligations under the Legislation.

Decision

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

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

(a) each Graymont Shareholder enters into a Montrose Shareholder Agreement in form and substance substantially similar to the Graymont Agreement to which such Graymont Shareholder is currently a party, including containing restrictions on the transfer of Montrose Shares that are identical to those restrictions in such Graymont Agreement on the transfer of Graymont Shares;

(b) Montrose restricts the transfer of Montrose Shares to Permitted Transferees and any transfer of Montrose Shares complies with the transfer restrictions described above in the Montrose Shareholder Agreement to which the transferor of such Montrose Shares is a party;

(c) any certificate representing Montrose Shares contains a legend stating all applicable resale and transfer restrictions;

(d) Montrose provides each Montrose Shareholder with annual audited financial statements consisting of a statement of net assets, a statement of operations and a statement of change in assets, together with notes to such financial statements and management discussion and analysis of Montrose's operations, for each financial year of Montrose within 120 days of the end of such financial year;

(e) Montrose provides each Montrose Shareholder with unaudited interim financial statements consisting of a statement of net assets, a statement of operations and a statement of change in assets, together with notes to such financial statements and management discussion and analysis of Montrose's operations, for each interim period of Montrose within 60 days of the end of such interim period;

(f) prior to any transfer of Montrose Shares to a Permitted Transferee who is not a Montrose Shareholder, Montrose provides to such Permitted Transferee a copy of the financial statements described in paragraphs (d) and (e) for its most recent financial year and interim financial period; and

(g) the first trade in Montrose Shares other than to a Permitted Transferee is deemed to be a distribution.

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

2.1.3 Onex Credit Partners, LLC et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – investment fund manager obtaining relief from the requirement to obtain the approval of securityholders before changing the fundamental investment objective of non-redeemable investment funds – relief required as a result of changes to tax law eliminating certain tax benefits associated with character conversion transactions – manager required to send written notice at least 30 days before the effective date of the change to the investment objective of the funds setting out the change, the reasons for such change and a statement that the funds will no longer distribute gains under forward contracts that are treated as capital gains for tax purposes – National Instrument 81-102 Investment Funds.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 5.1(1)(c), 19.1.

December 3, 2014

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
ONEX CREDIT PARTNERS, LLC
(the Filer)

AND

IN THE MATTER OF
OCP CREDIT STRATEGY FUND AND OCP SENIOR CREDIT FUND
(collectively, the Funds)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Funds for a decision under the securities legislation of the Jurisdiction (the **Legislation**) for exemptive relief from the requirement to obtain prior securityholder approval before changing the fundamental investment objective of the Funds under subsection 5.1(1)(c) of National Instrument 81-102 – *Investment Funds* (**NI 81-102**) (the **Requested Relief**).

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

1. the Ontario Securities Commission is the principal regulator for this application; and

2. 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 with Ontario, the **Jurisdictions**).

Interpretation

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

Representations

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

1. The Filer is the manager of the Funds and is registered as a portfolio manager in Ontario, an investment fund manager in Ontario, Quebec and Newfoundland and Labrador, and an exempt market dealer in all the Jurisdictions. The head office of the Filer is located in New Jersey.

2. Each Fund is an investment trust established under the laws of the Province of Ontario pursuant to a declaration of trust.

3. Neither the Filer nor the Funds are in default of securities legislation in any Jurisdiction.

4. OCP Credit Strategy Fund is a non-redeemable investment fund. Its units were qualified for distribution pursuant to a prospectus dated November 20, 2009, that was prepared and filed in accordance with the securities legislation of all the provinces of Canada. Accordingly, OCP Credit Strategy Fund is a reporting issuer or the equivalent in each province of Canada. The units of OCP Credit Strategy Fund are listed and posted for trading on the Toronto Stock Exchange (the **TSX**).

5. OCP Senior Credit Fund is a non-redeemable investment fund. Its units were qualified for distribution pursuant to a prospectus dated November 19, 2010, that was prepared and filed in accordance with the securities legislation of the Jurisdictions. Accordingly, OCP Senior Credit Fund is a reporting issuer or the equivalent in each Jurisdiction. The units of OCP Senior Credit Fund are listed and posted for trading on the TSX.

6. Under its current investment objective and strategies, each Fund may enter into character conversion transactions. Each Fund is a party to a forward purchase and sale agreement (each, a **Forward Agreement**). Each Forward Agreement provides the applicable Fund with exposure to the returns of the securities of another investment fund (the **Reference Fund**). The current investment objective of each Fund is set out below:

Fund	**Investment Objective**
OCP Credit Strategy Fund	The investment objectives of the Fund are, through exposure to the an actively managed portfolio (the **Portfolio**) consisting primarily of senior debt obligations: (i) to maximize total returns for securityholders, on a tax-advantaged basis; (ii) to provide securityholders with attractive, quarterly, tax-advantaged distributions, initially targeted to be $0.70 per annum, representing an annual yield of 7% based on the original issue price of $10.00 per Unit; and (iii) to preserve capital. To achieve exposure to the Portfolio, the Fund will enter into the Forward Agreement with a Canadian chartered bank or one of its affiliates whose obligations are guaranteed by the Canadian chartered bank (the **Counterparty**). The Fund will pre-pay in cash or in kind its purchase obligations under the Forward Agreement, and the Counterparty will agree to deliver to the Fund on the forward termination date (or earlier in whole or in part at the request of the Fund) a portfolio of Canadian securities with an aggregate value equal to the redemption proceeds of the relevant number of units of the reference fund, net of any amount owing by the Fund to the Counterparty.
OCP Senior Credit Fund	The investment objectives of the Fund are, through exposure to the Portfolio: (i) to provide securityholders with attractive, quarterly, tax-advantaged distributions, initially targeted to be $0.125 per quarter, representing an annual yield of 5% based on the original issue price of $10.00 per Unit; (ii) to preserve capital; and

Fund	Investment Objective
	(iii) to generate enhanced return through increasing cash flow to the OCP Credit Trust Portfolio as interest rates rise. To achieve exposure to the Portfolio, the Fund will enter into the Forward Agreement with the Counterparty. The Fund will pre-pay in cash or in kind its purchase obligations under the Forward Agreement, and the Counterparty will agree to deliver to the Fund on the forward termination date (or earlier in whole or in part at the request of the Fund) a portfolio of Canadian securities with an aggregate value equal to the redemption proceeds of the relevant number of units of the reference fund, net of any amount owing by the Fund to the Counterparty.

7. Through the use of the Forward Agreements, each Fund provides tax-advantaged distributions to securityholders because each Fund will realize capital gains (or capital losses) on the disposition of securities acquired under the Forward Agreements, rather than ordinary income. Ordinary income is subject to tax at a higher rate in Canada than capital gains.

8. The Forward Agreements with respect to OCP Credit Strategy Fund and OCP Senior Credit Fund are expected to terminate on December 29, 2014 and November 19, 2015, respectively (the **Termination Dates**).

9. The *Income Tax Act* (Canada) was amended in December 2013 to implement proposals that were first announced in the March 21, 2013 federal budget regarding the income tax treatment of character conversion transactions (the **Tax Changes**). Under the Tax Changes, the favourable tax treatment of character conversion transactions will be eliminated after a prescribed date (the **Effective Date**). The Effective Date for each Fund will be the applicable Termination Date.

10. As a result of the Tax Changes, it was anticipated that the Forward Agreements would no longer be able to, over the long term, provide material tax efficiency to securityholders of the Funds. As a result, the Filer determined that, upon the termination of the Forward Agreements, each Fund would own its portfolio of investments directly rather than through the Reference Fund, and the corresponding Reference Fund for each Fund will be wound up.

11. The Filer has determined that, as a result of the Tax Changes, it would be more efficient and less costly for each Fund to seek to achieve its fundamental investment objective after the Effective Date by investing its assets in the same, or substantially the same, assets as those held by the applicable Reference Fund. The Filer will also continue to manage the portfolio of each Fund in as tax-efficient a manner as possible.

12. The Filer wishes to amend the investment objectives of each Fund to remove all references to the use of Forward Agreements to gain exposure to the applicable Reference Fund, to delete references to “tax-advantaged” distributions and to reflect that each Fund will invest directly in securities similar to those held by the applicable Reference Fund. Other than for the loss of tax efficiency resulting from the Tax Changes, each Fund will have the same investment attributes under its amended investment objectives as exist under its current investment objectives.

13. Following such amendment, the revised investment objectives of each Fund will be as set out below:

Fund	Investment Objective
OCP Credit Strategy Fund	The investment objectives of the Fund are: (i) to maximize total returns for securityholders; (ii) to provide securityholders with attractive, quarterly, distributions, initially targeted to be $0.70 per annum, representing an annual yield of 7% based on the original issue price of $10.00 per Unit; and (iii) to preserve capital; by investing in a portfolio comprised primarily of senior debt obligations of non-investment grade North American issuers.

OCP Senior Credit Fund — The investment objectives of the Fund are:

(i) to provide securityholders with attractive, quarterly distributions, initially targeted to be $0.125 per quarter, representing an annual yield of 5% based on the original issue price of $10.00 per Unit;

(ii) to preserve capital; and

(iii) to generate enhanced return through increasing cash flow to the portfolio as interest rates rise;

by investing in a portfolio comprised of senior secured loans and other senior debt obligations of non-investment grade issuers.

14. The Filer has complied with the material change report requirements set out in Part 11 of National Instrument 81-106 *Investment Fund Continuous Disclosure* in connection with the Filer's decision to make the changes to the investment objectives of the Funds set out above.

15. The Filer has determined that it would be in the best interests of each Fund and not prejudicial to the public interest to receive the Requested Relief.

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, at least 30 days before the effective date of the change in the investment objectives of each Fund, the Filer will send to each securityholder of each Fund a written notice that sets out the change to the investment objective, the reasons for such change and a statement that such Fund will no longer distribute gains under forward contracts that are treated as capital gains for tax purposes.

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

2.1.4 Mackenzie Financial Corporation and Mackenzie Sovereign Bond Fund

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 global bond mutual 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, ss. 2.1(1), 19.1.

November 25, 2014

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 SOVEREIGN BOND 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**) 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 Fund to invest up to:

(a) 20% of the Fund's 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 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 (**S&P**), or have an equivalent rating by one or more other designated rating organizations; and

(b) 35% of the Fund's 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 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 have an equivalent rating by one or more other designated rating organizations

(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 Fund.

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

5. Securities of the Fund will be offered by simplified prospectus filed in all of the provinces and territories in Canada and, accordingly, the Fund will be a reporting issuer in one or more provinces and territories of Canada. A preliminary simplified prospectus was filed for the Fund via SEDAR in all the provinces and territories on October 20, 2014.

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

7. The Fund's investment objective is expected to be substantially as follows: "The Fund seeks to achieve a steady flow of income by investing primarily in debt securities of sovereign issuers anywhere in the world."

8. To achieve the investment objectives of the Fund, it is expected that the investment team will invest substantially all of its assets in debt securities of sovereign issuers anywhere in the world, while generally maintaining an investment grade portfolio. The weighted average credit quality of the securities in the Fund's portfolio will generally be "BBB" or higher, as rated by S&P or an equivalent designated rating organization, as such term is defined in National Instrument 25-101 – *Designated Rating Organizations*. The Fund will not invest in securities which are rated below "BBB" by S&P.

9. As part of its investment strategies, the Fund's portfolio managers would like to invest a portion of its assets in Foreign Government Securities.

10. Section 2.1(1) of NI 81-102 prohibits the Fund 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 Fund, taken at market value at the time of the purchase, would be invested in securities of the issuer.

11. The Foreign Government Securities are not within the meaning of "government securities" as such term is defined in NI 81-102.

12. 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 assets, taken at market value at the time of purchase, 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 have an equivalent rating by one or more other approved credit rating organizations; and

    b. the mutual fund has been permitted to invest up to 35% of its net assets, taken at market value at the time of purchase 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 "AAA" by S&P, or have an equivalent rating by one or more other approved credit rating organizations.

13. Any security that may be purchased under the Requested Relief will be traded on a mature and liquid market.

14. The simplified prospectus for the Fund will disclose the risks associated with the concentration of net assets of the Fund in securities of a limited number of issuers.

15. The Fund seeks the Requested Relief to enhance its ability to pursue and achieve its investment objectives.

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 objectives of Fund;

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

5. the simplified prospectus of the Fund will include a summary of the nature and terms of the Requested Relied under the investment strategies section along with the conditions imposed and the type of securities covered by this Decision.

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

2.1.5 Ayal Capital Advisors Limited and Ayal Capital Advisors Canadian Feeder LP

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – filer granted relief from self-dealing provisions in s. 111 of the Securities Act in order to implement fund of fund structure for pooled funds under common management – relief subject to certain conditions.

Applicable Legislative Provisions

Securities Act (Ontario), R.S.O. 1990, c. S.5, as am., ss 111(2)(b), (2)(c) , 111(3), 113.

November 28, 2014

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
AYAL CAPITAL ADVISORS LIMITED
(the "Filer")

AND

IN THE MATTER OF
AYAL CAPITAL ADVISORS CANADIAN FEEDER LP
(the "Initial Top Fund")

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of each of the Filer, the Initial Top Fund, and any other mutual fund which is not a reporting issuer under the *Securities Act* (Ontario) (the "**Act**"), that is established, advised or managed by the Filer, or its affiliate, after the date hereof (the "**Future Top Funds**" and together with the Initial Top Fund, the "**Top Funds**"), which invests its assets in AYAL Capital Advisors Fund LP (the "**Initial Underlying Fund**") or any other investment fund which is not a reporting issuer under the Act and may be established, advised or managed by the Filer, or its affiliate, in the future (the "**Future Underlying Funds**" and together with the Initial Underlying Fund, the "**Underlying Funds**"), for a decision under the securities legislation of the Jurisdiction (the "**Legislation**") exempting the Filer and the Top Funds from:

(a) the restriction in the Legislation which prohibits an investment fund from knowingly making an investment in a person or company in which the mutual fund, alone or together with one or more related investment funds, is a substantial security holder;

(b) the restriction in the Legislation which prohibits an investment fund from knowingly making an investment in an issuer in which:

(i) any officer or director of the investment fund, its management company or distribution company or an associate of any of them, or

(ii) any person or company who is a substantial securityholder of the investment fund, its management company or its distribution company,

has a significant interest; and

(c) the restriction in the Legislation which prohibits an investment fund, its management company or its distribution company, from knowingly holding an investment described in paragraph (a) or (b) above.

(collectively, the "**Requested Relief**").

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

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

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

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 existing under the laws of Canada with its head office in Toronto, Ontario.

2. The Filer is registered in the categories of investment fund manager, portfolio manager and exempt market dealer in Ontario and as an exempt market dealer in Alberta.

3. The Filer is the investment fund manager and portfolio adviser of the Initial Top Fund and the Initial Underlying Fund. The Filer, or an affiliate of the Filer, will be the investment fund manager and portfolio adviser of the Future Top Funds and Future Underlying Funds.

4. The Filer is not a reporting issuer in any jurisdiction in Canada and is not in default of securities legislation of any jurisdiction in Canada.

The Top Funds

5. The Initial Top Fund is a limited partnership established under the laws of the Province of Ontario on August 7, 2013. The Future Top Funds will be structured as limited partnerships, trusts or corporations under the laws of Ontario or another jurisdiction of Canada.

6. The general partner of the Initial Top Fund is AYAL Capital Advisors GP (Ontario) Inc., an affiliate of the Filer. The general partner of each Future Top Fund that is structured as a limited partnership will be an affiliate of the Filer.

7. The Initial Top Fund is not a reporting issuer under the Act. None of the Future Top Funds will be a reporting issuer under the Act.

8. The investment objective of the Initial Top Fund is to invest substantially all of its assets in the Initial Underlying Fund. It currently holds over 80% of the outstanding securities of the Initial Underlying Fund.

9. The Future Top Funds will seek to achieve their investment objectives by investing substantially all of their assets in one or more Future Underlying Funds.

10. Securities of each of the Top Funds, are, or will be, sold pursuant to available prospectus exemptions in accordance with National Instrument 45-106 *Prospectus and Registration Exemptions* ("**NI 45-106**").

11. Securities of the Initial Top Fund have been issued to shareholders of the Filer and may only be redeemed on the anniversary of the original date of issuance provided the securityholder has held the securities for more than two years and the Initial Top Fund has received 90 days prior written notice of the securityholder's redemption request.

12. The Initial Top Fund intends to issue a new class of securities (the **New Units**) that will be redeemable by a securityholder of the Initial Top Fund on the last business day of each fiscal quarter, provided it has received 90 days'

prior written notice of a securityholder's redemption request. It may also issue additional classes of securities in the future.

13. Upon issuing the New Units, the Initial Top Fund will become a mutual fund for the purposes of the Act.

14. Each of the Future Top Funds will be a mutual fund for the purposes of the Act.

15. The Initial Top Fund is not in default of securities legislation of any jurisdiction in Canada.

The Underlying Funds

16. The Initial Underlying Fund is a limited partnership established under the laws of the Province of Ontario on August 30, 2013.

17. The Future Underlying Funds will be structured as limited partnerships, trusts or corporations under the laws of Ontario, another jurisdiction of Canada or a foreign jurisdiction.

18. AYAL Capital Advisors GP (Cayman) Inc., a Cayman Island company, is the general partner of the Initial Underlying Fund and an affiliate of the Filer. The general partner of each Future Underlying Fund that is structured as a limited partnership will be an affiliate of the Filer.

19. The Initial Underlying Fund is not a reporting issuer under the Act. None of the Future Underlying Funds will be a reporting issuer under the Act.

20. The Initial Underlying Fund's investment objective is to preserve capital and achieve a high level of positive returns on select investments with low volatility over five and ten-year horizons, by investing primarily in North American debt and equity securities of companies across a range of industry sectors.

21. Each of the Future Underlying Funds will have separate investment objectives, strategies and/or restrictions.

22. Securities of each of the Underlying Funds, are, or will be, sold pursuant to available prospectus exemptions in accordance with NI 45-106.

23. Securities of the Initial Underlying Fund may be redeemed at any time on receipt of no less than 90 days' prior written notice of the securityholder's redemption request.

24. The Initial Underlying Fund is a mutual fund for the purposes of the Act and the Future Underlying Funds will mutual funds for purposes of the Act.

25. The Initial Underlying Fund is not in default of securities legislation of any jurisdiction of Canada.

The Fund-on-Fund Structure

26. The Top Funds will allow investors to obtain exposure to the investment portfolios of the Underlying Funds and their respective investment strategies through direct investments by the Top Funds in securities of the Underlying Funds (the "**Fund-on-Fund Structure**").

27. An investment by a Top Fund in an Underlying Fund is, or will be, compatible with the investment objectives of the Top Fund. Any investment made by a Top Fund in an Underlying Fund will be aligned with the investment objectives, investment strategy, risk profile and other principal terms of the Top Fund.

28. There will be no duplication of management fees or incentive fees in respect of an investment in an Underlying Fund by a Top Fund pursuant to the Fund-on-Fund Structure.

29. There will be no sales fees or redemption fees payable by a Top Fund in respect of an acquisition, disposition or redemption of securities of an Underlying Fund by the Top Fund.

30. Prior to the time of purchase of securities of a Top Fund, an investor will be provided with an offering memorandum or other similar document of the Top Fund that contains disclosure about the relationships and potential conflicts of interest between the Top Fund and the Underlying Funds.

31. The offering memorandum or other similar document of each Top Fund will describe the Top Funds' intent, or ability, to invest in securities of the Underlying Funds and that the Underlying Funds are also managed and advised by the Filer or its affiliate.

32. Each of the Top Funds and the Underlying Funds will prepare annual audited financial statements and interim unaudited financial statements in accordance with National Instrument 81-106 – *Investment Fund Continuous Disclosure* ("**NI 81-106**") and will otherwise comply with the requirements of NI 81-106, as applicable.

33. Securityholders of a Top Fund will receive, on request, a copy of such Top Fund's audited annual financial statements and interim unaudited financial statements. The financial statements of each Top Fund will disclose its holdings of securities of the applicable Underlying Funds.

34. Securityholders of a Top Fund will receive, on request, a copy of the offering memorandum of an Underlying Fund, or other similar document, if available, and the annual and interim financial statements of any Underlying Fund in which the Top Fund invests.

35. The Filer, or its affiliate, will not cause the securities of an Underlying Fund held by a Top Fund to be voted at any meeting of the securityholders of any Underlying Fund, except that the Filer, or its affiliate, may arrange for the securities of the Underlying Fund held by a Top Fund to be voted by the beneficial holders of the securities of the Top Fund.

36. The custodian of the assets of each Top Fund and each Underlying Fund is, or will be, one or more financial institutions and/or their affiliates, or such third party or parties as may be appointed by the Filer or its affiliate. The custodian of each Top Fund and each Underlying Fund meets, or will meet, the qualifications for an investment fund custodian set out in subsection 6.2 of National Instrument 81-102 *Investment Funds* (**NI 81-102**), or for fund assets held outside of Canada, subsection 6.3 of NI 81-102.

37. The Initial Top Fund and the Initial Underlying Fund have matching valuation dates and are valued as of the last business day of each month.

38. Each Future Underlying Fund will be valued no less frequently than its applicable Top Fund(s).

39. Each Underlying Fund's securities will be redeemable no less frequently than its applicable Top Fund(s)'.

40. The investment portfolio of the Initial Underlying Fund is considered to be liquid. While the Underlying Funds are not prohibited from purchasing and holding "illiquid assets" (as defined in NI 81-102), the Filer, or its affiliate, manages or will manage the portfolios of each Underlying Fund to ensure there is sufficient liquidity to provide for redemptions of securities by securityholders of the Top Funds.

41. No Underlying Fund will be a Top Fund.

42. No Top Fund will purchase or hold securities of an Underlying Fund unless, at the time of the purchase, the Underlying Fund holds no more than 10% of its net assets in securities of other investment funds unless the Underlying Fund:

    (i) purchases or holds securities of a "money market fund" (as defined in NI 81-102);

    (ii) purchases or holds securities that are "index participation units" (as defined in NI 81-102) issued by an investment fund; or

    (iii) is a "clone fund" (as defined in NI 81-102).

43. In addition to the holdings in the Initial Underlying Fund by the Initial Top Fund, the amounts invested from time to time in an Underlying Fund by a Future Top Fund may exceed 20% of the outstanding voting securities of the Underlying Fund. As a result, each Top Fund could, either alone or together with other Top Funds, become a substantial security holder of an Underlying Fund. The Top Funds are, or will be, related mutual funds by virtue of the common management by the Filer or its affiliate.

44. In addition, officers and/or directors of the Filer may be substantial security holders of a Top Fund and have a significant interest in an Underlying Fund.

Generally

45. In the absence of the Requested Relief, the Initial Top Fund would be prohibited from making additional investments in the Initial Underlying Fund once the New Units are issued. In addition, it would be required to redeem a significant portion of its holdings in the Initial Underlying Fund.

46. In the absence of the Requested Relief, the ability of the Future Tops Funds to invest in Underlying Funds in accordance with their investment objectives under the Fund-on-Fund Structure would be severely restricted.

47. Since the Top Funds and the Underlying Funds do not and will not offer their securities under a prospectus and are not and will not be reporting issuers, they are not subject to NI 81-102 and therefore the Top Funds and the Underlying Funds are unable to rely upon the exemption codified under subsection 2.5(7) of NI 81-102.

48. Investing in the Underlying Funds will allow the Top Funds to achieve their investment objectives in a cost efficient manner and will not be detrimental to the interests of other securityholders of the Underlying Funds.

49. An investment by a Top Fund in an Underlying Fund can provide greater diversification for a Top Fund in particular asset classes on a basis that is not materially more expensive than investing directly in the securities held by the applicable Underlying Fund.

50. Each investment by a Top Fund in an Underlying Fund under the Fund-on-Fund Structure represents the business judgment of responsible persons uninfluenced by considerations other than the best interests of the Top Fund.

Decision

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

The decision of the principal regulator under the Legislation is that the Requested Relief sought is granted provided that:

(a) securities of the Top Funds are distributed in Canada solely pursuant to exemptions from the prospectus requirements in NI 45-106;

(b) the investment by a Top Fund in an Underlying Fund is compatible with the fundamental investment objectives of the Top Fund;

(c) no Top Fund will purchase or hold securities of an Underlying Fund unless, at the time of the purchase of securities of the Underlying Fund, the Underlying Fund holds no more than 10% of its net assets in securities of other investment funds unless the Underlying Fund:

  (i) purchases or holds securities of a “money market fund” (as defined by NI 81-102);

  (ii) purchases or holds securities that are “index participation units” (as defined by NI 81-102) issued by an investment fund; or

  (iii) is a “clone fund” (as defined by NI 81-102);

(d) no management fees or incentive fees are payable by a Top Fund that, to a reasonable person, would duplicate a fee payable by an Underlying Fund for the same service;

(e) no sales fees or redemption fees are payable by a Top Fund in relation to its purchases or redemptions of securities of an Underlying Fund;

(f) the Filer, or its affiliate, does not cause the securities of the Underlying Fund held by a Top Fund to be voted at any meeting of holders of such securities, except that the Filer, or its affiliate, may arrange for the securities the Top Fund holds of the Underlying Fund to be voted by the beneficial holders of securities of the Top Fund;

(g) investors in a Top Fund will be provided with an offering memorandum where available or other similar disclosure document for the Top Fund that will disclose:

  (i) that the Top Fund may purchase securities of the Underlying Funds;

(ii) the fact that the Filer is the investment fund manager and portfolio adviser of both the Top Funds and the Underlying Funds;

(iii) the approximate or maximum percentage of net assets of the Top Fund that the Top Fund intends to invest in securities of the Underlying Funds; and

(iv) the process or criteria used to select the Underlying Funds;

(h) investors in each Top Fund will be informed that they are entitled to receive from the Filer, or its affiliates, on request and free of charge, a copy of (i) the offering memorandum or other disclosure documents, if available, and (ii) the annual or semi-annual financial statements, relating to all Underlying Funds in which the Top Fund may invest its assets; and

(i) prior to the time of investment, securityholders of a Top Fund will be provided with disclosure with respect to each officer and director of the Filer, if any, that has a significant interest in the Underlying Fund through investments made in securities of such Underlying Fund and that such officer and/or director of the Filer is also a substantial securityholder of the Filer. Securityholders in a Top Fund will also be advised of the potential conflicts of interest which may arise from such relationships. The foregoing disclosure will be contained in any offering memorandum prepared in connection with a distribution of securities of the Top Fund, or if no offering memorandum is prepared, in another similar document provided to investors of the Top Fund.

"Mary G. Condon"
Commissioner
Ontario Securities Commission

"Judith N. Robertson"
Commissioner
Ontario Securities Commission

2.1.6 O'Leary Funds Management LP

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Exemption from paragraphs 15.3(4)(c) and (f) of National Instrument 81-102 Investment Funds to permit the Filer to include in sales communications of the Funds references to Lipper Leader ratings and Lipper Awards, subject to certain conditions.

Applicable Legislative Provisions

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

(Translation)

December 4, 2014

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
O'LEARY FUNDS MANAGEMENT LP
(the Filer)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Maker**) has received an application from the Filer on behalf of the Funds (as defined below) for a decision under the securities legislation of the Jurisdictions (the **Legislation**) for an exemption under section 19.1 of *Regulation 81-102 respecting Investment Funds* (c.V-1.1, r.39) (**Regulation 81-102**) from the requirements set out in paragraphs 15.3(4)(c) and 15.3(4)(f) of Regulation 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:

(i) 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; and

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

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

  (b) not more than three months before the date of first publication of any other sales communication in which it is included

to permit the Lipper Awards and Lipper Leader ratings to be referenced in sales communications relating to the Funds (together, 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 British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador, 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 14-101 respecting Definitions* (c. V-1.1, r.3), Regulation 11-102 and Regulation 81-102 have the same meaning if used in this decision, unless otherwise defined.

Funds means the existing mutual funds listed in Schedule A, for which the Filer or a duly registered affiliate of the Filer acts as investment fund manager and any mutual fund subsequently established for which the Filer, or a duly registered affiliate of the Filer, will act as investment fund manager.

Representations

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

The Filer

1. The Filer is a limited partnership under the laws of Ontario.

2. The Filer's head office is located at 1010, Sherbrooke Street West, suite 1700, Montréal, Québec, Canada, H3A 2R7.

3. The Filer, or an affiliate of the Filer, acts or will act as the investment fund manager of the Funds.

4. The Filer is duly registered as an investment fund manager in Quebec, Ontario and Newfoundland and Labrador.

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

The Funds

6. Each of the Funds is, or will be, a mutual fund established under the laws of Canada or a jurisdiction of Canada.

7. Securities of each of the Funds are, or will be, qualified for distribution pursuant to a prospectus that has been, or will be, prepared and filed in accordance with the securities legislation of each applicable jurisdiction of Canada.

8. Each of the Funds is, or will be, a reporting issuer in one or more of the jurisdictions of Canada and is or will be subject to the requirements of Regulation 81-102, including Part 15 of Regulation 81-102, which governs sales communications.

9. Each of the Funds is not in default of the securities legislation in any of the jurisdictions of Canada.

Reasons for the Exemption Sought

10. Lipper, Inc. (**Lipper**) is a company that is not a member of the organization of the Funds. Lipper is part of the Thomson Reuters group of companies, and is a global leader in supplying fund information, analytical tools, and commentary. Lipper's fund data and analysis, fund awards designations and ratings information provide valuable insight to advisors, media and individual investors.

11. The Filer wishes to include in sales communications of the Funds references to Lipper Leader ratings (which are performance ratings or rankings for funds issued by Lipper and include the Lipper Leader ratings for Consistent Return, Lipper Leader ratings for Total Return and Lipper Leader ratings for Preservation, which are described below) and Lipper Awards (as described below) where such Funds have been awarded a Lipper Award.

12. One of Lipper's programs is the Lipper Awards Program. The Lipper Awards Program recognizes funds that have excelled in delivering consistently strong risk-adjusted performance relative to peers (**Lipper Awards**). The Lipper Awards also recognizes fund families with high average scores for all funds within a particular asset class or overall Currently Lipper Awards take place in approximately 13 countries.

13. In Canada, Lipper Awards include the Lipper Fund Awards and Lipper ETF Awards (which were awarded for the first time in Canada in 2014). For the Lipper Fund Awards, Lipper designates award-winning funds in most individual fund classifications for three, five and ten year periods. For the Lipper ETF Awards, Lipper designates award-winning funds in a number of individual fund classifications for the three year period, and it is expected that awards for the five and ten year periods will be given in the future.

14. The categories for fund classification used by Lipper for the Lipper Awards in respect of Canadian funds are those maintained by the Canadian Investment Funds Standards Committee (**CIFSC**) (or a successor to the CIFSC), a Canadian organization that is independent of Lipper. Only those CIFSC groups of ten or more unique funds may claim a Lipper Fund Award, and only those CIFSC groups of five or more unique ETFs (each of whom have a minimum of three years of performance history) may claim a Lipper ETF Award.

15. The Lipper Awards are based on a proprietary rating methodology prepared by Lipper, the Lipper Leader Rating System. The Lipper Leader Rating System is a toolkit that uses investor-centred criteria to deliver a simple, clear description of a fund's success in meeting certain goals, such as preserving capital, lowering expenses or building wealth. Lipper ratings provide an instant measure of a fund's success against a specific set of key metrics, and can be useful to investors in identifying funds that meet particular characteristics.

16. In Canada, the Lipper Leader Rating System includes Lipper Leader ratings for Consistent Return (based on the Lipper Ratings for Consistent Return, which are ratings that reflect funds' historical risk-adjusted returns relative to funds in the same classification), for Total Return (based on the Lipper Ratings for Total Return, which are ratings that reflect funds' historical total return performance relative to funds in the same classification) and for Preservation (based on the Lipper Ratings for Preservation, which are ratings that reflect funds' historical loss avoidance relative to other funds in the same classification). In each case, the categories for fund classification used by Lipper for the Lipper Leader ratings are those maintained by CIFSC (or a successor to the CIFSC).

17. Lipper Leader ratings are measured monthly over 36, 60 and 120 month periods, and an overall rating is also measured, which is an un-weighted average of the previous three periods. The highest 20% of funds in each category are named "Lipper Leaders" for that particular rating and receive a score of 5, the next 20% receive a score of 4, the middle 20% are scored 3, the next 20% are scored 2 and the lowest 20% are scored 1.

18. The Lipper Awards, awarded annually in Canada, are based on the Lipper Ratings for Consistent Return measure, which, as generally described above, is a risk-adjusted mutual fund return performance measure used by Lipper that takes into account both short- and long-term risk-adjusted performance relative to fund classification, together with a measure of a fund's consistency. In respect of the Lipper Awards for Canada, the Lipper Ratings for Consistent Return are measured over the 36, 60 and 120 month periods ending at the end of July of each year. As noted above, the highest 20% of funds in each classification are named Lipper Leaders for Consistent Return, and the highest Lipper Leader for Consistent Return in each applicable fund classification over these periods (currently, in the case of the Lipper ETF Awards, over the 36 month period only) wins a Lipper Award.

19. When a fund is awarded a Lipper Award, Lipper permits references to the award to be made in sales communications for the fund.

20. The Lipper Leader ratings are "performance ratings" or "rankings" as referred in section 15.3 of Regulation 81-102 and Lipper Awards may be considered to be performance ratings or rankings given that the awards are based on the Lipper Leader ratings as described above. Therefore, references to Lipper Leader ratings and Lipper Awards in sales communications relating to the Funds need to meet the applicable requirements in Part 15 of Regulation 81-102.

21. Paragraph 15.3(4)(c) of Regulation 81-102 requires that the performance ratings or rankings that are included in sales communications for funds must be provided for, or "match", each period for which standard performance data is required to be given for the fund except the period since the inception of the fund i.e., for one, three, five and ten year periods, as applicable (the **Matching Requirements**).

22. In Canada and elsewhere, Lipper Leader ratings are calculated only for 36, 60 and 120 month periods and are not calculated for a one year period. This means that a sales communication referencing a Lipper Leader rating cannot comply with the Matching Requirements contained in paragraph 15.3(4)(c) of Regulation 81-102 because a rating is not available for the one year period. Relief from paragraph 15.3(4)(c) of Regulation 81-102 is therefore required in order for Funds to reference Lipper Leader ratings in sales communications.

23. In addition, a sales communication referencing the overall Lipper Leader ratings and the Lipper Awards must disclose the corresponding Lipper Leader rating for each period for which standard performance data is required to be given. As noted above, because a rating for the one year period is not available for the Lipper Leader ratings, sales communications referencing the overall Lipper Leader ratings or Lipper Awards also cannot comply with the Matching Requirements contained in paragraph 15.3(4)(c) of Regulation 81-102.

24. The exemption in subsection 15.3(4.1) of Regulation 81-102 for references to overall ratings or rankings of funds cannot be relied upon to reference the overall Lipper Leader ratings or Lipper Awards in sales communications for the Funds because subsection 15.3(4.1) is available only if a sales communication "otherwise complies" with the requirements of subsection 15.3(4). As noted above, sales communications referencing the overall Lipper Leader

ratings or Lipper Awards cannot comply with the Matching Requirements in subsection 15.3(4) because the underlying Lipper Leader ratings are not available for the one year period, 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 overall Lipper Leader ratings and the Lipper Awards in sales communications.

25. Paragraph 15.3(4)(f) of Regulation 81-102 imposes certain restrictions on disclosure in sales communications. The section provides that in order for a rating or ranking such as a Lipper 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.

26. Because the evaluation of funds for the Lipper Awards will be based on data aggregated until the end of July in any given year and the results have been published in November of that year, by the time a Fund has received an award in November, paragraph 15.3(4)(f) of Regulation 81-102 will prohibit it from publishing news of the award altogether.

27. The Exemption Sought is required in order for Lipper Leader ratings and Lipper Awards to be referenced in sales communications relating to the Funds.

28. The Filer submits that the Lipper Awards provide an important tool for investors, as they provide investors with context when evaluating investment choices. The Filer submits that the nature of the Lipper Leader ratings and Lipper Awards alleviates any concern that references to the ratings and awards may be misleading and therefore contrary to paragraph 15.2(1)(a) of Regulation 81-102. The Lipper Leader Rating System underlying the Lipper Leader ratings and Lipper Awards ensures an objective, transparent and quantitative measure of performance that is based on the expertise of Lipper in fund analysis.

Decision

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

The decision of the Decision Makers under the Legislation is that the Exemption Sought is granted to permit the Lipper Awards and Lipper Leader ratings to be referenced in sales communications relating to the Funds provided that:

1. the sales communication that refers to the Lipper Award and Lipper Leader ratings complies with Part 15 of Regulation 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 (which is a category established by the CIFSC or a successor to the CIFSC) for which the Funds have 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., Lipper;

    (d) the length of period and the ending date, or, the first day of the period and the ending date on which the Lipper Award or Lipper Leader rating is based;

    (e) a statement that Lipper Leader ratings are subject to change every month;

    (f) in the case of a Lipper Award, a brief overview of the Lipper Awards;

    (g) in the case of a Lipper Leader rating other than Lipper Leader ratings referenced in connection with a Lipper Award, a brief overview of the Lipper Leader rating;

    (h) where Lipper Awards are referenced, the corresponding Lipper Leader rating that the Lipper Award is derived from is presented for each period for which standard performance data is required other than the one year and since inception periods;

    (i) where a Lipper Leader rating is referenced, the Lipper Leader ratings are presented for each period for which standard performance data is required other than the one year and since inception periods;

    (j) disclosure of the meaning of the Lipper Leader ratings from 1 to 5 (e.g., ranking of 5 indicates a fund is in the top 20% of its category);

(k) reference to Lipper's website (www.lipperweb.com) for greater detail on the Lipper Awards and Lipper Leader ratings, which includes the rating methodology prepared by Lipper;

2. the Lipper Awards being referenced must not have been awarded more than 365 days before the date of the sales communication; and

3. the Lipper Awards and Lipper Leader 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).

"Josée Deslauriers"
Senior Director Investment Funds and Continuous Disclosure
Autorité des marchés financiers

SCHEDULE A

O'Leary Bond Portfolio Trust
O'Leary Canadian Balanced Income Fund
O'Leary Canadian Bond Yield Fund
O'Leary Canadian Dividend Fund
O'Leary Canadian High Income Fund
O'Leary Conservative Income Fund
O'Leary Emerging Markets Income Fund
O'Leary Floating Rate Income Fund
O'Leary Global Bond Yield Advantaged Fund
O'Leary Global Bond Yield Fund
O'Leary Global Dividend Fund
O'Leary Global Income Fund
O'Leary Global Infrastructure Income Fund
O'Leary Global Growth & Income Fund
O'Leary Tactical Income Fund
O'Leary U.S. Strategic Yield Fund

2.1.7 Mackenzie Financial Corporation et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Approval of mutual fund mergers – approval required because merger does not meet the criteria for pre-approved reorganizations and transfers in National Instrument 81-102 – the mergers will not be "qualifying exchanges" or tax-deferred transactions under the Income Tax Act (Canada) – securityholders of terminating funds provided with timely and adequate disclosure regarding the mergers.

Applicable Legislative Provisions

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

December 5, 2014

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 NORTH AMERICAN CORPORATE BOND CLASS,
SYMMETRY FIXED INCOME PORTFOLIO CLASS, AND FIXED INCOME CLASS
(the Terminating Funds)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Terminating Funds for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) for approval (the **Approval Sought**) of the mergers (the **Reorganization Transactions**) of the Terminating Funds into the Continuing Funds (as defined below) pursuant to paragraph 5.5(1)(b) of National Instrument 81-102 *Investment Funds* (**NI 81-102**).

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

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

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

The Filer

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

2. The Filer is registered as an investment fund manager, portfolio manager, exempt market dealer and commodity trading manager in the Province of 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 the Provinces of Newfoundland and Labrador and Québec.

3. The Filer is the investment fund manager and portfolio manager of the Funds (as defined below).

The Funds

4. The Filer is proposing the Reorganization Transactions of Terminating Funds into the corresponding Continuing Funds (the Continuing Funds, together with the Terminating Funds, the **Funds**) as set out below:

TERMINATING FUND	CONTINUING FUND
Mackenzie North American Corporate Bond Class	Mackenzie North American Corporate Bond Fund
Symmetry Fixed Income Portfolio Class	Symmetry Fixed Income Portfolio
Fixed Income Class	Fixed Income Fund (Portico)

5. Each of Mackenzie North American Corporate Bond Class and Symmetry Fixed Income Portfolio Class is a separate class of shares of Mackenzie Financial Capital Corporation (**Capitalcorp**), a mutual fund corporation incorporated under the laws of the Province of Ontario.

6. Fixed Income Class is a separate class of shares of Multi-Class Investment Corporation (**Quadruscorp**), a mutual fund corporation incorporated under the laws of the Province of Ontario.

7. Each Continuing Fund is an open-end mutual fund trust established under the laws of Ontario. The Filer is the trustee of each Continuing Fund.

8. Quadrus Investment Services Ltd. is the principal distributor of Fixed Income Class and Fixed Income Fund (Portico) and is an affiliate of the Filer.

9. Securities of the Continuing Funds are currently qualified for sale by a simplified prospectus, annual information form and fund facts document in all the Jurisdictions. The most recently filed simplified prospectus, annual information form and fund facts document for Mackenzie North American Corporate Bond Fund and Symmetry Fixed Income Portfolio are dated September 29, 2014. The most recently filed simplified prospectus, annual information form and fund facts document for Fixed Income Fund (Portico) are dated June 27, 2014.

10. The Terminating Funds have been closed to new purchases of their securities since April 15, 2013.

11. Each Fund is a reporting issuer under the securities legislation of each Jurisdiction.

12. Each Fund is subject to the requirements of NI 81-102, National Instrument 81-106 – *Investment Fund Continuous Disclosure* (**NI 81-106**) and National Instrument 81-107 – *Independent Review Committee for Investment Funds* (**NI 81-107**), subject to any exemptions therefrom that may be available under applicable securities legislation or granted by the securities regulatory authorities.

13. None of the Filer or the Funds is in default of securities legislation in any Jurisdiction.

The Reorganization Transactions

14. Each Terminating Fund was launched as a class of shares of a mutual fund corporation in order to provide a more tax-efficient form of fixed income exposure than that provided by the corresponding Continuing Fund. Each Terminating

Fund relies, directly or indirectly, on forward contracts to provide investment returns similar to those generated by certain reference funds in order to provide this tax-efficient exposure (**Character Conversion Transactions**).

15. The favourable tax treatment of those Character Conversion Transactions was eliminated by new rules in the *Income Tax Act* (Canada) (the **Tax Act**), enacted on December 12, 2013, that affect the tax treatment of returns earned under "derivative forward agreements."

16. As a result of this change, Mackenzie North American Corporate Bond Class will be unable to provide tax-efficient fixed income exposure after June 2015, Symmetry Fixed Income Portfolio Class will be unable to do so after October 2015 and Fixed Income Class will be unable to do so after December 2014. In response to the change in tax treatment, the Filer proposes to effect the Reorganization Transactions.

17. A press release and material change report regarding the Reorganization Transactions were filed on SEDAR on October 3, 2014. The material change report was filed in respect of the material change to the Terminating Funds.

18. The Reorganization Transactions will not constitute a material change for the Continuing Funds.

19. As required by National Instrument 81-107 – *Independent Review Committee*, the terms of the Reorganization Transactions were presented to the independent review committee (the **IRC**) of the Terminating Funds for its review and recommendation. The IRC reviewed the potential conflict of interest matter related to the Reorganization Transactions and has determined that the Reorganization Transactions, if implemented, would achieve a fair and reasonable result for each of the Funds.

20. Subject to necessary regulatory approval and approval of securityholders of the Terminating Funds, the Reorganization Transaction of Fixed Income Class is expected to occur on or about January 9, 2015, the Reorganization Transaction of Mackenzie North American Corporate Bond Class is expected to occur on or about July 3, 2015, and the Reorganization Transaction of Symmetry Fixed Income Portfolio Class is expected to occur on or about October 15, 2015.

21. If all necessary approvals required for the Reorganization Transaction in respect of a Fund are not obtained, it is the intention of the Filer to terminate such Terminating Fund, in accordance with the articles of incorporation governing the Terminating Fund and applicable securities laws.

22. It is proposed that the following steps be carried out to effect the Reorganization Transactions:

    (a) In respect of the proposed Reorganization Transaction for Mackenzie North American Corporate Bond Class, the forward contracts held by the Terminating Fund will be settled and the securities owned by the Terminating Fund will be sold to the applicable counterparty in exchange for cash. The Terminating Fund will then concurrently subscribe for securities of the Continuing Fund. The Terminating Fund will thereafter hold only securities of the Continuing Fund and some cash reserves for liquidity purposes until the Reorganization Transaction occurs.

    (b) In respect of the proposed Reorganization Transaction for Symmetry Fixed Income Portfolio Class, as the Terminating Fund invests in underlying funds, most of which use forward contracts, the Terminating Fund will redeem its investments in these underlying funds once their forward contracts are settled. The Terminating Fund will then concurrently subscribe for securities of the Continuing Fund. The Terminating Fund will thereafter hold only securities of the Continuing Fund and some cash reserves for liquidity purposes until the Reorganization Transaction occurs.

    (c) In respect of the proposed Reorganization Transaction for Fixed Income Class, the Character Conversion Transaction entered into by the Terminating Fund provides returns that are determined with reference to the returns generated by Quadrus Fixed Income Fund, a fund that is currently closed to new purchases. However, the investment objectives of the Continuing Fund are similar to the investment objectives of Quadrus Fixed Income Fund. The Terminating Fund currently invests a portion of its assets directly in fixed income securities and may exchange such fixed income securities in kind for securities of the Continuing Fund. The forward contracts held by the Terminating Fund will be settled and the securities owned by the Terminating Fund will be sold to the applicable counterparty in exchange for cash. The cash will be used to subscribe for securities of the Continuing Fund. The Terminating Fund will thereafter hold only securities of the Continuing Fund, fixed income securities to be transferred in kind and some cash reserves for liquidity purposes until the Reorganization Transaction occurs.

23. After the close of business on the date of each Reorganization Transaction, either Capitalcorp or Quadruscorp, as the case may be, will cause all of the securities of that particular Terminating Fund to be redeemed. As proceeds of

redemption, each securityholder of Terminating Fund securities will receive their pro rate share of the Continuing Fund securities held by the Terminating Fund. The value of those Continuing Fund securities will be equal to the value of the Terminating Fund securities held by a securityholder as at the close of business on the effective date of its respective Reorganization Transaction.

24. Following the Reorganization Transactions, the Continuing Funds will continue as publicly offered open-end mutual funds and the Terminating Funds will be wound up as soon as reasonably practicable.

25. Securityholders of the Terminating Funds will be asked to approve the Reorganization Transactions at special meetings of securityholders to be held on December 8, 2014, as required pursuant to section 5.1(f) of NI 81-102. If the meeting is adjourned, the adjourned meeting will be held on December 9, 2014.

26. A notice of meeting, a management information circular dated November 7, 2014 (the **Circular**), a proxy in connection with the Reorganization Transactions and a copy of the most recently filed fund facts document for the applicable Continuing Funds were mailed to the securityholders of the Terminating Funds on November 14, 2014 in accordance with applicable securities laws. The Circular will contain a description of the proposed Reorganization Transactions, the investment objectives and fee structures of the Terminating Funds and the Continuing Funds and income tax considerations for securityholders of the Terminating Funds. The Circular will disclose that securityholders of the Terminating Funds may obtain in respect of the Continuing Funds, at no cost, the most recent annual and interim financial statements, the current simplified prospectus, annual information form and the most recent management report on fund performance that have been made public by contacting the Filer or by accessing the website of the Terminating Funds or the System for Electronic Document Analysis and Retrieval (**SEDAR**), which are also incorporated by reference in the Circular. A simplified prospectus and fund facts document are not available for Series I securities of Mackenzie North American Corporate Bond Fund, which will be a newly created series of securities. Thus, securityholders of Series I securities of Mackenzie North American Corporate Bond Class will be sent the fund facts document relating to series A securities of the Continuing Fund.

27. The Filer will pay for the costs and expenses associated with the Reorganization Transactions, including the cost of holding the meetings in connection with the Reorganization Transactions and of soliciting proxies, including costs of mailing the Circular and accompanying materials. The Funds will bear none of the costs and expenses associated with the Reorganization Transactions.

28. Securityholders of the Terminating Funds continue to have the right to redeem securities of the Terminating Funds up to the close of business on the business day immediately before the effective date of the Reorganization Transactions.

29. Securityholders of the Terminating Funds are receiving advance notice of the Reorganization Transactions and may switch their Terminating Fund securities for securities of other Capitalcorp funds, if they hold securities of Mackenzie North American Corporate Bond Class or Symmetry Fixed Income Portfolio Class, or for securities of other Quadruscorp funds, if they hold securities of Fixed Income Class, up to the close of business on the business day immediately before the effective date of the Reorganization Transactions, and all such switches will be tax-deferred.

30. No sales charges will be payable by securityholders of the Funds in connection with the Reorganization Transactions.

31. Following the Reorganization Transactions of the Terminating Funds, all optional services will continue to be available to securityholders, who will be automatically enrolled in comparable plans with respect to securities of the applicable Continuing Fund unless they advise otherwise.

32. The Reorganization Transactions of the Terminating Funds will benefit securityholders of the Terminating Funds in the following ways:

    a) Securityholders will receive a more tax-efficient version of a fund with similar investment objectives because interest income may be taxed when earned by each Terminating Fund since it is a corporate class fund;

    b) Management fees and administration fees will remain substantially the same or, in some cases, be lower, as the Filer reduced the management fee rates and administration fee rates of certain series of the Terminating Funds and Continuing Funds as of September 29, 2014;

    c) The risk profile of each Continuing Fund is the same as that of its corresponding Terminating Fund, except that the Continuing Funds do not bear the additional risks and costs associated with Character Conversion Transactions; and

    d) The Continuing Funds are available for purchase, whereas the Terminating Funds are not.

33. The Approval Sought is required because the Reorganization Transactions do not satisfy one of the criteria for pre-approved reorganizations and transfers under section 5.6 of NI 81-102; namely, each Reorganization Transaction will not be implemented as a "qualifying exchange" within the meaning of section 132.2 of the Tax Act or a tax-deferred transaction under subsection 85(1), 85.1(1), 86(1) or 87(1) of the Tax Act.

34. The Reorganization Transactions:

    a) will not be "qualifying exchanges" within the meaning of section 132.2 of the Tax Act, because paragraph (a) of this definition requires that "all or substantially all" of the issued and outstanding shares of the mutual fund corporation be acquired by the Continuing Funds, which will not be the case;

    b) will not be tax-deferred transactions under subsection 85(1), 85.1(1) or 86(1) of the Tax Act, because these subsections are only applicable where, inter alia, the securities of the Terminating Fund are acquired by a corporation, whereas the Continuing Funds are mutual fund trusts; and

    c) will not be tax-deferred transactions under subsection 87(1) of the Tax Act, because this subsection is only applicable to where two corporations amalgamate, whereas the Continuing Funds are mutual fund trusts.

35. Except as noted above, the Reorganization Transactions otherwise comply with all other criteria for pre-approved reorganizations and transfers set out in section 5.6 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 Approval Sought is granted, provided that the Filer obtains the prior approval of the securityholders of the Terminating Funds for the Reorganization Transactions at the special meeting held for that purpose, or any adjournments thereof.

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

2.2 Orders

2.2.1 TG Residential Value Properties Ltd. – ss. 127(7), 127(8)

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

AND

IN THE MATTER OF
TG RESIDENTIAL VALUE PROPERTIES LTD.

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

WHEREAS the British Columbia Securities Commission (the "BCSC") issued a Cease Trade Order on November 5, 2014, ordering that all the trading in the securities of TG Residential Value Properties Ltd. (the "Reporting Issuer"), cease due to a failure to file the following required continuous disclosure documents:

(i) comparative financial statement for its financial year ended June 30, 2014; and

(ii) the management discussion and analysis for the period ended June 30, 2014.

AND WHEREAS the order of the BCSC remains in effect until the Executive Director of the BCSC revokes the order or the Reporting Issuer completes the required filings;

AND WHEREAS the Director of the Corporate Finance Branch of the Ontario Securities Commission (the "Commission"), issued a Notice of Hearing and a Temporary Cease Trade Order (the "TCTO") on November 10, 2014, pursuant to paragraph 2 of subsection 127(1) and subsection 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act"), reciprocating the order of the BCSC, and ordering that, effective immediately, all trading in the securities of the Reporting Issuer, whether direct or indirect, shall cease for a period of 15 days from the date of the TCTO;

AND WHEREAS a Hearing was held on November 21, 2014, in writing, to consider whether the TCTO should be extended;

AND WHEREAS the Commission issued on order, on the consent of the Reporting Issuer and Staff, extending the TCTO until December 4, 2014, and adjourning the hearing in this matter until December 1, 2014 at 10 a.m.;

AND WHEREAS a hearing was held on December 1, 2014;

AND WHEREAS the Commission considered the submissions of Staff of the Commission and an email from the Reporting Issuer advising that it intended to make the required filings;

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

I**T IS ORDERED THAT** the hearing in this matter be adjourned until December 3, 2014, at 2:00 p.m.;

DATED at Toronto this 1st day of December, 2014

"Mary G. Condon"

2.2.2 IAC – Independent Academies Canada Inc. et al. – ss. 127(1), 127(10)

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

AND

IN THE MATTER OF
IAC – INDEPENDENT ACADEMIES CANADA INC.,
MICRON SYSTEMS INC.,
THEODORE ROBERT EVERETT and ROBERT H. DUKE

ORDER
(Subsections 127(1) and 127(10) of the Securities Act)

WHEREAS on October 27, 2014, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to sections 127(1) and 127(10) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") in respect of IAC – Independent Academies Canada Inc., Micron Systems Inc., Theodore Robert Everett and Robert H. Duke (collectively, the "Respondents");

AND WHEREAS on October 27, 2014, Staff of the Commission ("Staff") filed a Statement of Allegations in respect of the same matter;

AND WHEREAS on December 1, 2014, the Commission heard an application by Staff to convert this matter to a written hearing in accordance with Rule 11.5 of the Ontario Securities Commission *Rules of Procedure* (2014), 37 OSCB 4168, and subsection 5.1(2) of the *Statutory Powers Procedure Act*, R.S.O. 1990, c. S.22, as amended;

AND WHEREAS the Respondents did not appear, although properly served as set out in the Affidavit of Service of Lee Crann, sworn November 25, 2014 and filed with the Commission;

AND WHEREAS Staff has received no communication from the Respondents in relation to Staff's application to proceed by way of a written hearing;

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) Staff's application to proceed by way of a written hearing is granted;

(b) Staff's materials in respect of the written hearing shall be served and filed by no later than 4:00 p.m. on December 11, 2014;

(c) The Respondents' responding materials, if any, shall be served and filed by no later than 4:00 p.m. on January 8, 2015; and

(d) Staff's reply materials, if any, shall be served and filed by no later than 4:00 p.m. on January 22, 2015.

DATED at Toronto this 1st day of December, 2014.

"Christopher Portner"

2.2.3 Celestica Inc. – s. 104(2)(c)

Headnote

Subsection 104(2)(c) of the Act – Issuer bid – relief from the formal issuer bid requirements in sections 93 to 99.1 of the Act – Issuer proposes to purchase up to an agreed number of its securities from a third party purchasing as principal pursuant to one or more program share repurchases during its normal course issuer bid – the Issuer initiates a program share repurchase by providing the third party with an agreed upon sum following which the third party acquires the securities as principal – the Issuer will acquire the securities at the completion of the term of each program share repurchase for a purchase price per share equal to the arithmetic average of the daily volume-weighted average price of the securities over that period less a predetermined discount – when the securities are delivered to the Issuer, the purchase price attributable per security may not be between the "bid" and "ask" prices for the securities on the TSX, in which case they could not be made through the TSX trading system in reliance upon the issuer bid exemption available under section 101.2 of the Act and in accordance with the TSX rules governing normal course issuer bid purchases – no adverse economic impact on, or prejudice to, the Issuer or public security holders – acquisition of securities exempt from the issuer bid requirements in sections 93 to 99.1 of the Act, subject to a number of conditions, including that the third party purchasing as principal comply, adhere and be subject to the rules applicable to normal course issuer bids.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 93 to 99.1, 104(2)(c).

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

AND

IN THE MATTER OF
CELESTICA INC.

ORDER
(Section 104(2)(c))

UPON the application (the "**Application**") of Celestica Inc. (the "**Applicant**") to the Ontario Securities Commission (the "**Commission**") for an order pursuant to section 104(2)(c) of the *Securities Act* (Ontario) (the "**Act**") exempting the Applicant from the formal bid requirements of sections 93 to 99.1 of the Act (the "**Issuer Bid Requirements**") in respect of the proposed purchase or purchases by the Applicant of up to an agreed number of subordinate voting shares of the Applicant (the "**Subordinate Voting Shares**") from Citibank, N.A., a full service foreign bank branch ("**Canada Branch**") under the *Bank Act* (Canada) (the "**Bank Act**"), pursuant to one or more program share repurchases (each, a "**PSR**") during the 2014 NCIB (as defined below);

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

AND UPON the Applicant (and Canada Branch in respect of paragraphs 7, 8, 18, 19, 20, 23, 36, 37 and 38 as they relate to Canada Branch and its agents) having represented to the Commission that:

1. The Applicant is a corporation incorporated under the laws of Ontario.

2. The head office of the Applicant is located in Toronto, Ontario.

3. The Applicant is authorized to issue an unlimited number of Subordinate Voting Shares, an unlimited number of multiple voting shares (the "**Multiple Voting Shares**"), and an unlimited number of preferred shares, issuable in series. Holders of Subordinate Voting Shares are entitled to one vote per Subordinate Voting Share. Holders of Multiple Voting Shares are entitled to 25 votes per Multiple Voting Share. As at November 21, 2014, the Applicant had 155,865,833 Subordinate Voting Shares, 18,946,368 Multiple Voting Shares and no preferred shares issued and outstanding.

4. The Applicant is a reporting issuer in all of the provinces and territories of Canada (the "**Jurisdictions**") and the Subordinate Voting Shares are listed for trading on the Toronto Stock Exchange (the "**TSX**") and the New York Stock Exchange (the "**NYSE**") under the symbol "CLS". The Applicant is not in default of any requirement of the securities legislation of the Jurisdictions.

5. To the best of the Applicant's knowledge, the "public float" (calculated in accordance with the TSX Rules (as defined below)) for the Subordinate Voting Shares as at November 21, 2014 consisted of 116,923,587 Subordinate Voting Shares.

6. The Subordinate Voting Shares are "highly liquid securities", as that term is defined in section 1.1 of OSC Rule 48-501 *Trading during Distributions, Formal Bids and Share Exchange Transactions* ("**OSC Rule 48-501**") and section 1.1 of the Universal Market Integrity Rules ("**UMIR**").

7. Canada Branch is a full service foreign bank branch of Citibank, N.A. ("**CBNA**") under the Bank Act. Canada Branch has its principal office located in Toronto, Ontario.

8. CBNA is a national banking association, chartered and existing under the laws of the United States of America (the "**U.S.**"). CBNA is an authorized foreign bank under Part XII.I of the Bank Act that is listed in Schedule III to the Bank Act. CBNA's head office is located in New York, New York, U.S.

9. On September 9, 2014, the Applicant announced that it is engaging in a normal course issuer bid (the "**2014 NCIB**") for up to 10,263,020 Subordinate Voting Shares, representing approximately 10.0% of the Applicant's public float of Subordinate Voting Shares as of the date specified in the Notice of Intention to Make a Normal Course Issuer Bid (the "**Notice**") that was submitted to, and accepted by, the TSX. The Notice specifies that purchases under the 2014 NCIB will be conducted through the facilities of the TSX, the NYSE, and any alternative trading systems in Canada or as otherwise permitted by the TSX, in accordance with sections 628 to 629.3 of Part VI of the TSX Company Manual (the "**TSX Rules**").

10. Purchases through the facilities of the TSX under the 2014 NCIB are being conducted in reliance upon the exemption from the Issuer Bid Requirements set out in section 101.2(1) of the Act and its equivalent in the securities legislation of the other Jurisdictions. Section 101.2(1) provides that an issuer bid that is made in the normal course through the facilities of a designated exchange is exempt from the formal bid requirements if the bid is made in accordance with the by-laws, rules, regulations and policies of that exchange. The Commission has recognized the TSX as a designated exchange for the purposes of section 101.2(1) of the Act.

11. Purchases through the facilities of the NYSE and alternative trading systems in Canada (collectively with the NYSE, the "**Other Published Markets**") under the 2014 NCIB are being conducted in reliance upon the exemption from the Issuer Bid Requirements set out in section 101.2(2) of the Act and its equivalent in the securities legislation of the other Jurisdictions (the "**Other Published Markets Exemption**" and together with the TSX Rules, the "**NCIB Rules**"). The Other Published Markets Exemption provides that an issuer bid that is made in the normal course on a published market, other than a designated exchange, is exempt from the issuer bid requirements of the Jurisdictions if, among other things, the bid is for not more than 5% of the outstanding securities of a class of securities of the issuer and the aggregate number of securities acquired in reliance on the Other Published Markets Exemption by the issuer and any person or company acting jointly or in concert with the issuer within any period of 12 months does not exceed 5% of the outstanding securities of that class at the beginning of the 12-month period.

12. Pursuant to the TSX Rules, the Applicant has appointed a broker to make purchases on its behalf for the purposes of its 2014 NCIB (the "**Responsible Broker**").

13. The maximum number of Subordinate Voting Shares that the Applicant is permitted to repurchase under the 2014 NCIB will be reduced by the number of Subordinate Voting Shares purchased from time to time (a) by any non-independent purchasing agent (a "**Plan Trustee"**) to fulfill requirements for the delivery of Subordinate Voting Shares under the Applicant's security-based compensation plans (such purchases, the "**Plan Trustee Purchases**"), and (b) under automatic securities purchase plans established by the Applicant.

14. The Applicant proposes to participate in one or more PSRs during its 2014 NCIB, each of which will be governed by, and conducted in accordance with, the terms and conditions of a Program Share Repurchase Agreement (each, a "**PSR Agreement**") that will be entered into between the Applicant and Canada Branch prior to the commencement of each PSR and copies of which will be delivered by the Applicant to the Commission.

15. The Applicant is of the view that it will be able to purchase the Purchased Shares (as defined below) at a lower price than the price at which it would be able to purchase an equivalent quantity of Subordinate Voting Shares under the 2014 NCIB through the facilities of the TSX and/or on Other Published Markets and the Applicant is of the view that the purchase of the Purchased Shares pursuant to each PSR is in the best interests of the Applicant and constitutes a desirable use of the Applicant's funds.

16. The Applicant has filed an amended Notice (the "**Amended Notice**") and a press release (the "**Press Release**") with the TSX, in each case, describing the material features of the PSRs and disclosing the Applicant's intention to

participate in one or more PSRs during the 2014 NCIB. Once the Amended Notice and Press Release have been accepted by the TSX, the Applicant will issue the Press Release at least two clear trading days prior to the commencement of the first PSR under the 2014 NCIB.

17. Pursuant to each PSR Agreement, the Applicant will initiate a PSR by providing Canada Branch with an amount of money that is to be negotiated and agreed upon by the Applicant and Canada Branch (the "**Program Amount**") following which Canada Branch will acquire Subordinate Voting Shares for its own account.

18. Canada Branch will retain the services of ITG Canada Corp. ("**ITG Canada**") to acquire Subordinate Voting Shares on its behalf through the facilities of both the TSX and on the Other Published Markets. All Subordinate Voting Shares that are acquired on Other Published Markets in the U.S. will be acquired by ITG Canada through ITG Inc. ("**ITG**"), which will act as agent for ITG Canada in respect of all such trading activity.

19. ITG Canada is registered as an investment dealer under the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia and New Brunswick. It is also registered as a futures commission merchant under the *Commodity Futures Act* (Ontario), as a derivatives dealer under the *Derivatives Act* (Québec) and as dealer (futures commission merchant) under *The Commodity Futures Act* (Manitoba). ITG Canada is a member of the Investment Industry Regulatory Organization of Canada ("**IIROC**") and is a participating organization or member of the TSX, TSX Venture Exchange and Canadian Securities Exchange. ITG Canada's head office is located in Toronto, Ontario.

20. ITG is an affiliate of ITG Canada and an indirect wholly-owned subsidiary of the ultimate parent of ITG Canada. ITG carries on business as a broker-dealer in the U.S, is registered as a broker-dealer with the U.S. Securities and Exchange Commission and is a member of the Financial Industry Regulatory Authority. ITG's head office is located in New York, New York, U.S.

21. Each PSR Agreement will provide that all Subordinate Voting Shares that are acquired by, or on behalf of, Canada Branch pursuant to the applicable PSR, including in connection with any hedging activities of Canada Branch, must be acquired by Canada Branch, or on its behalf, during the PSR Term (as defined below) in accordance with the NCIB Rules that are otherwise applicable to the 2014 NCIB, including TSX Staff Notice 2012-030 dated June 8, 2012, provided that:

    (a) the aggregate gross number of Subordinate Voting Shares that may be acquired by, or on behalf of, Canada Branch pursuant to the applicable PSR, including in connection with any hedging activities of Canada Branch, shall not be bound by the maximum annual aggregate limits imposed upon the 2014 NCIB in accordance with the NCIB Rules (including, for greater certainty, in accordance with the TSX Rules, as well as the Other Published Markets Exemption); and

    (b) the aggregate gross number of Subordinate Voting Shares that may be acquired on the TSX and all Other Published Markets on any trading day by, or on behalf of, Canada Branch pursuant to the applicable PSR, including in connection with any hedging activities of Canada Branch, may not exceed the maximum daily limit imposed upon the 2014 NCIB pursuant to the TSX Rules determined with reference to an average daily trading volume that is based on the trading volume on the TSX and all Other Published Markets in Canada rather than being limited to the trading volume on the TSX only, provided that Canada Branch may rely on the block purchase exception to the maximum daily limit which is contemplated by the TSX Rules (the "**Modified Maximum Daily Limit**").

22. Each PSR Agreement will provide that the aggregate gross number of Subordinate Voting Shares that may be sold on the TSX and all Other Published Markets on any trading day by, or on behalf of, Canada Branch pursuant to the applicable PSR, including in connection with any hedging activities of Canada Branch, may not exceed the Modified Maximum Daily Limit.

23. All Subordinate Voting Shares acquired by, or on behalf of, Canada Branch pursuant to the applicable PSR will not be voted in respect of any matters on which a holder of a Subordinate Voting Share is entitled to vote.

24. Each PSR Agreement will prohibit Canada Branch from delivering a number of Purchased Shares purchased by or on behalf of Canada Branch on the Other Published Markets which exceeds a predetermined quantity of Subordinate Voting Shares, which quantity will be equal to or less than, the lesser of (a) the number of Subordinate Voting Shares remaining eligible for purchase pursuant to the Other Published Markets Exemption, calculated as at the date of the PSR Agreement, and (b) the Maximum Number of Shares (as defined below).

25. Each PSR Agreement will (a) prohibit the Applicant from purchasing any Subordinate Voting Shares, (b) require the Applicant to prohibit the Responsible Broker from acquiring any Subordinate Voting Shares on behalf of the Applicant,

(c) require the Applicant to prohibit the Plan Trustee from undertaking any Plan Trustee Purchases, and (d) require the Applicant to prohibit any broker appointed under any automatic securities purchase plan of the Applicant from acquiring any Subordinate Voting Shares on behalf of the Applicant, in each case, during the conduct of the applicable PSR by Canada Branch, ITG Canada and ITG.

26. Each PSR will have a term that will be negotiated and agreed upon by the Applicant and Canada Branch (the "**PSR Term**") in the applicable PSR Agreement.

27. Pursuant to the applicable PSR Agreement, upon the completion of a PSR, Canada Branch will be required to deliver a number of Subordinate Voting Shares to the Applicant that is equal to the lesser of the following:

    (a) the number of Subordinate Voting Shares (the "**Program Number of Shares**") that is equal to the Program Amount divided by the arithmetic average of the daily volume-weighted average price ("**VWAP**") of the Subordinate Voting Shares during the PSR Term less a discount (such discounted price, the "**Discounted VWAP**") to be negotiated and agreed upon by the Applicant and Canada Branch;

    (b) a predetermined quantity of Subordinate Voting Shares (the "**Maximum Number of Shares**") which will be equal to, or less than, the maximum number of Subordinate Voting Shares that the Applicant is entitled to acquire prior to the completion of the 2014 NCIB in accordance with the NCIB Rules, calculated as at the date of the commencement of the PSR Term; and

    (c) the number of Subordinate Voting Shares that have actually been acquired by, or on behalf of, Canada Branch (the "**Acquired Number of Shares**") upon the occurrence of an early termination event or an event of default pursuant to the PSR Agreement.

28. Each PSR will conclude upon the first to occur of the following events:

    (a) delivery by Canada Branch of the lesser of the Program Number of Shares and the Maximum Number of Shares at the end of the PSR Term;

    (b) delivery by Canada Branch of the lesser of the Program Number of Shares and the Maximum Number of Shares, following notification to the Applicant of Canada Branch's intention to effect such delivery and terminate the PSR, in accordance with the applicable PSR Agreement, prior to the end of the PSR Term; or

    (c) delivery by Canada Branch of the lesser of the Acquired Number of Shares and the Maximum Number of Shares, upon the occurrence of an early termination event or an event of default pursuant to the applicable PSR Agreement.

29. The purchase price attributable by the Applicant for, as applicable, the Program Number of Shares or the Maximum Number of Shares that are delivered by Canada Branch in the manner contemplated by subparagraphs 28(a) and 28(b) hereof will be the Discounted VWAP per Subordinate Voting Share.

30. The purchase price attributable by the Applicant for, as applicable, the Acquired Number of Shares or the Maximum Number of Shares that are delivered by Canada Branch in the manner contemplated by subparagraph 28(c) hereof will be the VWAP per Subordinate Voting Share.

31. Pursuant to each PSR Agreement, if there is any Program Amount remaining following delivery of, as applicable, the Maximum Number of Shares or the Acquired Number of Shares from Canada Branch to the Applicant (the "**Remaining Program Amount**"), Canada Branch will deliver the Remaining Program Amount to the Applicant.

32. Immediately following its receipt of the Program Number of Shares, Maximum Number of Shares or Acquired Number of Shares, as the case may be (such number of Subordinate Voting Shares, the "**Purchased Shares**"), from Canada Branch following the completion of each PSR, the Applicant will (a) report the acquisition of the Purchased Shares to the TSX and the Commission, and (b) issue a press release disclosing, among other things, the number of Purchased Shares acquired by it pursuant to the PSR and the purchase price paid for the Purchased Shares.

33. Each Purchased Share will be cancelled upon delivery to the Applicant.

34. Although it would be possible for the transfer of the Purchased Shares to the Applicant to be conducted as a block trade pursuant to the 2014 NCIB if the Discounted VWAP or VWAP, as the case may be, for the Purchased Shares is between the 'bid' and 'ask' prices for the Subordinate Voting Shares at the time the Purchased Shares are delivered to the Applicant by Canada Branch following the completion of a PSR, this outcome is uncertain at the time that the PSR begins. In any event, because the Applicant's acquisition of the Purchased Shares is funded by the Applicant's

advance of the Program Amount to Canada Branch prior to the commencement of the PSR, the transfer of the Purchased Shares to the Applicant by Canada Branch will not be conducted with reference to the then-current market price of the Subordinate Voting Shares and will not be representative of market forces.

35. The entering into of each PSR Agreement, the purchase of the Purchased Shares by Canada Branch and the delivery of the Purchased Shares to the Applicant will not adversely affect the Applicant or the rights of any of the Applicant's security holders and will not materially affect control of the Applicant.

36. Canada Branch is at arm's length to the Applicant and has advised the Applicant that CBNA does not beneficially own, either directly or indirectly, any Subordinate Voting Shares.

37. At the time that the Applicant and Canada Branch enter into a PSR Agreement, each of them will be required to represent to the other, in the PSR Agreement, that it has no knowledge of a "material fact" or "material change", as such terms are defined in the Act, with respect to the Applicant or the Subordinate Voting Shares that has not been generally disclosed (the "**Undisclosed Information**").

38. Canada Branch has established policies and procedures designed to ensure that the conduct of each PSR will be in accordance with, among other things, the applicable PSR Agreement and to preclude those persons responsible for administering the PSR from acquiring any Undisclosed Information during the conduct of a PSR. Canada Branch will enter into a related agreement with ITG Canada (the "**ITG Agreement**") requiring ITG Canada to, among other things, establish, and cause ITG to establish, similar policies and procedures to ensure compliance with this Order when acquiring Subordinate Voting Shares on behalf of Canada Branch during a PSR.

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

IT IS ORDERED pursuant to section 104(2)(c) of the Act that the Applicant be exempt from the Issuer Bid Requirements in respect of the entering into of each PSR Agreement, and in respect of the delivery of the Purchased Shares by Canada Branch to the Applicant pursuant to each PSR conducted during the 2014 NCIB, provided that:

(a) the Applicant may not participate in multiple PSRs at the same time;

(b) at least two clear trading days prior to the commencement of the first PSR under the 2014 NCIB, and after the Amended Notice has been accepted by the TSX, the Applicant will issue the Press Release, which describes, among other things, the material features of the PSRs and the Applicant's intention to participate in one or more PSRs during the 2014 NCIB;

(c) each PSR Agreement and the ITG Agreement will require Canada Branch, ITG Canada and ITG, respectively, to abide by the NCIB Rules applicable to the 2014 NCIB, including TSX Staff Notice 2012-030 dated June 8, 2012, when acquiring Subordinate Voting Shares for, and on behalf of, Canada Branch pursuant to the applicable PSR, including in connection with any hedging activities, subject to paragraph 21 hereof;

(d) each PSR Agreement will provide that the aggregate gross number of Subordinate Voting Shares that may be sold on the TSX and all Other Published Markets on any trading day by, or on behalf of, Canada Branch pursuant to the applicable PSR, including in connection with any hedging activities, may not exceed the Modified Maximum Daily Limit;

(e) each PSR Agreement will require Canada Branch to maintain records that contain the information set out in Schedule "A" to this Order (the "**PSR Records**"), for a period of five (5) years following the completion of the applicable PSR;

(f) within 30 days of the completion of each PSR conducted pursuant to this Order, the Applicant will deliver, or cause to be delivered, a summary, in a manner and form acceptable to the Commission, containing the information set out in Schedule "A" to this Order (the "**PSR Summary**") to the Commission;

(g) a satisfactory finding following the completion of a review of the PSR Summary by the Commission is a condition precedent to the grant of subsequent exemption orders from the Issuer Bid Requirements for the conduct of PSRs;

(h) the Applicant shall promptly provide, or direct the provision of, all or any portion of the PSR Records that may be requested by the Commission and/or IIROC from time to time;

(i) the Purchased Shares will be taken into account by the Applicant when calculating the maximum annual aggregate limits that are imposed upon the 2014 NCIB in accordance with the TSX Rules and those

Purchased Shares that were purchased by or on behalf of Canada Branch on the Other Published Markets will be taken into account by the Applicant when calculating the maximum aggregate limits that are imposed upon the Applicant in accordance with the Other Published Markets Exemption;

(j) each PSR Agreement will (i) prohibit the Applicant from purchasing any Subordinate Voting Shares, (ii) require the Applicant to prohibit the Responsible Broker from acquiring any Subordinate Voting Shares on behalf of the Applicant, and (iii) require the Applicant to prohibit the Plan Trustee from undertaking any Plan Trustee Purchases, and (iv) require the Applicant to prohibit any broker appointed under any automatic securities purchase plan of the Applicant from acquiring any Subordinate Voting Shares on behalf of the Applicant, in each case, during the conduct of the PSR by Canada Branch, ITG Canada and ITG;

(k) the Applicant will refrain from conducting a block trade in accordance with the TSX Rules during the calendar week it completes each acquisition of Purchased Shares and may not make any further purchases pursuant to the 2014 NCIB for the remainder of the calendar day on which it completes an acquisition of Purchased Shares;

(l) each purchase made by or on behalf of Canada Branch through the facilities of the TSX or on an Other Published Market in Canada, pursuant to each PSR, shall be marked with such designation as would be required by the applicable marketplace and UMIR for a trade made by an agent on behalf the Applicant;

(m) at the time each PSR Agreement is entered into by the Applicant and Canada Branch, the Subordinate Voting Shares must be "highly liquid securities", as that term is defined in section 1.1 of OSC Rule 48-501 and section 1.1 of UMIR;

(n) at the time each PSR Agreement is entered into by the Applicant and Canada Branch, neither the Applicant nor Canada Branch will have knowledge of any Undisclosed Information; and

(o) immediately following its receipt of the Purchased Shares from Canada Branch following the completion of each PSR, the Applicant will (i) report same to the TSX and the Commission, and (ii) issue a press release disclosing, among other things, the number of Purchased Shares acquired pursuant to the PSR and purchase price paid for the Purchased Shares.

DATED at Toronto, Ontario this 28th day of November, 2014.

"James E. A. Turner"
Vice-Chair
Ontario Securities Commission

"Mary G. Condon"
Commissioner
Ontario Securities Commission

SCHEDULE "A"

PSR Records

For a period of five (5) years following the completion of the applicable PSR, the Applicant will maintain, or have maintained on its behalf, the following information, all or any portion of which will be promptly provided to the Commission and/or IIROC upon request, from time to time:

1. for each purchase and sale made pursuant to the PSR (including in connection with any hedging activities), the trade date and time, the side, the number of Subordinate Voting Shares, the price, the currency, the notional trade amount and the marketplace on which the trade was executed;

2. for each purchase and sale made pursuant to the PSR (including in connection with any hedging activities) that was executed in a currency other than the currency specified in the PSR Agreement, the foreign exchange rate applied to settle the execution in the currency specified in the PSR Agreement;

3. for all purchases made pursuant to the PSR, the total number of Subordinate Voting Shares purchased, the average execution price in the currency specified in the PSR Agreement, and the notional purchase amount in the currency specified in the PSR Agreement;

4. for all sales made pursuant to the PSR, the total number of Subordinate Voting Shares sold, the average execution price in the currency specified in the PSR Agreement, and the notional sale amount in the currency specified in the PSR Agreement;

5. for each trade date over the PSR Term, the total number of Subordinate Voting Shares traded across all Canadian marketplaces, the Volume Weighted Average Price ("**VWAP**") of those trades and the daily notional trade amount;

6. for each trade date over the PSR Term, the total number of Subordinate Voting Shares traded over the marketplaces of each jurisdiction in which Subordinate Voting Shares were traded pursuant to the PSR, the VWAP of those trades in the currency of each such jurisdiction and the daily notional trade amount in the currency of each such jurisdiction;

7. for the duration of the PSR Term, the total number of Subordinate Voting Shares traded across all marketplaces on which the Subordinate Voting Shares were traded pursuant to the PSR;

8. for the duration of the PSR Term, the arithmetic VWAP of the trades executed or that occurred over the marketplaces of the jurisdiction(s) whose currency corresponds to the currency specified in the PSR Agreement;

9. the arithmetic VWAP of those trades in the currency specified in the PSR Agreement; and

10. for each derivatives transaction made pursuant to the PSR, the trade date and time, the type of derivatives product transacted, the number of contracts or transactions executed, the marketplace on which the trade was executed, the underlying interest of the derivatives product and the total underlying interest controlled as a result of each derivatives transaction.

PSR Summary

Within 30 days of the completion of each PSR, the Applicant will deliver a summary document to the Commission that sets out the following:

1. the start and end dates of the PSR;

2. the number of trading days within the PSR Term;

3. the arithmetic VWAP agreed to by the parties under the PSR Agreement;

4. the total number of Subordinate Voting Shares delivered to the Applicant;

5. the total number of Subordinate Voting Shares retained by Canada Branch;

6. the quantum of the discount applied to the VWAP agreed upon by the parties;

7. the purchase price attributable by the Applicant for, as applicable, the Program Number of Shares, the Maximum Number of Shares or the Acquired Number of Shares;

8. the buy-side volume under the PSR as a percentage of total volume during PSR Term;

9. the sell-side volume under the PSR as a percentage of total volume during PSR Term;

10. the average percentage of each trading day during the PSR Term that Canada Branch was on both sides of the market for Subordinate Voting Shares; and

11. the number of Subordinate Voting Shares purchased by the Applicant under the 2014 NCIB prior to the implementation of the PSR.

2.2.4 Aequitas Neo Exchange Inc. – s. 101.2

Headnote

Order by the Commission designating Aequitas Neo Exchange Inc. as an exchange for the purposes of section 101.2 of the Securities Act, R.S.O. 1990, c. S.5, as am.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., s. 101.2, 101.2(5).

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

AND

IN THE MATTER OF
AEQUITAS NEO EXCHANGE INC.

DESIGNATION ORDER
(Section 101.2 of the Act)

WHEREAS by order dated November 13, 2014, the Commission approved the recognition of Aequitas Innovations Inc. (Aequitas) and Aequitas Neo Exchange Inc. (**Aequitas Neo Exchange**) as an exchange pursuant to section 21 of the Act, subject to certain terms and conditions (the **Recognition Order**);

AND WHEREAS the Recognition Order will be effective as at March 1, 2015;

AND WHEREAS Aequitas Neo Exchange will adopt rules for normal course issuer bids for issuers listing on Aequitas Neo Exchange in a form acceptable to staff of the Commission;

AND WHEREAS pursuant to section 101.2(1) of the Act, an issuer bid that is made in the normal course through the facilities of a designated exchange is exempt from the formal bid requirements if the bid is made in accordance with the by-laws, rules, regulations and policies of that exchange;

AND WHEREAS pursuant to section 101.2(5) of the Act, the Commission may designate an exchange for the purposes of section 101.2 of the Act;

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

THE COMMISSION hereby designates Aequitas Neo Exchange as a designated exchange for the purposes of section 101.2 of the Act

DATED this 27th day of November, 2014 and effective as at March 1, 2015.

2.2.5 Newcrest Mining Limited

Headnote

Subsection 1(10) of the Securities Act – Application by a reporting issuer for an order that it is not a reporting issuer – based on diligent enquiry, residents of Canada (i) do not directly or indirectly beneficially own more than 2% of each class or series of outstanding securities of the reporting issuer worldwide, and (ii) do not directly or indirectly comprise more than 2% of the total number of shareholders of the reporting issuer worldwide – Issuer is subject to Australian securities law and requirements of the Australian Stock Exchange – Issuer has undertaken that it will concurrently deliver to its Canadian securityholders all disclosure material it is required under Australian reporting requirements to deliver to Australian resident securityholders – Issuer has provided notice through a press release that it has submitted an application to cease to be a reporting issuer in Ontario.

Applicable Legislative Provisions

Securities Act (Ontario), s. 1(10)(a)(ii).

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

AND

IN THE MATTER OF
NEWCREST MINING LIMITED
(THE "FILER")

ORDER

UPON the Director having received an application (the "**Application**") from the Filer for an order under subparagraph 1(10)(a)(ii) of the *Securities Act*, R.S.O. 1990, Chapter S.5, as amended (the "**Act**") that the Filer is not a reporting issuer in Ontario (the "**Requested Order**");

AND UPON considering the application and the recommendation of the staff of the Ontario Securities Commission (the "**Commission**");

AND UPON the Filer representing to the Commission as follows:

1. The Filer is a corporation that dates back to 1966, when Newmont Mining Limited established an Australian subsidiary, Newmont Holdings Limited, which subsequently changed its name to Newmont Australia Limited. In 1990, Newmont Australia Limited acquired Australmin Holdings Ltd, subsequently merged with BHP Gold Limited and changed its name to Newcrest Mining Limited. The Filer's registered and head office is located at Level 9, 600 St. Kilda Road, Melbourne, Victoria, 3004.

2. The Filer is the largest gold producer by market capitalization listed on the Australian Securities Exchange (the "**ASX**") and is one of the top five gold producers globally by reserves. The Filer's operations are concentrated in Australia, Papua New Guinea, Côte d'Ivoire and Indonesia. The Filer does not have any operations in Canada.

3. The Filer is a reporting issuer in Ontario and is not a reporting issuer in any other jurisdiction of Canada. The Filer is not in default of the securities legislation of Ontario (the "**Legislation**").

4. The Filer first became a reporting issuer in Ontario under the Legislation following the listing of its ordinary shares on the Toronto Stock Exchange ("**TSX**") in March 2012.

5. The ordinary shares of the Filer were voluntarily delisted from the TSX effective September 4, 2013. An aggregate of 74,739 ordinary shares were traded on the TSX. On September 25, 2013, the Canadian securities register of the Filer was transferred from its Canadian transfer agent, Canadian Stock Transfer Company ("**CST**"), to its Australian transfer agent, Link Market Services Limited ("**Link**").

6. The authorized share capital of the Filer as of July 31, 2014 consisted of ordinary shares. As of July 31, 2014, there were 766,510,971 ordinary shares issued and outstanding. As of June 30, 2014, there were 4,618,280 American Depositary Receipts issued through the Bank of New York Mellon in the United States, representing approximately 0.6% of the issued and outstanding ordinary shares.

7. The Filer's securities are listed and posted for trading on a major foreign exchange, being the ASX. The Filer also maintains a listing on the Port Moresby Stock Exchange (the "**POMSox**"). The Filer is not in default of any of the requirements of the ASX or the POMSox.

8. Other than the listing of the ordinary shares described in sections 4 and 5 above, none of the Filer's securities are or have been listed, traded or quoted on a marketplace in Canada as defined in National Instrument 21-101 – *Marketplace Operation* and the Filer does not intend to have its securities listed, traded or quoted on such a marketplace in Canada.

9. The Filer is a "designated foreign issuer" under National Instrument 71-102 – *Continuous Disclosure and Other, Exemptions Relating to Foreign Issuers* ("**NI 71-101**") and has relied on and complied with the exemptions from Canadian continuous disclosure requirements afforded to designated foreign issuers under Part 5 of NI 71-102.

10. In support of the representations set forth in paragraph 11 below concerning the percentage of outstanding securities and the total number of security holders in Canada, the Filer sought and obtained information from several sources about the number, holdings, identity and geographic location of the beneficial holders of its outstanding ordinary shares. The Filer has undertaken a thorough and diligent examination of its share register. The Filer has also made inquiries to the Filer's share registry, Link Market Services Limited and CST. The transfer agents in turn made relevant inquiries of participants holding positions in the Filer's securities. The Filer also engaged the advisory services group of NASDAQ OMX to provide an analysis of Canadian resident beneficial owners by issuing tracing notices to the custodian and nominee companies listed on the Filer's share register. NASDAQ OMX confirmed that this is done in accordance with s. 672 of the Corporations Act of Australia. The Filer believes that these inquiries were reasonable, given that its share register and the transfer agents are the only official sources of information on the Filer's security holders.

11. Based on the Filer's diligent inquiries described above and information provided by the Filer's transfer agents, as of July 31, 2014, the Filer had 766,510,971 ordinary shares outstanding held, either directly or indirectly, by 82,036 beneficial shareholders, of which only 6,526,054 shares were held, either directly or indirectly, by 56 beneficial shareholders with addresses in Canada, representing approximately 0.85% of the total number of ordinary shares issued and outstanding on July 31, 2014 and 0.07% of the total number of securityholders worldwide.

12. Accordingly, based on the foregoing, as of July 31, 2014, residents of Canada:

    (a) do not directly or indirectly beneficially own more than 2% of each class or series of the outstanding securities (including debt securities) of the Filer worldwide; and

    (b) do not directly or indirectly comprise more than 2% of the total number of securityholders of the Filer worldwide.

13. The Filer is unable to rely on the simplified procedure set out in CSA Staff Notice 12-307 in order to apply for the Requested Order because the Filer's securities are traded on the ASX and it has more than 50 security holders in total worldwide.

14. In the 12 months before applying for the decision, the Filer has not taken any steps that indicate there is a market for its securities in Canada and, in particular, has not conducted a prospectus

offering in Canada nor has it established or maintained a listing on a Canadian marketplace or exchange.

15. The Filer is subject to all applicable corporate requirements of a corporation formed in Australia and the applicable securities laws and rules of the ASX, which is a major foreign exchange. The Filer is not in default of any of the requirements of Australian law applicable to it.

16. All disclosure required to be made by the Filer under applicable Australian securities laws is publicly available to all of the Filer's security holders through the Filer's website at www.newcrest.com.au and through the ASX's website at www.asx.com.au.

17. On September 23, 2014, the Filer issued and filed a press release announcing that it has submitted an application to the OSC for a decision that is not a reporting issuer in Ontario and, if that decision is granted, the Filer will no longer be a reporting issuer or the equivalent in any jurisdiction in Canada.

18. The Filer has provided an undertaking that it will concurrently deliver to its Canadian securityholders all disclosure material that it would be required under Australian securities laws or exchange requirements to deliver to Australian resident securityholders.

19. Securityholders resident in Canada will continue to receive all continuous disclosure documents delivered to securityholders of the Filer who are resident in Australia.

20. The Filer will not be a reporting issuer or the equivalent in any jurisdiction of Canada immediately following the Commission making the Requested Order.

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

IT IS HEREBY ORDERED pursuant to subparagraph 1(10)(a)(ii) of the Act that, for the purposes of the Legislation, the Filer is not a reporting issuer.

DATED this 28th day of November, 2014.

"Judith Robertson"
Ontario Securities Commission

"Mary Condon"
Ontario Securities Commission

2.2.6 TG Residential Value Properties Ltd. – s. 127(1)

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

AND

IN THE MATTER OF
TG RESIDENTIAL VALUE PROPERTIES LTD.

ORDER
(Subsection 127(1))

WHEREAS the British Columbia Securities Commission (the "BCSC") issued a Cease Trade Order on November 5, 2014, ordering that all the trading in the securities of TG Residential Value Properties Ltd. (the "Reporting Issuer"), cease due to a failure to file the following continuous disclosure documents (the "Annual Filings"):

I) comparative financial statement for its financial year ended June 30, 2014; and

II) the management discussion and analysis for the period ended June 30, 2014;

AND WHEREAS the order of the BCSC remains in effect until the Executive Director of the BCSC revokes the order or the Reporting Issuer completes the required filings;

AND WHEREAS the Director of the Corporate Finance Branch of the Ontario Securities Commission (the "Commission"), issued a Notice of Hearing and a Temporary Cease Trade Order (the "TCTO") on November 10, 2014, pursuant to paragraph 2 of subsection 127(1) and subsection 127(5) of the of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act"), ordering that, effective immediately, all trading in the securities of the Reporting Issuer, whether direct or indirect, shall cease for a period of 15 days from the date of the TCTO;

AND WHEREAS a hearing was held on November 21, 2014, in writing, to consider the submissions of staff of the Commission ("**Staff**") and of the Reporting Issuer as to whether the TCTO should be extended on consent;

AND WHEREAS the Commission issued an order pursuant to subsection 127(7) extending the TCTO until December 4, 2014 and ordering the hearing in this matter be adjourned until December 1, 2014, at 10:00 a.m.;

AND WHEREAS on December 1, 2014, a hearing was held and the Commission considered the submissions of Staff and an email submission from the Reporting Issuer advising that it intended to make the required filings,

AND WHEREAS the Commission ordered the hearing in this matter be adjourned until December 3, 2014 at 2:00 p.m.;

AND WHEREAS on December 3, 2014, a hearing was held and Staff of the Commission and a representative of the Reporting Issuer were in attendance;

AND WHEREAS Staff submitted and the Reporting Issuer acknowledged that the Reporting Issuer continued to be in default for failing to file the Annual Filings and that the Reporting Issuer is in further default for failing to file the following continuous disclosure materials as required by Ontario securities law:

I) interim financial statements for the three-month period ended September 30, 2014;

II) management's discussion and analysis relating to the interim financial statements for the three-month period ended September 30, 2014; and

III) certification of the foregoing filings as required by National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*;

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

IT IS ORDERED pursuant to paragraph 2 of subsection 127(1) of the Act that, effective immediately, all trading in the securities of the Reporting Issuer, whether direct or indirect, shall cease unless this order is varied or revoked pursuant to section 144 of the Act, on application of a person or company affected by the decision.

DATED at Toronto this 4th day of December, 2014.

"Mary G. Condon"

2.2.7 Crystallex International Corporation et al. – s. 144

Headnote

Application by securityholder for a variation of a cease trade order issued by the Commission – cease trade order issued because the issuer had failed to file certain continuous disclosure materials required by Ontario securities law – variation will permit applicants to trade certain securities of the issuer if the trade is a trade to or an acquisition by certain institutional investors provided that the institutional investor receives a copy of the cease trade order, as varied and the institutional investor provides written acknowledgement to the applicants that the securities remain subject to the cease trade order in accordance with its terms following such trade or acquisition.

Applicable Legislative Provisions

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

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

AND

IN THE MATTER OF
CRYSTALLEX INTERNATIONAL CORPORATION
("CRYSTALLEX")

AND

ALBRIGHT CAPITAL MANAGEMENT LLC
("ALBRIGHT")

AND

ACM EMERGING MARKETS MASTER FUND I, L.P.
(THE "FUND" AND, TOGETHER WITH ALBRIGHT, THE "APPLICANTS")

ORDER
(SECTION 144(1) OF THE ACT)

WHEREAS the Ontario Securities Commission (the "Commission") issued an order on April 13, 2012, under paragraph 2 of subsection 127(1) and subsection 127(5) of the Act, ordering that trading in the securities of Crystallex, whether direct or indirect, cease temporarily;

AND WHEREAS the Commission issued a further order dated April 25, 2012, pursuant to paragraph 2 of subsection 127(1) ordering that trading in the securities of Crystallex, whether direct or indirect, shall cease until revoked by a further order, which order was varied by an order dated December 30, 2013 (as so varied, the "Cease Trade Order");

AND WHEREAS the Applicants have made an application to the Commission pursuant to section 144(1) of the Act to further vary the Cease Trade Order;

AND WHEREAS the Applicants have represented to the Commission that:

1. Cease trade orders with respect to the securities of Crystallex have also been issued by the British Columbia Securities Commission on or about April 16, 2012 (as amended on or about April 18, 2012), the Autorité des marchés financiers of Quebec on or about May 8, 2012 and the Manitoba Securities Commission on or about July 9, 2012.

2. None of Crystallex's securities are currently listed or traded on any recognized exchange in Canada.

3. Crystallex is the subject of a Court-supervised restructuring under the *Companies' Creditors Arrangement Act* (Canada) and a proceeding under the U.S. *Bankruptcy Code*.

4. On November 14, 2014, notice that the Applicants have applied for this Order was provided to the Monitor under the *Companies' Creditors Arrangement Act* proceeding. As of the date of this Order, the Applicants have not received any objection to this Order from the Monitor.

5. Certain information regarding the proceedings involving Crystallex has been filed on SEDAR by Crystallex, including the December 31, 2012 audited annual financial statements and related management's discussion and analysis.

6. Additional information regarding the proceedings involving Crystallex, including periodic reports of the Monitor, motion records and orders of the relevant Courts in Canada and the U.S., is available to the public on the Monitor's website and through the public files of such Courts.

7. To the Applicants' knowledge, Crystallex's securities are not subject to cease trade orders in the United States or in other jurisdictions outside of Canada.

8. Albright is a company formed under the laws of Delaware, United States of America, and the principal business office of Albright is located in Washington, District of Columbia, United States of America.

9. Albright is registered as an investment adviser under the *Investment Advisers Act of 1940* of the United States of America.

10. The Fund is a Cayman Islands exempted limited partnership that is advised by Albright.

11. The Fund holds $1,000,000 principal amount of senior unsecured notes of Crystallex (the "Subject Securities"), all of which were acquired prior to the Cease Trade Order.

12. The Applicants are not insiders or control persons of Crystallex and are not in any way affiliated with Crystallex.

13. Albright expects that the Subject Securities may have value to certain investors interested in investing in securities of issuers in bankruptcy or restructuring proceedings.

14. The Applicants are seeking a variation of the Cease Trade Order under section 144(1) of the Act permitting the Applicants to trade the Subject Securities on a limited basis.

AND UPON the Commission being satisfied that it is not prejudicial to the public interest to vary the Cease Trade Order under section 144(1) of the Act;

IT IS ORDERED that, pursuant to section 144(1) of the Act, the Cease Trade Order be varied by including the following section:

"Despite this Order, Albright Capital Management LLC and ACM Emerging Markets Master Fund I, L.P. (the "Albright Sellers"), each of which is not, and was not as at the date of this Order, an insider or control person of Crystallex International Corporation, may trade senior unsecured notes of Crystallex International Corporation (the "Subject Securities") acquired before the date of this Order, if the trade is a trade to or an acquisition by a person or company who is:

(a) registered under the securities legislation of a jurisdiction of Canada as an adviser, investment dealer, mutual fund dealer or exempt market dealer;

(b) acting on behalf of a managed account managed by the person or company, if the person or company is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada; or

(c) an investment fund if one or both of the following apply:

(i) the fund is managed by a person or company registered as an investment fund manager under the securities legislation of a jurisdiction of Canada;

(ii) the fund is advised by a person or company authorized to act as an adviser under the securities legislation of a jurisdiction of Canada;

provided that, prior to such trade or acquisition, such person or company:

(d) receives a copy of this Order; and

(e) provides a written acknowledgement to the Albright Sellers that the Subject Securities remain subject to this Order in accordance with its terms following such trade or acquisition."

DATED this 4th day of December, 2014.

"Kathryn Daniels"
Deputy Director, Corporate Finance

2.2.8 The Gatekeepers of Wealth Inc. and Joseph Bochner – s. 127

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

AND

IN THE MATTER OF
THE GATEKEEPERS OF WEALTH INC. and JOSEPH BOCHNER

ORDER
(Section 127)

WHEREAS on September 3, 2014, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990 c. S.5, as amended (the "Act"), in connection with a Statement of Allegations filed by Staff of the Commission ("Staff") on September 3, 2014 with respect to The Gatekeepers of Wealth Inc. and Joseph Bochner (collectively, the "Respondents");

AND WHEREAS the Notice of Hearing set a hearing in this matter for October 8, 2014;

AND WHEREAS on October 8, 2014, Staff and counsel for the Respondents appeared before the Commission;

AND WHEREAS on October 8, 2014, the Commission ordered that a pre-hearing conference shall take place on December 8, 2014 at 10:00 a.m.;

AND WHEREAS on December 8, 2014, Staff and counsel for the Respondents appeared for a pre-hearing conference before the Commission and made submissions;

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

IT IS ORDERED that:

(a) Staff shall provide their hearing brief, witness lists, and witness statements to the Respondents by April 23, 2015;

(b) a pre-hearing conference shall take place on May 4, 2015 at 10:00 a.m.;

(c) The Respondents shall provide their hearing briefs, witness lists, and witness statements to Staff by May 7, 2015; and

(d) the hearing on the merits in this matter shall commence on June 9, 2015 at 10:00 a.m., and shall continue on June 10, 11, and 12, 2015.

DATED at Toronto this 8th day of December, 2014.

"Mary G. Condon"

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Chapter 4

Cease Trading Orders

4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Revoke
Maudore Minerals Ltd.	05 December 2014	17 December 2014		
Sonde Resources Corp	25 November 2014	08 December 2014	08 December 2014	
TG Residential Value Properties Ltd.	05 November 2014	03 December 2014	04 December 2014	

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 ARE NO ITEMS 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
Besra Gold Inc.	10 October 14	22 October 14	22 October 14		
Northland Resources SE	21 November 14	03 December 14		05 December 14	

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Chapter 5

Rules and Policies

5.1.1 Implementation of the Final Stage of Point of Sale Disclosure for Mutual Funds: Pre-Sale Delivery of Fund Facts – CSA Notice of Amendments to NI 81-101 Mutual Fund Prospectus Disclosure and to Companion Policy 81-101CP Mutual Fund Prospectus Disclosure

CSA/ACVM Canadian Securities Administrators Autorités canadiennes en valeurs mobilières

IMPLEMENTATION OF THE FINAL STAGE OF POINT OF SALE DISCLOSURE FOR MUTUAL FUNDS: *PRE-SALE DELIVERY OF FUND FACTS*

CSA NOTICE OF AMENDMENTS TO NATIONAL INSTRUMENT 81-101 *MUTUAL FUND PROSPECTUS DISCLOSURE* AND TO COMPANION POLICY 81-101CP TO NATIONAL INSTRUMENT 81-101 *MUTUAL FUND PROSPECTUS DISCLOSURE*

December 11, 2014

Introduction

The Canadian Securities Administrators (the CSA or we) are making amendments (the Amendments) to implement pre-sale delivery of the fund facts document (the Fund Facts) for conventional mutual funds.

The Amendments are to:

- National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (the Rule or NI 81-101); and
- Companion Policy 81-101CP *to National Instrument 81-101 Mutual Fund Prospectus Disclosure* (the Companion Policy).

Subject to Ministerial approval requirements for rules, the Amendments come into force on March 11, 2015.

Adopting the Amendments completes the CSA's implementation of the point of sale disclosure framework for mutual funds (the Framework) articulated in October 2008 by the CSA and the Canadian Council of Insurance Regulators, as members of the Joint Forum of Financial Market Regulators (the Joint Forum).[1]

This is an important investor-focused initiative.

Currently under securities legislation, a Fund Facts is required to be delivered to investors within two days of buying a mutual fund. The Amendments change the timing of delivery by requiring delivery of the most recently filed Fund Facts to a purchaser before a dealer accepts an instruction for the purchase of a mutual fund.

[1] The goal of the Joint Forum is to continuously improve the financial services regulatory system through greater harmonization, simplification and co-ordination of regulatory activities. Under the Framework, investors would receive more meaningful information about a mutual fund or segregated fund at a time that is relevant to their investment decision.

The Amendments put into effect the principles which have been guiding the CSA, as first articulated in the Framework:

- provide investors with key information about a fund;
- provide the information in a simple, accessible and comparable format; and
- provide the information before investors make their decision to buy.

The text of the Amendments is included in annexes to this Notice and is available on the websites of members of the CSA.

We expect the Amendments to be adopted in each jurisdiction of Canada.

The CSA remains committed to continuing the other point of sale initiatives currently underway:

(i) consideration of a mandated risk classification methodology, to be used by fund managers to identify the mutual fund's risk level on the risk scale prescribed in the Fund Facts;

(ii) development of a summary disclosure document akin to Fund Facts for exchange-traded mutual funds and its delivery.

Background

The CSA is implementing the point of sale disclosure Framework in stages.[2]

Stage 1, which came into force January 1, 2011, requires mutual funds to produce and file the Fund Facts and for it to be available on the mutual fund's or mutual fund manager's website. As of July 2011, every mutual fund has had a Fund Facts for each class and series of the mutual fund.

Stage 2 final amendments were published on June 13, 2013. As of June 13, 2014, the Fund Facts is required to be delivered within two days of buying a mutual fund. Fund Facts delivery in turn satisfies the requirement to deliver a prospectus under securities legislation.

Stage 3 will be completed with the coming into force of the Amendments, which implement pre-sale delivery of the Fund Facts.

You can find additional background information on the point of sale disclosure Framework and the CSA's staged implementation for mutual funds on the websites of members of the CSA.

Substance and Purpose

The Amendments will benefit both investors and market participants by helping address the information asymmetry that exists between participants in the mutual fund industry and investors. Unlike industry participants, investors often do not have key information about a mutual fund before they make their investment decision, and may not know where to find the information. Pre-sale delivery of the Fund Facts will help bridge the information gap by providing investors with the opportunity to make more informed investment decisions by giving them key information about a mutual fund, in a language they can easily understand, at a time that is most relevant to their investment decision. With the move to pre-sale delivery, dealer representatives can use the Fund Facts as a tool to help explain a mutual fund's main features and attributes.

While research suggests that certain behavioral biases of investors may impact the effectiveness of policy initiatives that are designed to encourage better choices about financial products,[3] research on investor preferences for mutual fund information, including our own testing of the Fund Facts, indicates investors prefer a concise summary of key information before the sale so that they can use the information to make a decision.[4]

The CSA designed the Fund Facts to make it easier for investors to find and use key information. It is in plain language, no more than two pages double-sided and highlights key information important to investors. The format provides investors with basic information about the mutual fund, followed by a concise explanation of mutual fund expenses and fees, dealer compensation and investor rights. Introductory text specifies that more detailed information about the mutual fund is available in its prospectus.

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2 See CSA Staff Notice 81-319 *Status Report on the Implementation of Point of Sale Disclosure for Mutual Funds* published on June 18, 2010.

3 Financial Services Authority, July 2008 *Financial Capability: A Behavioural Economics Perspective* – Consumer Research 69.

4 CSA, September 2012 *CSA Point of Sale Disclosure Project: Fund Facts Document Testing*; OSC, October 2006 *Fund Facts Document Research Report*; Investment Company Institute, August 2006 *Understanding Investor Preferences for Mutual fund Information*; Securities and Exchange Commission, April 2004 *Results of Focus Groups with Individual Investors to Test Proposed Rules 15c2-2 and 15c2-3*.

The Amendments further keep pace with developing global regulatory standards,[5] including the International Organization of Securities Commissions (IOSCO) Principles on Point of Sale Disclosure published in February 2011.[6]

Summary of Written Comments Received by the CSA

Proposed amendments to the Rule and the Companion Policy introducing pre-sale delivery of the Fund Facts for mutual funds were first published for comment by the CSA on June 19, 2009 (the 2009 Proposal). The 2009 Proposal included proposed amendments aimed at implementing all of the elements of the point of sale disclosure regime set out in Framework, including pre-sale delivery of the Fund Facts. In accordance with the staged approach to implementation, the CSA next published proposals related to pre-sale delivery of the Fund Facts on March 26, 2014 (the 2014 Proposal).

The 2014 Proposal, informed by the regulatory regimes of other jurisdictions that have implemented pre-sale delivery requirements,[7] by IOSCO principles[8] and by the comments received on the 2009 Proposal, revisited the approach taken in the 2009 Proposal. Specifically, to address feedback we received on the complexity and cost of compliance, the 2014 Proposal contemplated a simpler, more consistent approach to pre-sale delivery of the Fund Facts.

We received 26 comment letters on the 2014 Proposal. Generally, commenters were supportive of the more streamlined approach to pre-sale delivery of Fund Facts and for allowing for a limited exception to pre-sale delivery in certain circumstances. However, we were asked to clarify and simplify the prescribed verbal delivery requirement in the instances where the pre-sale delivery exception is utilized, as well as provide greater guidance on what types of electronic delivery would be acceptable. In response to consultation questions posed in the 2014 Proposal, we also received significant comments related to the timeline and implementation of pre-sale delivery of the Fund Facts.

Copies of the comment letters have been posted on the Ontario Securities Commission website at www.osc.gov.on.ca and on the Autorité des marchés financiers website at www.lautorite.qc.ca. You can find the names of the commenters and a summary of the comments and our responses to those comments in Annex B to this Notice.

Summary of Changes to the 2014 Proposal

After considering the comments received, we have changes to the 2014 Proposal. See Annex A to this Notice for a summary of the key changes made to the 2014 Proposal. Those revisions are reflected in the Amendments that we are publishing as Annexes to this Notice. As these changes are not material, we are not republishing the Amendments for a further comment period.

Summary of the Amendments

Application

The Amendments apply only to mutual funds subject to NI 81-101.

Pre-Sale Delivery

In keeping with the 2014 Proposal, the Amendments require delivery of the most recently filed Fund Facts to a purchaser before a dealer accepts an instruction for the purchase. Subject to certain exceptions outlined further below, the delivery requirement applies to all purchases, without any distinction based on the type of mutual fund security purchased or the distribution channel. This means that pre-sale delivery of the Fund Facts will apply to both full service accounts and order execution-only accounts. This is consistent with the approach to the pre-trade cost disclosure requirements in the Client Relationship Model - Phase 2 (CRM2) amendments to NI 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (NI 31-103). Also consistent with securities legislation in some jurisdictions today, the Amendments do not require delivery of the Fund Facts if the purchaser has already received the most recently filed Fund Facts.

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5 In the United Kingdom, Australia, Hong Kong and Malaysia, disclosure documents must generally be provided before a product is purchased.

6 See, for example: Principles on Point of Sale Disclosure, Final Report, Technical Committee of the IOSCO, February 2011; G20 High-level Principles on Financial Consumer Protection, Organization for Economic Co-operation and Development (OECD), October 2011; and Regulation of Retail Structured Products, Consultation Report, IOSCO, April 2013.

Principle 2 of the IOSCO Principles on Point of Sale Disclosure specifies: "*key information should be delivered, or made available, for free, to an investor before the point of sale, so that the investor has the opportunity to consider the information and make an informed decision about whether to invest.*"

7 See footnote 5 above.

8 See footnote 6 above.

The method for delivery of the Fund Facts is consistent with the method for delivery of a prospectus under securities legislation. For example, it can be in person, by mail, by fax, electronically or by other means. Electronic delivery includes providing an electronic copy of the Fund Facts to the purchaser in the form of an email attachment or a hyperlink. For online transactions related to order execution service accounts, pre-sale delivery can be executed through the use of a "pop-up" screen that directs the investor to the relevant Fund Facts or by requiring the purchaser to "click through" the Fund Facts before the purchase order is accepted. Access will not equal delivery, nor will a referral to the website on which the Fund Facts is posted.

Exception where Delivery Impracticable

The Amendments allow for an exception to pre-sale delivery of the Fund Facts in limited circumstances where the purchaser indicates that they want the purchase to be completed immediately, or by a specified time, and it is not reasonably practicable for the dealer to complete pre-sale delivery of the Fund Facts within the timeframe specified by the purchaser. In such circumstances, the dealer would be required to inform the purchaser of the existence and purpose of the Fund Facts and explain the dealer's obligation of pre-sale delivery of the Fund Facts. The dealer must also provide a verbal summary of some of the main disclosure elements contained in the Fund Facts including the applicable rights of withdrawal or rescission that the purchaser is entitled to under securities legislation.

In such circumstances, the Fund Facts would then be required to be delivered or sent to the purchaser within two days of buying the mutual fund. This exception is on a purchase-by-purchase basis. A dealer cannot rely on blanket consent from the purchaser to effect post-sale delivery of the Fund Facts.

Exception for Pre-Authorized Purchase Plans

For pre-authorized purchase plans, the requirement for pre-sale delivery of the Fund Facts would not apply to subsequent purchases of securities of a mutual fund provided certain conditions are met. In particular, the purchaser must be provided with an initial notice indicating that they will not receive the Fund Facts for subsequent purchases under the plan, unless they specifically request it, and that they will not have a right of withdrawal for those subsequent purchases. Together with this initial notice, the purchaser must be provided with the most recently filed Fund Facts for the applicable class or series of mutual fund security. The purchaser must also be provided with subsequent annual notices that include information on how to access and request the Fund Facts. The information required in both the initial notice and the subsequent annual notices should be presented in a clear, comprehensible and prominent manner. A purchaser of a pre-authorized plan will continue to have a right of action for rescission or for damages if there is a misrepresentation in the prospectus of the mutual fund, including any documents incorporated by reference into the prospectus, such as the Fund Facts.

The pre-sale delivery exception for pre-authorized purchase plans is intended to codify blanket relief in some jurisdictions, and exemptive relief that has been granted to certain pre-authorized purchase plans (the PPP Relief). The Amendments, therefore, contain a provision that allows those pre-authorized purchase plans that have received the PPP Relief to continue with their current annual notice delivery schedule. Specifically, for pre-authorized purchase plans established prior to May 30, 2016 that have already provided an annual reminder notice regarding the availability of the Fund Facts to purchasers within the last 12 months, the first purchase of a mutual fund security made under the plan on or after May 30, 2016 will not be considered to be the first purchase transaction under the plan. As a result, the first purchase that occurs after the Amendments come into effect will not immediately trigger an initial notice to be delivered.

Exception for Managed Accounts and Permitted Clients

The Amendments allow for exceptions to the pre-sale delivery requirement of Fund Facts for purchases of mutual fund securities made in managed accounts or by permitted clients that are not individuals. For these purchases, the Fund Facts would be required to be delivered or sent to the purchaser within two days of buying the mutual fund.

These exceptions are consistent with the approach to the pre-trade cost disclosure requirements in the CRM2 amendments to NI 31-103.

No Effect on Investor Rights

The Amendments do not change existing investor rights under securities legislation.

If the investor does not receive the Fund Facts, the investor has a right to seek damages or to rescind the purchase. The rights of the investor for failure of pre-sale delivery of the Fund Facts are the same rights under securities legislation today for failure to deliver the Fund Facts within two days of purchasing securities of a mutual fund.

The investor's right of withdrawal of purchase within two business days after receiving the Fund Facts remains unchanged. Consistent with securities legislation today, depending on the timing of delivery of the Fund Facts and the timing of the trade, the investor may or may not have the right of withdrawal of purchase.

The right for misrepresentation related to the Fund Facts has also not changed. The Fund Facts is incorporated by reference into the prospectus. This means that the existing statutory rights of investors that apply for misrepresentations in a prospectus also apply to misrepresentations in the Fund Facts.

In some jurisdictions, investors also currently have a right of rescission with delivery of the trade confirmation for the purchase of mutual fund securities. This right also remains unchanged under the Proposed Amendments.

Transition Timeline

The Amendments will come into effect on May 30, 2016.

This means, from the time of publication of this Notice, a conventional mutual fund will have approximately 18 months to make changes to compliance and operational systems and to arrange for training necessary to provide pre-sale delivery of Fund Facts to its investors.

December 11, 2014		March 11, 2015		May 30, 2016
Publication of Amendments	➡	Amendments come into force	➡	Pre-sale delivery of Fund Facts requirement takes effect

Alternatives Considered

The earlier publications by the Joint Forum outlined the alternatives we considered, as members of the Joint Forum, in developing the point of sale disclosure Framework as contemplated by the Amendments. These publications also set out the pros and cons of each alternative. You can find these documents on the Joint Forum website and on the websites of the members of the CSA.

Anticipated Costs and Benefits

The earlier publications by the Joint Forum and CSA outlined some of the anticipated costs and benefits of implementation of the point of sale disclosure Framework. We consider these costs and benefits to still be valid.

Overall, we continue to believe that the potential benefits of the move to pre-sale delivery of the Fund Facts as contemplated by the Amendments are proportionate to the costs of making the change. We consider the transition timeline contemplated by the Amendments to be responsive to the comments we received regarding the time needed to change compliance and operational systems, as well as for training.

Local Matters

Annex E to this Notice is being published in any local jurisdiction that is making related changes to local securities laws, including local notices or other policy instruments in that jurisdiction. It also includes any additional information that is relevant to that jurisdiction only.

Some jurisdictions may require amendments to local securities legislation, in order to implement the Amendments. If statutory amendments are necessary in a jurisdiction, these changes will be initiated and published by the local provincial or territorial government.

Materials Published

The text of the Amendments is contained in the following annexes to this Notice and is available on the websites of members of the CSA:

Annex A – Summary of Changes to 2014 Proposal

Annex B – Summary of Public Comments and CSA Responses

Annex C – Amendments to National Instrument 81-101 *Mutual Fund Prospectus Disclosure*

Annex D – Changes to Companion Policy 81-101CP to National Instrument 81-101 *Mutual Fund Prospectus Disclosure*

Annex E – Local Matters

Questions

Please refer your questions to any of the following:

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ANNEX A

SUMMARY OF CHANGES TO THE 2014 PROPOSAL

This Annex describes the key changes we made to the 2014 Proposal. We have made a number of revisions in response to the comments received. We do not consider these changes to be material.

The changes include the following:

Exception to Pre-Sale Delivery of Fund Facts Document – s.3.2.02, NI 81-101

For the exception when pre-sale delivery of the Fund Facts is impracticable, we clarified that each verbal disclosure requirement must be provided before the dealer accepts the instruction for the purchase of a mutual fund.

Delivery of Fund Facts for Subsequent Purchases Under a Pre-Authorized Purchase Plan – s.3.2.03, NI 81-101

For the exception to pre-sale delivery of the Fund Facts for purchases under a pre-authorized purchase plan, we removed the requirement to send a reply form with the annual reminder notice that is sent to purchasers.

The provision that the first purchase of a security of a mutual fund made under a pre-authorized purchase plan on or after May 30, 2016 is considered to be the first purchase transaction under the plan does not apply to plans established prior to May 30, 2016 that have provided an annual reminder notice to purchasers within the last 12 months.

Delivery of Fund Facts Document for Managed Accounts and Permitted Clients – s.3.2.04, NI 81-101

We added exceptions to the pre-sale delivery requirement of Fund Facts for purchases of mutual fund securities made in managed accounts or by permitted clients that are not individuals. For these purchases, the Fund Facts can be delivered within 2 days of purchase instead of pre-sale.

Binding – s.5.2, NI 81-101

We added a provision to allow the annual reminder notice sent to purchasers under a pre-authorized purchase plan to be attached to the most recently filed Fund Facts for the applicable class or series of mutual fund security or securities held by the purchaser.

Electronic Delivery – s.3.2.05, NI 81-101 and s.7.4, 81-101CP

We specified that the requirement for pre-sale delivery of the Fund Facts can be satisfied by electronic delivery, which may include sending an electronic copy of the Fund Facts to the purchaser in the form of an email attachment or a hyperlink. We also clarified in the Companion Policy that where a hyperlink is provided, the link must lead the purchaser to the specific Fund Facts for the applicable class or series of the mutual fund being purchased.

Transition

We amended the Instrument so that the requirement for pre-sale delivery of the Fund Facts takes effect on May 30, 2016. This means, from the time of publication of this Notice, a conventional mutual fund will have approximately 18 months to make changes to compliance and operational systems and to arrange for training necessary to provide pre-sale delivery of Fund Facts to its investors.

ANNEX B

**SUMMARY OF PUBLIC COMMENTS ON
IMPLEMENTATION OF STAGE 3 OF POINT OF SALE DISCLOSURE FOR
MUTUAL FUNDS – POINT OF SALE DELIVERY OF FUND FACTS** (MARCH 26, 2014)

Table of Contents	
PART	**TITLE**
Part 1	**Background**
Part 2	**General Comments**
Part 3	**Comments on Exceptions from Pre-Sale Delivery of the Fund Facts**
Part 4	**Comments on Compliance**
Part 5	**Comments on Anticipated Costs and Benefits of Pre-Sale Delivery of the Fund Facts**
Part 6	**Comments on Transition Period**
Part 7	**Other Comments**
Part 8	**List of Commenters**

Part 1 – Background

Summary of Comments

On March 26, 2014, the Canadian Securities Administrators (the CSA or we) published for second comment changes to proposed amendments (the Proposed Amendments or the 2014 Proposal) to National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (the Rule or NI 81-101) and Companion Policy 81-101CP to National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (the Companion Policy) (the Rule or NI 81-101 and the Companion Policy, collectively, the Instrument) aimed at implementing pre-sale delivery of the fund facts document (the Fund Facts) for mutual funds. We received 26 comment letters and the commenters are listed in Part 5.

An earlier version of the 2014 Proposal was published by the CSA on June 19, 2009 (the 2009 Proposal). The 2009 Proposal included proposed amendments aimed at implementing all of the elements of the point of sale disclosure regime set out in Framework 81-406 *Point of Sale Disclosure for mutual funds and segregated funds* (the Framework), published in October 2008 by the CSA and the Canadian Council of Insurance Regulators, as members of the Joint Forum of Financial Market Regulators (the Joint Forum). After considering all of the comments received on the 2009 Proposal, the CSA concluded to proceed with a staged implementation of the Framework, as set out in CSA Staff Notice 81-319 *Status Report on the Implementation of Point of Sale Disclosure for Mutual Funds* published on June 18, 2010.

We thank everyone who took the time to prepare and submit comment letters. This document contains a summary of the comments we received in relation to the 2014 Proposal and the CSA's responses. We have considered the comments received and in response to the comments, we have made some amendments (the Amendments) to the 2014 Proposal. The Amendments are aimed at implementing pre-sale delivery of the Fund Facts for mutual funds.

Part 2 – General Comments

Issue	Comments	Responses
General Support	Commenters expressed broad support for the objective of providing investors with key information in a simple, accessible and comparable format before they invest. They were generally supportive of improving transparency and providing better disclosure to investors to help them make more informed investment decisions.	We continue to be of the view that pre-sale delivery of the Fund Facts will provide investors with the opportunity to make more informed investment decisions by giving investors key information about a mutual fund, in a language they can easily understand, at a time that is most relevant to their investment decision. We welcome the

Part 2 – General Comments		
Issue	**Comments**	**Responses**
	A number of industry commenters also expressed support for proceeding with a simpler, more streamlined and straightforward approach to pre-sale delivery of the Fund Facts. Some of these commenters expressed appreciation for the broad consultations held by the CSA in connection with the POS Project, as well as the resulting changes aimed at addressing complexity and compliance concerns that were raised in respect of the 2009 Proposal. Some commenters noted that streamlining some of the more prescriptive and detailed elements of the 2014 Proposal would be particularly helpful to smaller firms as this would allow them to implement the rule in a more cost effective manner. Other commenters lauded the removal of the previously proposed requirement to bring the Fund Facts to "the attention" of the purchaser, which was viewed as an unclear requirement that could have potentially added unnecessary costs and confusion for dealer representatives and investors.	general support that has been expressed by both industry and investor advocates for achieving this objective.

Part 3 – Comments on Exceptions from Pre-Sale Delivery of the Fund Facts			
Issue	**Sub-Issue**	**Comments**	**Responses**
1. While the Proposed Amendments generally require pre-sale delivery of the Fund Facts, they also set out specific circum-stances that would permit post-sale delivery.	a) Do you agree that we should allow post-sale delivery of the Fund Facts in certain limited circumstances? In particular, are there circumstances where post-sale delivery of the Fund Facts should be permitted but are not captured in the Proposed Amendments?	Investor advocates were of the view that, given existing technology and the fact that most mutual funds are intended to be long-term investments, the circumstances that would warrant using the pre-sale delivery exception should be rare, particularly in instances where the investor has agreed to electronic delivery. They stressed the need for effective compliance and enforcement regimes to ensure the exception does not become the norm. All industry commenters agreed that post-sale delivery of the Fund Facts should be allowed in certain limited circumstances, as pre-sale delivery may not always be practicable. In particular, providing a limited exception from pre-sale delivery helps alleviate concerns about the ability to accommodate the legitimate wishes of investors who may, on occasion, require or wish to purchase units of a fund before pre-sale delivery can take place. While some industry commenters were of the view that the circumstances that would require post-sale delivery are adequately captured in the 2014 Proposal, others	The original 2009 Proposal was designed to be responsive to comments that a "one-size-fits-all" delivery model would not appropriately reflect the various business models adopted by dealers, as well as the different types of relationships that dealers have with their clients. In response to comments received on the 2009 Proposal, the 2014 Proposal seeks to address the cost and complexity concerns that were raised, specifically, simplifying the Fund Facts delivery regime by eliminating the various decision points that would need to be tracked in order to determine when delivery would need to occur. While we did receive some requests to reintroduce some additional pre-sale delivery exceptions included in the 2009 Proposal, the vast majority of commenters are supportive of our more streamlined and simpler approach.

Part 3 – Comments on Exceptions from Pre-Sale Delivery of the Fund Facts			
Issue	**Sub-Issue**	**Comments**	**Responses**
		identified additional circumstances in which post-sale delivery would be appropriate, or that should be exempted from Fund Facts delivery entirely. The following circumstances were highlighted : 1. ***Subsequent purchases:*** A few industry commenters suggested returning to the 2009 Proposal of not requiring pre-sale delivery in instances where investors are adding to existing positions in funds previously purchased. It should be sufficient to provide existing investors with access to the Fund Facts along with an option to receive the Fund Facts annually. Another commenter suggested limiting the requirement to deliver the Fund Facts for subsequent purchases to instances where the updated Fund Facts makes changes to sections other than those regarding holdings and performance. 2. ***Order-execution only brokerage accounts:*** As with the 2009 Proposal, a few commenters told us a distinction should be made between investors who rely on a dealer's recommendation and those who rely on their own research and judgement when making their purchase decision before contacting their dealer. In the case of purchase orders made through order-execution only brokerage accounts, it should be sufficient to deliver the Fund Facts post-sale within two days of the purchase of a mutual fund provided that the Fund Facts is readily available online. A couple of investor advocates also supported this approach. One of them noted that pre-sale delivery for discount brokerage accounts could have the perverse effect of slowing down the availability of D Series funds. Still, other industry commenters disagreed and expressed support for the removal of this exemption, which was contained in the 2009 Proposal.	We continue to think that the pre-sale delivery exception provided is sufficient to deal with instances where pre-sale delivery may be impracticable. In fact, most industry commenters expressed agreement with the limited exception from pre-sale delivery that is contemplated. In response to feedback, we have added exceptions from the pre-sale delivery requirement for mutual fund purchases made in a managed account and mutual fund purchases made by permitted clients that are not individuals. In the context of managed accounts, we recognize that pre-sale delivery may create issues since the investor is not involved in the decision-making process and does not provide specific purchase instructions. With respect to an exception for permitted clients that are not individuals, we are of the view that this is an appropriate response to the request for an exemption for "accredited investors" more generally. Including exceptions in these two instances will bring greater harmonization with the pre-trade cost disclosure requirements under NI 31-103. With respect to requests for an exemption for model portfolio products with auto rebalancing features, the CSA are prepared to consider requests for exemptive relief in the appropriate circumstances. In our view, any exemptive relief will be fact specific and will be considered novel.

Part 3 – Comments on Exceptions from Pre-Sale Delivery of the Fund Facts			
Issue	**Sub-Issue**	**Comments**	**Responses**
		3. ***Investor initiated purchases:*** Just as in the 2009 Proposal, we heard from industry commenters that it is important to make a distinction between investors who rely on a dealer representative's recommendation and those who rely on their own research and judgement. We were told pre-sale delivery of the Fund Facts will only delay an investor from executing an investment decision they have already made. 4. ***Money Market Funds:*** Like the 2009 Proposal a couple of industry commenters asked us to exempt money market funds from the pre-sale delivery requirement on the basis that they are low risk and are generally used by investors to "park" money. Instead, the Fund Facts could be sent with the trade confirmation. One commenter, however, made a distinction between money market funds with a stable net average value per share (NAVPS) and those that can realize capital gains or losses. This commenter was of the view that the latter should be subject to the pre-sale delivery requirement. 5. ***Model portfolio products with auto re-balancing and/or re-allocation features:*** Some commenters suggested providing an exemption from the pre-sale delivery requirement for model portfolio products. In the case of model portfolio products, we were told the investor is buying a managed product solution that automatically optimizes the investment within and across multiple mutual funds. The allocation and potential re-balancing is performed in order to maintain the required asset mix, or to achieve an optimal tax strategy for the investor. The requirement to allocate or re-balance is not known until after the process is completed, making pre-sale delivery of a Fund Facts impossible. 6. ***Managed accounts:*** Some commenters noted that investors with managed accounts have	

Part 3 – Comments on Exceptions from Pre-Sale Delivery of the Fund Facts			
Issue	**Sub-Issue**	**Comments**	**Responses**
		chosen, by way of contractual arrangement, to enable the portfolio manager to have control over all decision making for the account. The dealer representative is making the investment decision by selecting the mutual funds for the investor, and the investor will not necessarily have advance knowledge of the trades that are taking place in the account. It would be confusing for the investor to receive unsolicited Fund Facts in connection with trades the investor has not initiated. As a result, managed accounts should be exempted from the pre-sale delivery requirement. Another commenter noted that section 14.12 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (NI 31-103) permits the delivery of trade confirmations to the portfolio manager of a discretionary managed account. Since the relationship is between the portfolio manager and the investor, it is unclear how a dealer representative would confirm delivery of Fund Facts to the investor prior to executing the trade. Therefore, the 2014 Proposal should include an exemption from the pre-trade delivery requirement if the dealer representative delivers the Fund Facts to the portfolio manager with, or prior to, the trade confirmation. 7. ***Accredited investors:*** A number of industry commenters told us that sophisticated investors should be afforded *de minimis* levels of protection as well as freedom from unnecessary regulatory constraints. As a result, sophisticated investors, such as accredited investors, should be exempt from the pre-sale delivery requirement. 8. ***Transactions not in real-time:*** One commenter suggested that there should be an exemption to the pre-sale delivery requirement for purchases made through a web-based transaction site or by e-mail.	

Part 3 – Comments on Exceptions from Pre-Sale Delivery of the Fund Facts			
Issue	**Sub-Issue**	**Comments**	**Responses**
		Given the sustained growth in electronic transactions and the fact that Canada has more than 100 fund families, we were told it would be difficult to offer and manage pre-sale delivery of the Fund Facts without costly major technology developments to make all relevant information readily available online and ensure that it is continuously updated, especially when rapidity of trade execution is paramount. **Investor opt-out option for pre-sale delivery** Some industry commenters told us that the requirements to qualify for the pre-sale delivery exception are unduly narrow and are likely to frustrate some investors, especially experienced and knowledgeable investors who do not want orders delayed pending delivery of the Fund Facts. These investors should be allowed to expressly waive pre-sale delivery of the Fund Facts in favour of post-sale delivery. One commenter also suggested that dealer representatives be permitted to ask their clients for annual instructions or standing instructions in a manner analogous to the continuous disclosure process in National Instrument 81-106 – *Investment Fund Continuous Disclosure*. Alternatively, the opt out could be in the form of a declaration (e.g., a clause in the account agreement subject to annual renewal in writing) or an acknowledgement upon the purchase of a mutual fund that the investor will be responsible for getting the most recent copy for the Fund Facts prior to any new trade instructions to the dealer representative. For telephone sales, one commenter told us that pre-sale delivery of the Fund Facts has the potential to create a negative investor experience. In such circumstances, it was suggested that dealers should be permitted to inform the clients that they can receive the Fund Facts within two days of the purchase rather than the onus being in on the investor to initiate the request. In such instances, verbal disclosure of key information from the Fund Facts should still be required.	

Part 3 – Comments on Exceptions from Pre-Sale Delivery of the Fund Facts			
Issue	**Sub-Issue**	**Comments**	**Responses**
		Usefulness of pre-sale delivery exception One commenter questioned how useful the pre-sale delivery exception will be, since the proposed Companion Policy states that that the CSA "expect(s) that post-sale delivery of the fund facts document will be the exception rather than the norm." This commenter stated that it would be difficult to imagine a dealer representative wanting to take on the obligations entailed by this exception, especially if the "not reasonably practicable" standard is interpreted based on a hypothetical dealer representative. Although staff of the Mutual Funds Dealers Association (MFDA) of Canada and the Investment Industry Regulatory Organization of Canada (IIROC) would likely arrive at appropriate guidelines, the risk is that the guidelines would be drafted too restrictively and the utility of the exemption would be lost.	
	b) When pre-sale delivery is impracticable, one of the conditions for post-sale delivery of the Fund Facts is that the dealer provides verbal disclosure to the purchaser of certain elements contained in the Fund Facts. Please comment on whether the proposed disclosure elements are appropriate. If not, what additional disclosure should be included? Alternatively, are there any disclosure elements that should be excluded?	Commenters generally agreed that, where an investor receives the Fund Facts for a mutual fund post-sale, it would be appropriate to provide that investor with pre-sale verbal disclosure of pertinent information relating to that fund. The commenters agreed that the dealer representative should inform the purchaser of the existence and purpose of the Fund Facts, as well as explain the dealer representative's obligation of pre-sale delivery of the Fund Facts. They also generally agreed with the proposed disclosure elements for verbal disclosure. Investor advocates were adamant, however, that the pre-sale delivery exception should only be used on extremely rare occasions. The dealer representative must document the request, provide verbal disclosure of the salient features of the mutual fund and conduct a suitability analysis of the transaction so the investor understands the fund and how it fits into his or her portfolio. Some of the industry commenters, however, told us that the verbal disclosure requirement in the 2014 Proposal seems to prescribe the reading of the Fund Facts almost in its entirety, which would be burdensome and impractical. In addition, rather than helping a purchaser understand the contents of the Fund Facts before proceeding with the trade, these	The CSA accept that there may be some limited circumstances where pre-sale delivery of the Fund Facts will be impracticable. The comments received support this view. As a result, we have retained the exception that was set out in the 2014 Proposal for instances where a purchaser indicates that the purchase has to be completed by a specified time and it is not reasonably practicable for the dealer to complete delivery of the Fund Facts within that timeframe. We agree, however, with investor advocates that there should not be a need to use this exception frequently. As a matter of clarification, we have now specified that verbal disclosure is intended to be a summary of the specifically identified disclosure items in the Fund Facts, and not a full recitation of all the disclosure contained in those sections. In terms of the specific disclosure items that must be conveyed by way of verbal disclosure, we have not added or removed any items. We note, however, that the verbal disclosure requirement in the Amendments is the minimum requirement. To the extent that

Part 3 – Comments on Exceptions from Pre-Sale Delivery of the Fund Facts			
Issue	**Sub-Issue**	**Comments**	**Responses**
		requirements may lead to confusion. Some industry commenters noted that in instances where "time is of the essence," mandating "verbal disclosure" for all investors seeking to rely on the pre-sale-delivery exception is self-defeating. One commenter noted that the verbal disclosure would take approximately six minutes without taking into account additional time that might be needed to answer any questions the investor may have. This would be even more so when an investor purchases several funds at the same time. Moreover, in the case of investor-initiated trades, especially by seasoned investors, this mandatory verbal disclosure will amount to an annoyance and delay and fee-only dealer representatives will have to charge the investor. **Suggestions** While commenters generally agreed with the proposed disclosure elements for verbal disclosure, they had some specific suggestions for improvement, among them: • Allow the verbal disclosure requirement to be optional and deliverable only at the investor's request. • Allow investors to waive the verbal disclosure requirement. • Provide information in the Fund Facts to the investor in a summary form along with a reminder of their rescission rights. • Remove verbal disclosure for product suitability and risk for order-execution only brokerages, as it would be inappropriate for dealer representatives to discuss product suitability and risk. • Allow dealer representatives discretion to determine what information in the Fund Facts should be verbally disclosed to the investor, especially given that phase 2 of the client relationship model (CRM2) already prescribes pre-sale disclosure with respect to fees.	dealers and their representatives want to provide investors with additional information from the Fund Facts, they may. Where multiple funds are being purchased at the same time, to the extent that the information that must be disclosed would be the same for each fund, the CSA would not expect the same information to be repeated multiple times. Finally we have revised the drafting to make it clearer that the various elements of the pre-sale delivery exception must all be satisfied prior to accepting any instruction to purchase.

Part 3 – Comments on Exceptions from Pre-Sale Delivery of the Fund Facts			
Issue	**Sub-Issue**	**Comments**	**Responses**
		• Add the "For more information" section to the verbal disclosure requirement to clarify that additional information about the fund can be found in its simplified prospectus. • Create a category of knowledgeable and experienced investor who has the ability to exempt themselves from the pre-sale disclosure requirement. • Allow accredited investors to waive the verbal disclosure requirement. • Permit a signed consent form for standing instructions from the investor to waive pre-sale delivery of the Fund Facts. • For purchases of several funds, allow the rights of withdrawal or rescission to be disclosed only once (and not for each fund). • Allow post-trade delivery of verbal disclosure regarding the existence and content of the Fund Facts. • Allow post-sale delivery of the Fund Facts followed by a conversation between the dealer representative and the investor and leave withdrawal rights open until two days following such conversation. • For managed portfolio products, allow a blanket consent from the investor provided that the subsequent purchases are in compliance with the investor's instructions and consistent with their personalized investment policy statement. • For the verbal disclosure of applicable withdrawal rights or rescission rights as set out under the heading "What if I change my mind?", it should only be necessary to tell the investor to "see withdrawal and rescission rights for their province or territory, or to consult a lawyer".	

Part 3 – Comments on Exceptions from Pre-Sale Delivery of the Fund Facts			
Issue	**Sub-Issue**	**Comments**	**Responses**
		Drafting One commenter noted that, while the condition in section 3.2.1.1(3)(a) must be satisfied before a dealer representative accepts the investor's purchase instruction, there is no equivalent requirement for the other conditions specified in new section 3.2.1.1(3) to be satisfied before the dealer representative accepts the investor's purchase instruction. If this was a drafting oversight by the CSA, the commenter suggested that section 3.2.1.1(3) be revised to expressly state that all of the conditions therein must be satisfied before the dealer representative accepts the investor's purchase instruction.	
	c) In the case of pre-authorized purchase plans, a Fund Facts would only be required to be sent or delivered to a participant in connection with the first purchase provided that certain notice requirements are met. Please comment on whether the Fund Facts should also be sent or delivered to a participant if the Fund Facts is subsequently amended and/or every year upon renewal of the Fund Facts. If so, what parameters should be put in place for such delivery? For example, should it be delivered in advance of the next purchase that is scheduled to take place after the Fund Facts has been amended or renewed? Or would post-sale	Almost all commenters supported the proposed pre-sale delivery exception for purchases made pursuant to a pre-authorized purchase plan (PAC). They agreed that it should be sufficient for an investor with a pre-authorized purchase plan to receive an initial notice, along with subsequent annual notices, regarding the availability of the Fund Facts and instructions on how to access or request a copy. **Definition for Pre-Authorized Purchase Plans** One industry commenter agreed with the proposed definition for "pre-authorized purchase plan" as currently drafted and viewed it as being sufficiently broad. Another industry commenter, however, noted that no equivalent to the proposed PAC exception has been included in the 2014 Proposal for other types of pre-authorized trades, such as automatic rebalancing services. An automatic rebalancing service might not qualify as a PAC since the amounts and dates of each purchase vary based on the parameters that have been established for the service. It was noted that despite this variability, the standing instructions received from investors for rebalancing trades are functionally the same as a PAC (e.g., the investor has pre-determined the mutual funds he or she wishes to own and the quantity of those investments) and rebalancing trades are executed without obtaining further instructions from the investor. If rebalancing trades and other types of pre-authorized purchases would not qualify for the PAC exception, it was	We have not made any changes to the definition for "pre-authorized purchase plan." As indicated above, the CSA is prepared to consider, on a case-by-case basis, exemptive relief from the pre-sale delivery requirement for model portfolio products with auto rebalancing features.

Part 3 – Comments on Exceptions from Pre-Sale Delivery of the Fund Facts			
Issue	**Sub-Issue**	**Comments**	**Responses**
	delivery be more appropriate?	not apparent to the commenter how Fund Facts could be delivered in these circumstances since pre-authorized trades typically are executed as soon as the criteria from the investor's standing instructions are satisfied. Accordingly, the commenter suggested that the CSA expressly confirm in the Companion Policy that any purchases of mutual fund securities from standing instructions will qualify for the PAC exception. Alternatively, it was suggested that the definition be broadened to capture "either payments in a specified amount on a regularly scheduled basis or on dates and in amounts determined under other standing instructions from the purchaser." ***Requirement to Provide a Fund Facts Request Form to Plan Participants*** A number of industry commenters indicated that the requirement to send a reply form with the annual reminder notice to PAC participants is unnecessary and urged the CSA to remove this requirement. Instead, it should be sufficient for PAC participants to receive notice of the availability of the Fund Facts along with instructions on how to obtain a copy. ***Delivery for Subsequent Purchases Where the Fund Facts has been Amended or Renewed*** A number of commenters were of the view that delivery of the Fund Facts to an investor with a pre-authorized purchase plan is unnecessary for subsequent purchases in instances where the Fund Facts is amended or subsequently renewed. A few industry commenters noted that requiring delivery of an updated Fund Facts would be inconsistent with exemptive relief that has been granted in connection with pre-authorized purchase plans. Delivery of the Fund Facts upon an amendment or its annual renewal would also burdensome for dealer representatives to manage for little added value to investors. A few commenters told us that, where a material change to a fund warrants the filing of a press release, a material change report and an amendment to the Fund Facts, then adequate notice has already been provided to investors. We were told that this is the same method currently	In response to comments, we have removed the requirement to provide a request form to pre-authorized plan participants. Consistent with the exemptive relief that has been granted in connection with pre-authorized purchase plans, we will not require delivery of the Fund Facts for subsequent purchases where the Fund Facts has been amended or renewed. We are of the view that it is sufficient to provide an annual reminder notice to participants in these plans about how they can request a Fund Facts.

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		followed for amendments to the prospectus and the policy rationale should not change simply because of a switch to pre-sale delivery. One industry commenter agreed that investors in PACs and in company-sponsored group RSPs invested in mutual funds should receive the Fund Facts annually upon renewal, as well as whenever it is amended, unless they expressly opt-out of such delivery. Changes in risk classification, for example, would be of particular significance to PAC participants approaching retirement. Two investor advocates were also of the view that, if there is a material change to the fund, especially with respect to risk classification, then the amended Fund Facts should be delivered to the investor and the material change should be brought to the attention of the investor. Otherwise, the investor may continue to make PAC contributions unaware of the material change to the fund. **Annual Notice** An industry service provider indicated that the requirement to deliver an annual notice to purchasers of pre-authorized purchase plans would be an unnecessary burden. Instead, it was suggested that a one-time notice be sent to existing PAC participants advising that a Fund Facts is now available and how and where it may be obtained. For new PACs set up after the 2014 Proposal is in place, the investor would receive a one-time, pre-sale delivery of the Fund Facts when the pre-authorized purchase plan is set up. Still another industry commenter urged the CSA to revise the proposed PAC exception so that the annual notice would only be required for existing participants in a PAC Plan and would be sent to new participants only at the time of the initial PAC set-up. ***Grandfathering of existing pre-authorized purchase plans.*** A number of commenters noted that the 2014 Proposal would require dealer representatives to deliver the most recently filed Fund Facts to existing PAC participants for the first trade made under a PAC after the 2014 Proposal comes into	We have not made any changes to the annual notice requirement. In response to comments, we have added a grandfathering provision in respect of pre-authorized purchase plans that are in existence prior to the final effective date of the pre-sale delivery requirements. Dealers

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		force. They were of the view that this proposed requirement would be onerous and duplicative, particularly for dealers that currently send an annual reminder notice to existing PAC participants. Instead, the CSA should consider exempting pre-existing PACs from this transitional Fund Facts delivery requirement. Still another industry commenter suggested that the dealer representative should have the choice of delivering Fund Facts to the PAC participant for either (1) the first trade after the 2014 Proposal has taken effect, or (2) in advance of the next purchase scheduled to take place after the Fund Facts is amended or renewed. This will alert the PAC participant to the existence of Fund Facts, not just for his or her PAC, but as an informational tool available for all mutual funds. Some of these commenters further noted that if the CSA still believes that the Fund Facts should be delivered for the first trade made under the PAC after the 2014 Proposal comes into force, then they urged the CSA to require delivery at the time of the next scheduled mailing date or prior to the anniversary date of the first purchase under the PAC to provide the industry with time to stagger delivery to all existing PAC participants or to send a notice with their next quarterly statement. Another commenter noted that post-sale delivery of the Fund Facts would be appropriate. **Expiration of exemptions and waivers** One industry commenter noted that with respect to the expiration of exemptions and waivers, exemptions in relation to PACs should terminate on the effective date following any applicable transition period (the Effective Date). However, for any PAC plan established prior to such date, the exemption should terminate on the earlier of one year after the Effective Date and the mailing of the annual notice to PAC participants.	that have already provided an annual reminder notice to participants in these plans will not be required to deliver a Fund Facts and a new reminder notice after the first purchase that occurs following the Effective Date. The grandfathering provision discussed above is intended to address the expiration of exemptive relief that has been granted in respect of pre-authorized purchase plans.

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Issue	**Comments**	**Responses**
2. The CSA expect that dealers will follow current practices to maintain evidence sufficient to demonstrate effective	Most commenters were of the view that the compliance requirements outlined in the 2014 Proposal were adequate and that additional specificity or clarification was not required. In	We are encouraged to hear commenters generally agree that further guidance or clarification in respect of the compliance requirements

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Issue	**Comments**	**Responses**
delivery of the Fund Facts. Are there any aspects to the requirements in the Proposed Amendments that require further guidance or clarification? If so, please identify the areas where additional guidance would be useful.	particular, the CSA's expectation that dealers will follow current practices regarding evidencing prospectus delivery to evidence Fund Facts delivery was viewed as being fully workable. A couple of commenters also noted that the self-regulatory organizations (SROs) are well-positioned to detect emerging issues as part of their ongoing monitoring of firm practices and can provide additional guidance where appropriate. One industry association stated that the CSA should consult with the SROs with respect to compliance requirements to ensure their rules do not impact or conflict with the requirements set out in the 2014 Proposal. A few commenters identified specific aspects of the 2014 Proposal that they thought could use additional guidance or clarification in terms of compliance: 1. ***Interpretation of the term "accept":*** The 2014 Proposal will require a dealer representative to deliver the relevant Fund Facts to the investor before accepting an instruction from the investor to purchase the securities. We were told the term "accept" is relatively new and it is unclear at what point in the purchasing timeline that "accept" is considered to occur. It was noted that the term "accept" also is used in recent amendments to NI 31-103 (section 14.2.1) relating to pre-sale delivery of certain cost disclosure under the CSA's client relationship model. NI 31-103 and its related companion policy do not, however, provide any explanation of the term "accept." 2. ***Timing of Delivery:*** Guidance in the proposed Companion Policy states that investors must be given a "reasonable opportunity" to consider the information in the Fund Facts before proceeding with the purchase, and that it "should not be delivered or sent so far in advance of the purchase of a security of a mutual fund that the delivery cannot be said to have any connection with the purchaser's instruction to purchase the mutual fund." While the CSA expects investors will be given a "reasonable opportunity" to consider the information in the Fund Facts, it is unclear whether the test depends on	outlined in the 2014 Proposal is not necessary. We agree that dealers will be able to follow their current practices regarding evidencing prospectus delivery, as well as other required disclosures, to evidence Fund Facts delivery. We agree with commenters that the SROs are well-positioned to provide additional guidance where appropriate. The CSA will continue to meet with the representatives of the IIROC and the MFDA to discuss compliance and implementation issues relating to pre-sale delivery of the Fund Facts. We have not included a definition of the term "accept" in the Amendments. This term is already used in securities legislation in respect of the current pre-trade cost disclosure requirement in NI 31-103. In our view, introducing a definition that would apply solely to the pre-sale delivery requirement for Fund Facts could potentially create more confusion in respect of whether a different standard applies. The Companion Policy is not intended to be a test, but rather is intended to provide some guidance as to what the CSA considers to be acceptable timing for pre-sale delivery of the Fund Facts. We expect dealers and their representatives to consider how to integrate the Fund Facts into the overall sales process to engage in a meaningful discussion about the mutual fund or funds the investor is considering for purchase.

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	the capacities and capabilities of the individual investor, or on those of a hypothetical "reasonable investor." As a result, additional clarity would be useful in terms of when delivery of the Fund Facts is expected to occur.	
	3. ***Evidencing Receipt of the Fund Facts:*** The 2014 Proposal is silent on whether the dealer representative is explicitly obligated to get proof of receipt of the Fund Facts before executing the trade.	The Amendments do not require dealers to receive written acknowledgement from purchasers confirming receipt of the Fund Facts. We agree with the comments received on the 2009 Proposal that indicated, if delivery of the simplified prospectus does not have an acknowledgement requirement, then no such requirement should be required in respect of delivery of the Fund Facts. Dealers are free to determine, however, whether or not they want written acknowledgement as part of their own compliance processes and procedures.
	4. ***Evidencing Compliance with the Pre-Sale Delivery Exception:*** Under the 2014 Proposal, Dealer representatives will have to determine the specifics of their recordkeeping obligations and auditing requirements to satisfy the pre-sale delivery exception. The CSA states in the Companion Policy that "[s]uch records should also indicate why delivery of the fund facts document was impracticable in the circumstances." In addition, the CSA does not specify what evidence is sufficient to document the investor's consent to allow delivery of Fund Facts post-sale, except to state in the Companion Policy that dealer representatives are "not required to obtain written consent from clients" and that they are expected to "follow their current policies and procedures for tracking and monitoring client instructions and authorizations." Thus, the onus rests solely on the dealer representative to document a decision initiated by the investor. Since the CSA has acknowledged that there may be circumstances that make pre-sale delivery impracticable, the CSA should also acknowledge that obtaining physical consent to allow post-sale delivery of the Fund Facts may be equally impracticable.	Dealers will be required to maintain adequate records relating to Fund Facts delivery generally. In respect of the post-sale delivery exception, we expect dealers will maintain adequate records to evidence verbal disclosure as required concerning the items in the Fund Facts. As noted in the Companion Policy, such records should include why delivery of the Fund Facts was impracticable in the circumstances. The CSA and the SROs expect that dealers will follow their current practices to maintain evidence to sufficiently document delivery of the Fund Facts. Written consent is not mandated.

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	5. ***Delivery for Subsequent Purchases:*** Proposed section 3.2.1(2) states a dealer representative is "not required to deliver or send the Fund Facts if the purchaser has previously received the most recently filed Fund Facts for the mutual fund at issue." It is unclear, however, whether the dealer representative is supposed to verify this receipt. What if the investor received the Fund Facts from a third party, i.e., another dealer representative, or downloaded it on his or her own initiative?	We expect dealers to use the same compliance processes and procedures used today in some jurisdictions to determine whether delivery of a Fund Facts has been suppressed in respect of a subsequent purchase.
	6. ***Electronic Delivery:*** Some commenters told us that the acceptable methods for electronic delivery of Fund Facts are not clear. In addition to electronically sending Fund Facts in PDF format, dealer representatives should be able to provide an investor with an email link that leads directly to the Fund Facts. The Companion Policy should, therefore, be revised to specifically clarify that a direct email link would satisfy the delivery requirement. In addition, there should be confirmation that electronic delivery of a link to the Fund Facts will be recognized by the CSA as proof of receipt.	In response to feedback, we have specified in the Amendments and have provided additional guidance in the Companion Policy to indicate that a Fund Facts can be delivered electronically, subject to the purchaser's consent. More specifically, we have clarified that electronic delivery may include sending an electronic copy of a Fund Facts to the purchaser in the form of an email attachment or a hyperlink. We reiterate that there is no requirement for purchasers to provide written acknowledgement confirming receipt of the Fund Facts. However, consideration should also be given to electronic commerce or other legislation that may impact electronic delivery of documents.
	7. ***Interaction with NI 31-103:*** Although proposed subsection 7.3(3) of the Companion Policy refers to the pre-trade disclosure obligations under NI 31-103, it would be useful if the CSA could provide additional comfort and certainty by explicitly stating that providing a Fund Facts prior to a trade in a mutual fund would be sufficient to meet that obligation.	Companion Policy 31-103CP to NI 31-103 *Registration Requirements, Exemptions and Ongoing Registration Obligations* already provides some guidance regarding the use of the Fund Facts for the purposes of complying with the requirement to provide pre-trade disclosure of charges. Furthermore, in *CSA Staff Notice 31-337 Cost Disclosure, Performance Reporting and Client Statements – Frequently Asked Questions and Additional Guidance,* published on February 27, 2014, the CSA stated in FAQ #11 that, with respect to pre-trade disclosure of charges, "[i]f a registrant delivers the Fund Facts document at the point of sale and explains the specific costs of the transaction to the client, then the registrant may use it further to satisfy the requirements of section 14.2.1 on NI 31-103 for the

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		disclosure of charges related to the transaction. Since the management fee generally constitutes most of the MER of a mutual fund, we think this would be in line with the guidance in the CP."

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3. We seek feedback on whether you agree or disagree with our perspective on the benefits and costs of implementing pre-sale delivery of the Fund Facts. Specifically, do you agree with our view that the costs will be incremental in nature and/or one-time cost? We request specific data from the mutual fund industry and service providers on any anticipated costs.	**Cost-benefit analysis** A few commenters told us that, given the substantial anticipated costs and the lack of a detailed cost-benefit analysis, they are unable to agree with the CSA's perspective on the benefits and costs of implementing pre-sale delivery of the Fund Facts. Others encouraged us to conduct a quantitative comparison of the costs and benefits of pre-sale delivery versus post-sale delivery to fully understand the impact of this regulatory initiative. Still another commenter urged the CSA to conduct trial research once the 2014 Proposal is finalized, but before they take effect, to determine if Fund Facts use reduces investor complaints and increases investor satisfaction and financial literacy. We were told the CSA should also look at the manner and the extent to which investors rely on Fund Facts in making investment decisions and how they benefit from pre-sale delivery. **Benefits** Many commenters told us that the Fund Facts is beneficial in providing clear and useful information to the investor, including the costs associated with owning a fund, and can only improve the level and depth of dialogue between the investor and dealer representative. One commenter also noted that pre-sale delivery of the Fund Facts in electronic form is an appropriate complement to CRM2. Additionally, an industry service provider referred to research that was conducted on its behalf within the advisor community, among mutual fund companies and among investment dealers, which indicated that dealer representatives, along with their clients and the investment funds industry as a whole, broadly support the Fund Facts as a plain language document that is easy to read and understand.	The earlier publications by the Joint Forum and CSA outlined the anticipated costs and benefits of implementation of the POS disclosure regime for mutual funds. We consider these costs and benefits to continue to be valid. We agree that the implementation of pre-sale delivery of the Fund Facts entails costs, but the CSA continue to be of the view that the potential benefits of the changes to the disclosure regime are proportionate to the costs of making them. We appreciate the support from commenters on the benefits we have identified in respect of pre-sale delivery of the Fund Facts. We also reiterate that, in direct response to industry comments relating to cost and complexity of implementation, we are proceeding with a simpler and more streamlined approach for Fund Facts delivery compared to the 2009 Proposal. We agree with investor advocates and service providers that, while there will be costs associated with implementation of the pre-sale delivery requirement, the transition to providing a Fund Facts instead of a prospectus has resulted in cost savings for the mutual fund industry. Finally, we are encouraged to hear that third party service providers continue to work on the development of technological solutions that will help address possible implementation costs related to pre-sale delivery of the Fund Facts. We are hopeful that these efforts will help reduce development and implementation costs at the individual dealer level. While we do not propose any changes to the content of the Fund Facts at this time, the content of the Fund Facts may evolve. However, any significant

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	Costs Some commenters told us that while technology has advanced since the 2009 Proposal, these advances have not removed the cost barriers to implementation of pre-sale delivery of the Fund Facts. We were told that the 2014 Proposal entails substantial costs that go beyond those identified by the CSA. The pre-trade delivery requirement will require significantly different systems development and the costs are likely to be substantial, both for initial implementation and for ongoing compliance and record-keeping. While third party service providers can facilitate access to the Fund Facts, the use of these services must be integrated into internally managed proprietary systems which entail costly technology builds. Building the systems, developing and implementing new policies and procedures, staff training, and testing and ongoing monitoring to ensure all systems and processes are working as they should requires considerable financial resources. A few commenters told us that the costs of implementing pre-sale delivery of the Fund Facts are not merely incremental in nature to those incurred in implementing the pre-trade cost disclosure requirements for CRM2, because the programs and systems needed to comply with the CRM2 pre-trade disclosure requirements are completely different from those required for pre-sale delivery of the Fund Facts. Some commenters also said that moving from post-sale to pre-sale delivery of Fund Facts is a significant change that shifts the delivery obligation from a dealer back office operation to the front line sales force. Therefore, the pre-sale delivery requirement will affect independent dealer representatives and small firms in a disproportionate manner. We were told that third party service providers offer access to a Fund Facts repository, documentation of receipt and other recordkeeping and fulfillment services, and that access for basic Fund Facts support starts at $300.00 per year. Although larger operations can develop their own compliance systems, or rely on external suppliers, many dealers will not be able to develop or purchase a fully automated platform that can deliver Fund Facts based on the investor's preference, provide documentation of receipt	changes to the Fund Facts content would only be made if the benefits would be proportionate to the costs of making those changes.

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	of the Fund Facts and do so in a timely pre-trade manner. Many dealers will have to rely on a largely manual and time-consuming implementation and recording of pre-sale delivery. One commenter told us that in order to provide an accurate cost estimate for implementation, the 2014 Proposal has to be finalized to determine what systems modifications would be needed. However, costs are estimated to be $1.0M. Still another dealer told us that they estimate total development cost resulting from changes for the 2014 Proposal will be approximately $700,000 and also estimated that their annual operational costs will increase by approximately $200,000 per year. We also heard an estimate of one-time development costs between $1.0M – $1.5M for each affiliated dealer. One of these commenters also expressed concern that the limited number of third party service providers to facilitate implementation could place industry members at financial risk as they will negotiate contracts with a “virtual monopoly”, which may result in a “concentration risk in outsourcing”. One commenter told us that the “general” costs associated with implementing pre-sale delivery of Fund Facts are: (1) the production and administration costs of drafting, printing, updating, filing, and administering the Fund Facts; and (2) the costs of delivering hard copies, or emailing electronic links or attached soft copies. The “specific” costs of implementing the pre-sale delivery of Fund Facts are: (1) the administrative, production and delivery costs of sending the Fund Facts separately, instead of with the trade confirmation; (2) the operational costs of creating and running a process to ensure for timely pre-trade delivery of Fund Facts; (3) the costs of sufficiently documenting investor receipt of the Fund Facts; and	

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	(4) the opportunity costs, e.g. when pre-sale delivery is impractical and the dealer representative has to provide verbal disclosure of the Fund Facts to the investor over the telephone. One commenter noted that the pre-sale delivery of the Fund Facts is proceeding without assurances that investors will realize costs savings. Operational savings from the cessation of prospectus distribution to investors may lead to material profits for fund companies, while the dealer representatives pay for the bulk of pre-sale delivery costs. Another commenter expressed concern that the Fund Facts will be subject to amendments within one to two years after pre-sale delivery takes effect. Every subsequent change to Fund Facts will be expensive and will have ripple effects on administrative, compliance and distribution systems. We also heard concerns regarding the fairness of the 2014 Proposal on small and independent firms. It was also suggested that a trial program be conducted among a sample of dealer representatives to see if the costs associated with pre-sale delivery of the Fund Facts can be justified in terms of its utility for investors. However, investor advocates agreed that while there will be costs associated with implementation of the pre-sale delivery requirement, providing a Fund Facts instead of the prospectus results in cost savings for industry, particularly with electronic delivery. Furthermore, they noted that investors are already paying for dealer services and advice, whether through fees embedded in trailer commissions or through a fee-based account, so such fees must surely include the provision of Fund Facts as an integral step of the advice process. Also, it may be possible for dealers to leverage delivery solutions adopted to satisfy the Stage 2 Fund Facts delivery requirements to also satisfy Stage 3 Fund Facts delivery requirements. **Impact on Investor-Dealer Representative Relationship** Some commenters identified that costs to the investor-dealer representative relationship have not been considered by the CSA. The pre-sale delivery of the Fund Facts and in particular, the verbal disclosure requirement for pre-sale	

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	delivery exception, will create investor frustration when investors are not able to purchase mutual funds when they want to. Furthermore, a number of independent mutual fund companies are dependent on third party distributors, who seldom have face-to-face meetings with investors and often rely on telephone conversations or other means of communication. Conversely, the pre-sale requirement will be less onerous for bank-owned distributors, who meet with investors at a local branch, facilitating in-person pre-sale delivery of Fund Facts. Some commenters also noted that pre-sale delivery will impact a dealer representative's product shelf because it will be more difficult for smaller and independent dealers to distribute a wide selection of mutual funds. To ensure pre-sale delivery of the Fund Facts and to complete transactions on a timely basis, dealer representatives may be forced to narrow their "product shelf." Over time, this may affect the level of competitiveness of the mutual funds industry. **Technology** One service provider expressed support for the CSA's effort to give dealers the ability to leverage existing operational compliance processes. Technology allows dealers to maintain robust data repositories to create reports and support ongoing compliance requirements to track document version, date of delivery, distribution channel and in the case of electronic delivery, confirmation of access by the investor. They pointed out that over the past 10 years, the industry has recognized significant cost savings in the transition from providing a full prospectus to providing the Smart Prospectus and now providing the Fund Facts. Furthermore, the ability for dealer representatives to deliver Fund Facts pre-sale based on an investor delivery channel preference will increase the adoption of electronic delivery and result in further print and postage savings. This service provider noted that dealers will benefit from the integration of existing post-sale and new pre-sale Fund Facts delivery and reconciliation between the two systems, leveraging use of investor delivery history tracking. The solution provides firms with the ability to suppress redundant delivery and prevent "over-compliance" therefore managing ongoing costs efficiently. Depending on the level of systems	

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	integration, costs may vary. However, there is technology available to meet these needs either as a stand-alone, web-based service, integrated into existing back office or broker desktop environments, or fully integrated to online systems.	

Part 6 – Comments on Transition Period		
Issue	**Comments**	**Responses**
4. We seek feedback from the mutual fund industry and service providers on the appropriate transition period for full implementation of the Proposed Amendments. For example, assuming that publication of final rules takes place in early 2015, please comment on the feasibility of implementing the Proposed Amendments within 3 months of publication. Would a longer transition period of 6 months or 1 year be more appropriate? If so, why? In responding please comment on the impact these different transition periods might have in terms of cost, systems implications, and potential changes to current sales practices.	Investor advocates unanimously expressed support for a shorter transition period. We were told that the transition period should be no longer than 12 months. One investor advocate specified that final implementation not be further extended while other issues, such as the CSA Risk Classification Methodology, are being determined. Industry commenters, on the other hand, were generally of the view that the CSA was being overly optimistic in terms of the administrative, practical and technical issues, as well as costs, associated with preparing the funds industry for pre-sale delivery. As a result, a 3 to 6 month transition period was deemed to be insufficient for dealers to make the systems changes needed to implement the 2014 Proposal. This would particularly be the case for those commenters that offer their products through a range of distribution channels with each channel having its own unique systems and processes that will require modification. One commenter noted that an unsatisfactory transition period would pose serious human resource challenges, leading to delays, as well as customer experience and compliance concerns. While one industry commenter supported a 12 month transition period as sufficient, most industry commenters asked for a period of 18 to 24 months. Some alternative implementation timelines that were suggested included 12 to 18 months, 12 to 24 months, and at least 2 years from the date of final publication. Service providers explained that feasible implementation timelines are likely to be different for each dealer (depending on their business strategies, front and back-office systems, etc.). One of them noted that, in some cases, a Fund Facts delivery solution can be implemented in as little as 60 days, but that most dealers would require a longer	In response to comments, we have extended the transition period to approximately 18 months from the date of final publication. As a result, the final effective date for the pre-sale delivery requirements will be May 30, 2016. We think this timeline is responsive to comments regarding the time required to prepare for full implementation of pre-sale delivery regime. We also think this timeline is responsive to investor advocates who did not support a longer than necessary transition period. We acknowledge that implementation timelines will differ among dealers, however, we think that a transition period of approximately 18 months is reasonable and allows for sufficient time to update internal systems, ensure proper systems integration with external solutions, conduct systems testing and roll out new training and compliance programs.

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Issue	**Comments**	**Responses**
	time period depending on business requirements, legacy considerations and the level of integration with back-office systems. They were generally of the view, however, that a one-year time period would be sufficient to provide for a smooth transition. Additionally, one of these service providers indicated that in FAQ #11 CSA Staff Notice 31-337 *Cost Disclosure, Performance Reporting and Client Statements – Frequently Asked Questions and Additional Guidance as of February 27, 2014,* released on February 27, 2014, states that dealer representatives use pre-trade delivery of Fund Facts along with an explanation of specific costs to meet the CRM2 pre-trade disclosure requirements that came into effect on July 15, 2014. As a result it would be possible for dealers to simplify compliance with two significant investor-focused regulatory initiatives. We were told by most industry commenters that implementing pre-sale delivery will be operationally complex and will require, at minimum, a technology build, training programs, testing and an enhanced compliance regime. In providing additional context around the request for a 2-year implementation period, some stated that such a timeline assumes a minimum of six months of planning and development of systems requirements and specifications, a year to build and/or modify proprietary systems and another six months for testing, training and implementation. One commenter explained that, rather than scrambling to meet tight implementation timelines, a lengthier transition period would have the benefit of allowing dealer representatives to inform investors about the changes in an organized manner that will allow them to provide context around the regulatory changes and new disclosure, which will ultimately maximize their benefits to investors. Also, given the fundamental shift that will need to occur in the sales process for mutual funds, a transition period that is too short might increase the likelihood that dealer representatives and investors will simply choose the route of simplicity and avoid mutual funds altogether. A couple of commenters also stated that it cannot be assumed that firms will be able to pre-emptively implement technology solutions prior to rule finalization. The 2014 Proposal would need to be finalized before dealer firms can go through the process of evaluating,	

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Issue	**Comments**	**Responses**
	planning and approving systems changes in order to ensure that those changes meet the specifications of the final rule. Still other industry commenters identified that the financial industry is currently in a period of substantial regulatory change, as a result of multiple, concurrent securities and tax-driven initiatives, including FATCA and CRM2 implementations, and potentially, the CSA Risk Classification Methodology. Dealers have limited resources to deal with these competing priorities, which is challenging for firms of all sizes, but especially for smaller firms. An unsatisfactory transition period would pose serious human resource challenges, leading to delays, as well as customer experience and compliance concerns. As a result, the CSA should consider scheduling the effective date for pre-sale delivery of Fund Facts somewhere in the period of May to July, 2016, so that it may be harmonized with the final scheduled set of CRM2 changes coming in 2016. One industry commenter stated that every new regulatory requirement must be explained to the client and explaining the pre-sale delivery requirement will be a significant time commitment for both the investor and the dealer representative. As a result, the least intrusive way to implement pre-delivery delivery is to give the industry at least twelve months for training and testing, and to give investors the ability to opt out of pre-sale delivery. Moreover, a twelve-month window means that the pre-sale delivery requirement and its exceptions can be discussed at the investor's annual review, and not at a specially scheduled, one-off meeting. Finally, one commenter asked the CSA for a uniform launch date for pre-sale delivery, by combining the pre-sale delivery requirements of Fund Facts with those of the in-progress summary disclosure document for exchange-traded funds (ETFs). A coordinated release would fit with the International Organization of Securities Commissions' (IOSCO) Point of Sale Principle 4, which calls for "Disclosure of key information… in plain language and in a simple, accessible and comparable format to *facilitate a meaningful comparison of information disclosed for competing CIS* [Collective Investment Scheme] *products*" (emphasis added).	

Part 6 – Comments on Transition Period		
Issue	**Comments**	**Responses**
5. We are currently contemplating a single switch-over date for implementing pre-sale delivery of the Fund Facts. From a business planning and business cycle perspective, are there specific months or specific periods of the year that should be avoided in terms of selecting a specific switch-over date? Please explain.	Industry commenters were generally unanimous in recommending a switch-over date that avoids the months of November through April since resources at that time of year would be heavily engaged with RRSP season activity, year-end trading and financial reporting. Therefore, an early summer change-over period would be preferable since it would be the least disruptive from an operational standpoint. One industry commenter asked us to avoid introducing regulatory changes in the middle of the month. Another asked us to avoid a switch-over date on the first or last business day of the month due to high trading volumes. Some industry commenters suggested that implementation not be scheduled at the same time or in close proximity to the implementation dates of CRM2 due to the substantial efforts and resources required for compliance with those changes. In addition, implementation of compliance and delivery systems for pre-sale delivery of the Fund Facts will require the same personnel, systems and resources as implementation of CRM2. Yet, others suggested that the CSA consider a switch-over date for pre-sale delivery of Fund Facts to be scheduled in the period of May to July, 2016, which would be harmonized with the final scheduled set of CRM2 changes coming in 2016.	In response to comments we have chosen May 30, 2016 as our final implementation date. The selection of this date was intended to be responsive to the recommendation from industry commenters that we select a switch-over date that minimizes potential disruptions to operational activities.

Part 7 – Other Comments		
Issue	**Comments**	**Responses**
6. Rationalization of Disclosure Regime	A few commenters noted that the CSA has not discussed a timetable for a review of the entire disclosure system. We were urged to review all current disclosure requirements with a view to rationalizing and eliminating duplication. Given that the Fund Facts is now the principal disclosure document, these commenters argue most of the other disclosure documents (the Prospectus, the AIF, the MRFP and the financial statement) are not utilized by the investor. Much of this information is duplicative and the cost of preparing the information is typically charged back to the mutual fund, which increases the mutual fund's management expense ratio. Streamlining the requirements will help reduce costs, a major concern for the smaller firms in the industry, and it will also allow investors to more easily find and digest the information that is important to them.	As previously stated in past publications, once implementation of the POS regime is complete, we intend to conduct a review of the overall disclosure regime for mutual funds to reduce unnecessary duplication.

Part 7 – Other Comments		
Issue	**Comments**	**Responses**
7. Regulatory and Product Arbitrage	As with the 2009 Proposal, a number of industry commenters indicated that, while they are generally supportive of the 2014 Proposal, they are also concerned about the lack of a level playing field since such requirements will apply solely to mutual funds and not more broadly to all retail investment products. Notwithstanding jurisdictional issues, in order to avoid the potential for regulatory and product arbitrage, we were told that, ideally, there should be consistency in terms of disclosure and delivery requirements across all similar investment products. If not, there is the potential for investors to end up in less suitable investment products with less regulatory burden. Investor advocates expressed support for the CSA's efforts to develop a summary disclosure document for other investment products such as ETFs. They also recommended harmonization, to the extent practicable, with similar products in the banking and insurance sectors. Investor protection, noted one advocate, should not be held back by different practices that might exist in the insurance or banking industry.	We expect that disclosure for all types of investment products will evolve with time. In particular, we anticipate that point of sale disclosure for mutual funds may provide a platform for further future regulatory reform. We have previously indicated that we would publish for comment a proposal to introduce a summary disclosure document similar to the Fund Facts for other types of comparable investment products, notably ETFs. We expect to publish proposed rule amendments that would require delivery of a summary disclosure document in connection with ETF purchases for public comment by Spring 2015. The proposed rule amendments would essentially codify exemptive relief that was granted in 2013 to ETF managers and authorized dealers for ETFs.
8. Mutual Funds vs Segregated Funds	Two commenters noted that despite POS being an effort of the Joint Forum to achieve a stated goal of greater harmonization between the regulation of mutual funds and segregated funds, significant differences between the two regimes have not been addressed and persist and gave a number of examples. Accordingly, we were asked to renew our commitment to harmonizing the regulation of mutual funds and segregated funds by either (i) obtaining a commitment from the Canadian Council of Insurance Regulators to change the point of sale regime for segregated funds to match that of mutual funds, or (ii) extending to mutual funds the same streamlining advantages currently available to segregated funds.	In developing the Amendments, we consulted broadly with investor advocates, industry representatives, SROs and service providers. In previous consultations related to the POS initiative, we have also considered the comments provided on the Framework. With the implementation of the pre-sale delivery requirement of Fund Facts, both mutual funds and segregated funds will have summary disclosure documents that contain key information that must be delivered to investors. Although the disclosure document and the overall delivery requirements under each regime may not be identical, they both provide investors with the opportunity to make more informed investment decisions.

Part 7 – Other Comments		
Issue	**Comments**	**Responses**
9. Review of Investor Rights	Some commenters noted that withdrawal and rescission rights are not uniform across Canada and suggested that the differences in time periods and trigger points for these rights should be reviewed and harmonized in light of the pre-trade disclosure regime for mutual funds that will soon come into effect. This would give investors a consistent experience across the country, as well as provide additional clarity on their interpretation and application. One of these commenters recommended that cancellation rights should be more in line with standards under consumer protection legislation, which generally provide for longer cooling off periods.	At this time, we have concluded not to proceed with a harmonized rescission and withdrawal right.
	Some commenters also indicated that there are possible technical issues with withdrawal rights in the 2014 Proposal. For instance, Form 81-101F3, Part II, Item 2 still references a right of withdrawal linked to receipt of the simplified prospectus or Fund Facts. Effective June 13, 2014, however, disclosure in the Fund Facts should be amended to make it clear that withdrawal rights applicable to mutual fund trades are triggered by Fund Facts delivery and the reference to prospectus delivery should be deleted.	The Fund Facts delivery provisions are drafted to reflect the differences in the legislative authority of each member of the CSA. Despite these differences, each jurisdiction achieves the same outcome of requiring delivery of the Fund Facts to satisfy legislative requirements to deliver the prospectus. Thus, the reference to a right of withdrawal relating to prospectus delivery is appropriate for certain CSA jurisdictions where delivery of the Fund Facts provides an exemption from the requirement to deliver the simplified prospectus.
	In addition, the 2014 Proposal does not specify when the Fund Facts must be delivered other than to say in the proposed changes to the Companion Policy that delivery of the Fund Facts should occur within a reasonable timeframe before the purchaser's instruction to purchase. This could lead to the odd result that the withdrawal rights expire before the trade is made in instances where Fund Facts is delivered more than two days prior to the trade (and the timing of this two day period differs among CSA jurisdictions). To resolve this issue, one commenter recommended changing the withdrawal rights to within two days of purchase rather than within two days of receiving the Fund Facts. One commenter also asked why a right of rescission with the delivery of a trade confirm should still exist (in some jurisdictions).	The Amendments specify that the Fund Facts must be delivered by the dealer prior to accepting a purchaser's purchase instruction. This requirement is consistent with the requirement for pre-trade disclosure of charges set out in section 14.1 of NI 31-103. The Companion Policy further indicates that the dealer should provide the investor with a reasonable opportunity to review the Fund Facts prior to executing a purchase instruction. The intention is to allow the investor an opportunity to review the Fund Facts in advance of completing the purchase. The CSA are of the view that delivery should not be treated as a perfunctory exercise that is conducted either contemporaneously or almost simultaneously with the trade The investor's right of withdrawal from purchase within two business days after receiving the Fund Facts remains unchanged. Consistent with securities legislation today, depending on the timing of delivery of the Fund Facts, as

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Issue	**Comments**	**Responses**
		well as the timing of the purchase, an investor may or may not have a right of withdrawal. In particular, if the investor receives the Fund Facts more than two days prior to the date of purchase, the investor would not have a withdrawal right. In such circumstances, the investor would have had ample opportunity to consider the information in the Fund Facts prior to proceeding with a decision to purchase. As noted by one commenter, in some jurisdictions, the purchaser would continue to have a right of rescission, which is tied to receipt of the trade confirmation. Jurisdictions that have this right are not contemplating any changes at this time.
	Still another commenter pointed out that if the Fund Facts is not delivered (and the investor seeks a right to damages or rescind the purchase), it is the fund and other investors in the fund that are impacted even though it is the dealer's failure to deliver. This commenter urged the CSA to consider amending the currently mandated disclosure of investor rights for Fund Facts to reflect the 2014 Proposal.	The dealer's obligation to deliver the Fund Facts, and the impact on a fund when an investor exercises their rights for failure to deliver a Fund Facts, are the same whether delivery of the Fund Facts occurs pre-sale or post-sale. We do not intend to make any changes as a result of moving to pre-sale delivery of the Fund Facts.
10. Fund Facts Risk Disclosure	Some commenters urged the CSA to separate the development of a CSA Risk Classification Methodology from pre-sale delivery of the Fund Facts. Given that it will have a significant impact on both the fund manager and dealer representatives, it should be its own work stream. We were told that implementing pre-sale delivery and the CSA Risk Classification Methodology at the same time will be burdensome on the mutual fund industry, especially at a time when the industry is preoccupied with CRM2 implementation and other regulatory initiatives. The commenters expect significant transition issues will arise, including potential shifts in account suitability across thousands of accounts, with no immediate benefit to investors. To layer in the cost and complexity of transitioning to a pre-sale delivery at the same time will increase substantially the implementation challenges that dealers will face. It may also have a detrimental effect on smaller dealers that do not have the human resources and financial resources to implement these regulatory initiatives simultaneously.	The CSA remains committed to the development of a CSA Risk Classification Methodology for use by managers in determining the mutual fund's risk level in the scale prescribed in the Fund Facts. Although work on the CSA Risk Classification Methodology is being conducted concurrently with work on the pre-sale delivery requirements for the Fund Facts, that work is being conducted as a separate workstream that operates on a separate timeline. We acknowledge the comments we received with respect to the implementation timelines of other regulatory initiatives. The CSA intends to publish a status report on the CSA Risk Classification Methodology at the end of 2014 or in early 2015. As we move forward with the CSA Risk Classification Methodology, we will take into consideration the implementation timelines for CRM2 and pre-sale delivery of the Fund Facts.

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Issue	**Comments**	**Responses**
	Furthermore, there may be investor confusion upon the concurrent implementation of pre-sale delivery of Fund Facts, CSA Risk Classification Methodology and CRM2.	
11. Methods of Delivery	**Electronic Delivery** A number of commenters expressed support for electronic delivery as an alternative to physical delivery. Investor advocates in particular indicated they were comfortable with pre-sale delivery of the Fund Facts to occur through electronic delivery, either by way of a pdf attachment to an e-mail or a direct web link to the relevant Fund Facts, provided that dealers can confirm delivery and that electronic delivery is subject to investor consent. Some industry commenters, however, found the guidance regarding acceptable means of electronic delivery of Fund Facts to be unclear. While they agreed that simply referring an investor to a general website where the Fund Facts can be found would not be sufficient, providing an e-mail with a direct link to a specific Fund Facts should be an effective form of electronic delivery. As a result, it would be helpful for the CSA to clearly state this in the Companion Policy. In this regard it was noted that sending Fund Facts in PDF or similar file formats via email may not be practical due to large file sizes and the potential that such emails would be blocked by some email systems. One commenter further noted that CSA's original intention with the Fund Facts was to be compliant with IOSCO's Principles on Point of Sale Disclosure – Final Report. Principle 2 of the IOSCO report clearly permits delivery of pre-sale disclosure in an embedded link. Thus, from IOSCO's perspective, making the Fund Facts available to the investor in the form of an embedded link or uniform resource locator (URL) placed in an email would be satisfactory. Another commenter told us that allowing reference to a hyperlink or to a URL to satisfy the delivery requirement would also be consistent with the Canadian Life and Health Insurance Association's delivery of Fact Sheets for segregated funds.	The methods of delivery for a Fund Facts are consistent with the methods of delivery for the prospectus under securities legislation. The Amendments were only intended to change the timing of delivery, and not the method of delivery. In response to comments, however, the Amendments now specify that a Fund Facts required to be delivered or sent under Part 3 of the Instrument may be sent electronically, subject to the purchaser's consent. In response to comments requesting additional clarity around what forms of electronic delivery would be acceptable, the Amendments also specify that electronic delivery may include sending an electronic copy of a Fund Facts to the purchaser in the form of an e-mail attachment or a hyperlink. With specific reference to the use of hyperlinks, the Companion Policy now states that the hyperlink provided should direct the purchaser to the specific Fund Facts for the applicable class or series of the mutual fund being purchased. In addition, consideration should be given to ensuring that the hyperlink remains accessible to the purchaser for so long as the purchaser may reasonably need to consult it.

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Issue	**Comments**	**Responses**
	In the interests of reducing time and expense, a few commenters stated that the dealer representative should be expressly permitted to orally and/or electronically direct the investor to a specific hyperlink to a website where the relevant Fund Facts can be found. One of the commenters stated that the dealer representative should be able to direct investors to the applicable website to access the Fund Facts but did not specify the circumstances where this should be allowed. **Access Equals Delivery** A few commenters asked that the CSA modify our position against "access equals delivery" and allow any method of actual delivery or electronic sending to be acceptable (i.e., by mail, courier, email, fax or in-person delivery) and permit verbal instructions on how to access the Fund Facts. Furthermore, we were told to clarify whether "access" would include directing an investor to the mutual fund's website for the most recently filed Fund Facts. A small number of commenters additionally urged the CSA to reconsider its position as it is significantly out-of-date with current internet usage by average Canadians and stands in contrast with other securities regulators around the world.	As we have previously stated throughout the various stages of the POS disclosure initiative, we do not consider "access equals delivery" to meet the principles set out in the Framework. The Companion Policy states that simply making the Fund Facts available on a website, or referring an investor to a general website address where the fund facts document can be found, does not constitute delivery under the Instrument, even if the investor consents to that method of delivery.
12. Binding	Some commenters asked the CSA to reconsider the binding restriction on the delivery of Fund Facts. They told us the guidance limits advisors from mailing out bundles of Fund Facts in advance of meeting with the investor to make recommendations and take instructions. This would allow investors to have an opportunity to read the Fund Facts, compare the various mutual funds and series available to them at their convenience, have an educated conversation with their advisors, and then be able to have the trade proceed immediately on making an investment decision after their meeting (in person or by telephone) with the advisor. One commenter suggested that there may be circumstances where it is appropriate for an advisor to provide an investor more than 10 Fund Facts bundled together. For example, there may be several funds that are suitable for an investor and each fund may have multiple series. In addition, where an investor is using a model portfolio	The CSA continues to support limiting the documents that may be attached to the Fund Facts, so as not to distract investors from key information about their mutual fund investments. The Fund Facts is intended to be a standalone document so investors can easily identify a Fund Facts for a particular fund. For the purposes of pre-sale delivery, Fund Facts are only allowed to be attached to other Fund Facts when the size of the overall document does not make the presentation of information inconsistent with the principles of simplicity, accessibility and comparability. For post-sale delivery, Fund Facts are permitted to be attached to certain other materials provided the Fund Facts are located first in any package. We are of the view that the limitations on binding ensure that the investors will not be

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	product, they may be purchasing up to 64 funds at the same time. Since the funds are all part of the same product and purchase decision, investors should receive the Fund Facts for all of those funds bundled together. Otherwise it would be confusing to the investor if the Fund Facts for each fund was delivered separately. Still other commenters requested clarification on whether Section 7.5 of the proposed Companion Policy applies to all forms of delivery of Fund Facts or whether it applies only to paper delivery. A couple of commenters noted that proposed subsection 5.2(2) of NI 81-101 states that Fund Facts sent electronically must not be attached to other materials or documents including another Fund Facts. They remarked that it was unclear why multiple Fund Facts can only be bound if they are sent in hard copy but not if they are sent electronically, particularly since it would be more efficient for an advisor to send, and more user-friendly for an investor to receive, one email with the appropriate Fund Facts bound in a PDF document rather than multiple e-mails that each only has one Fund Facts attached. One of these commenters thought it would be appropriate to include attachments for multiple Fund Facts or direct links to multiple Fund Facts in a single e-mail to a client. The number of attachments and/or links should be consistent with the number of Fund Facts that can be physically bound together. Commenters also stated that it was not clear as to why under proposed subsection 5.2(3) of NI 81-101 Fund Facts that are permitted to be delivered post-sale can be bound with the items specified in that section whereas Fund Facts delivered pre-sale are not permitted to be bound with such items.	confused and that the information in the Fund Facts will not be obscured. The binding restrictions for Fund Facts apply equally to all forms of delivery, including electronic delivery. We have clarified in the Companion Policy that where multiple Fund Facts are being delivered in compliance with the pre-sale delivery requirement, a single e-mail can be used provided that each Fund Facts is presented as a separate attachment or hyperlink. The general restrictions on the number of Fund Facts that can be combined would also apply.
13. Availability of Fund Facts and Prospectus Upon Request	Once commenter stressed that investors should be able to request delivery of paper copies of the Fund Facts and/or the simplified prospectus at no charge.	The Amendments do not change the existing requirement for a prospectus or Fund Facts to be delivered at no charge to an investor upon request.
14. Sales Communications	One investor advocate remarked that the effectiveness of pre-sale delivery of the Fund Facts could be diminished if misleading ads and sales practices are allowed to prevail. This commenter urged the CSA to start applying sanctions and fines for misleading sales communications in order to protect the integrity and value of Fund Facts disclosure.	In the normal course of our prospectus reviews, and on a targeted basis, members of the CSA will continue to review the sales communications of publicly offered investment funds, including mutual funds.

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Issue	**Comments**	**Responses**
	Fund manufacturers should not be permitted to use the term “Fund Facts” for their own marketing documents, as it may cause confusion.	
15. Role of Dealer Representative	One industry commenter noted that the 2014 Proposal does not reflect the important role that dealer representatives have in making recommendations to investors about mutual funds that are suitable for them. Other than investors who use discount brokerages, the investor is relying on the advice and recommendations of a registered representative.	Nothing in the Amendments is intended to detract from the role of the dealer representative. The focus of the initiative is to develop a more effective disclosure regime for mutual funds. The Fund Facts is a tool for dealers and their representatives to assist in the sales process and help encourage a better dialogue with investors.
16. Embedded Fees and Fiduciary Duty	One investor advocate noted that disclosure is important but is not a panacea for the existing gaps in financial consumer protection. The CSA was cautioned against relying solely on disclosure and we were are encouraged to continue progress on initiatives aimed at investor protection for such as implementing a statutory best interest standard and banning embedded trailing commissions.	The CSA are committed to continuing work on recent consultations related to mutual fund fees and the appropriateness of introducing a statutory best interest duty.
17. Trade Confirmation Delivery Requirement	One industry commenter noted that Stage 3 will result in investors receiving two mailings, rather than one, for each mutual fund purchase: pre-delivery of the Fund Facts and post-delivery of a trade confirmation. This will double the mailing costs for each mutual fund purchase. Trade confirmations were originally intended to provide investor with a record of their securities transactions. With pre-sale delivery of Fund Facts together with CRM2 disclosure, there is little benefit, if any, from continuing to deliver trade confirmations. Accordingly, the CSA should introduce an exemption from the trade confirmation delivery requirement for any purchase of mutual fund securities.	We disagree that the trade confirmations have little or no benefit given pre-sale delivery of the Fund Facts and CRM2 disclosure. Trade confirmations are intended to provide investors with records of their securities transactions and pre-sale delivery of the Fund Facts and CRM2 disclosure do not replace that.
18. Educational Materials	An investor advocate recommended that the “Understanding mutual funds” brochure be updated to help investors to understand mutual funds and the information in the Fund Facts, and explain that mutual funds are not insured by the Canadian Insurance Deposit Corporation. The language in the brochure should be revised to be consistent with the Fund Facts. Another investor advocate recommended that the CSA prepare a companion guide for investors on how to use Fund Facts to make investment decisions.	As we have previously stated, while we agree that investor education is a key aspect of investor protection, we do not propose to create a user guide for the Fund Facts as we think it is unnecessary. We will consider what CSA brochures may need to be “refreshed” with a move to pre-sale delivery of the Fund Facts.

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Issue	**Comments**	**Responses**
19. Misrepresentation of Material Facts	One commenter noted that they continue to have concerns about the liability of funds and fund managers for the disclosure in the Fund Facts and the other prospectus and continuous disclosure documents. The commenter urged the CSA to conduct further analysis of this issue or outline a more complete explanation of the CSA's views in the Companion Policy.	The CSA disagree. The Fund Facts is incorporated by reference into the simplified prospectus. This means that the existing statutory rights of investors that apply for misrepresentations in a prospectus also apply to misrepresentations in the Fund Facts.
20. Compliance Reviews Post-Implementation	One investor advocate recommended that the CSA conduct compliance sweeps after implementation to determine if the pre-sale delivery exception is, in fact, the result of an investor driven request and whether it is being used appropriately or being abused.	The CSA continue to be committed to working with the SROs both during and after implementation of the pre-sale delivery requirement. We expect to conduct post-implementation compliance reviews to determine how the pre-sale delivery regime is working and, in particular, whether the pre-sale delivery exceptions are being used appropriately.
21. Investor Testing	One industry commenter proposed that the pre-sale delivery requirement not be imposed without consumer testing and assessment to determine the effectiveness of the 2014 Proposal. Another investor advocate commenter encouraged additional document testing of the Fund Facts after implementation of the pre-sale delivery requirement to ensure that the Fund Facts is meeting its disclosure objectives, assisting investors in their decision-making process, and that it is understood and used by investors as anticipated and expected.	We agree that investor testing is an important input in developing more user-friendly disclosure. The Fund Facts has undergone significant investor testing throughout its development. In the fall of 2006, we tested two versions of the Fund Facts with both investors and sales representatives. One version was for mutual funds and the other for segregated funds. After reviewing the results of the testing, some changes were made to clarify or expand the information in the Fund Facts. These changes were reflected in the initial Framework, which was published on October 24, 2008. For further details of this testing, please refer to the *Fund Facts Document Research Report* prepared by Research Strategy Group in Appendix 5 to the Framework, published on June 15, 2007, on the Joint Forum website and on the websites of members of the CSA. As part of Stage 2, prior to finalizing the Fund Facts, the CSA decided to test some additional proposed changes to the content of the document. This testing took place during September and October 2012. The main focus of that testing was on investors' understanding of the proposed changes to the Fund Facts, particularly the presentation of risk and past performance in the proposed amendments published on June 21, 2012. The results of this testing helped to inform the changes we have made to the Fund Facts. The final

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Issue	**Comments**	**Responses**
		report, "*CSA Point of Sale Disclosure Project: Fund Facts Document Testing,"* is available on the websites of the Ontario Securities Commission and the Autorité des marchés financiers at www.osc.gov.on.ca and www.lautorite.qc.ca, respectively. Copies are also available from any CSA member.

Part 8 – List of Commenters

Commenters

- Advocis
- Assante Wealth Management (Canada) Ltd.
- BMO Investment Inc., BMO Nesbitt Burns Inc., BMO InvestorLine Inc., BMO Harris Investment Management Inc. and BMO Asset Management Inc.
- Borden Ladner Gervais LLP
- Broadridge Financial Solutions, Inc.
- Canadian Foundation for Advancement of Investor Rights (FAIR)
- Canadian Imperial Bank of Commerce and affiliates
- Dynamic Funds
- Edward Jones
- Fasken Martineau DuMoulin LLP
- Fidelity Investments Canada ULC
- IFS Tech Inc.
- Invesco Ltd.
- Investment Funds Institute of Canada (IFIC)
- Investment Industry Association of Canada (IIAC)
- Investor Advisory Panel, Ontario Securities Commission (IAP)
- InvestorPOS Inc.
- Le Mouvement des caisses Desjardins
- Lespérance, Jean
- Kenmar Associates
- Mackenzie Financial Corporation
- National Bank Financial, National Bank Direct Brokerage and National Bank Investments
- RBC Dominion Securities Inc., RBC Direct Investing Inc., Royal Mutual Funds Inc. and Philips, Hager & North Investment Funds Ltd.
- Scotiabank Capital Inc., Scotia Securities Inc. and HollisWealth Advisory Service Inc.
- ScotiaFunds
- TD Wealth

ANNEX C

AMENDMENTS TO
NATIONAL INSTRUMENT 81-101 *MUTUAL FUND PROSPECTUS DISCLOSURE*

1. National Instrument 81-101 Mutual Fund Prospectus Disclosure is amended by this Instrument.

2. Section 1.1 is amended by adding the following definitions:

"managed account" has the meaning ascribed to that term in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*;

"permitted client" has the meaning ascribed to that term in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*;

"pre-authorized purchase plan" means a contract or other arrangement for the purchase of securities of a mutual fund, by payments of a specified amount, on a regularly scheduled basis, and which can be terminated at any time;**.**

3. Subsections 3.2(2) to (2.3) are repealed.

4. The following sections are added:

3.2.01 Pre-Sale Delivery of Fund Facts Document

(1) If securities legislation requires a dealer to deliver or send a prospectus in connection with a purchase of a security of a mutual fund, the dealer must, unless the dealer has previously done so, deliver to the purchaser the fund facts document most recently filed under this Instrument for the applicable class or series of securities of the mutual fund before the dealer accepts an instruction from the purchaser for the purchase of the security.

(2) In Nova Scotia, a fund facts document is a disclosure document prescribed under subsection 76(1A) of the *Securities Act* (Nova Scotia).

(3) In Ontario, a fund facts document is a disclosure document prescribed under subsection 71(1.1) of the *Securities Act* (Ontario).

(4) The requirement under securities legislation to deliver or send a prospectus in connection with a purchase of a security of a mutual fund does not apply if

(a) a fund facts document for the applicable class or series of securities of the mutual fund is

(i) delivered to the purchaser before the dealer accepts an instruction from the purchaser for the purchase of the security, or

(ii) delivered or sent to the purchaser in accordance with section 3.2.02 or 3.2.04 and the conditions set out in the applicable section are satisfied, or

(b) section 3.2.03 applies and the conditions set out in that section are satisfied.

3.2.02 Exception to Pre-Sale Delivery of Fund Facts Document

(1) Despite subsection 3.2.01(1), a dealer may deliver or send to the purchaser the most recently filed fund facts document for the applicable class or series of securities of the mutual fund not later than midnight on the second business day after entering into the purchase of a security of the mutual fund, if all of the following apply:

(a) the purchaser instructs the dealer that the purchase must be completed immediately or by a specified time;

(b) it is not reasonably practicable for the dealer to deliver the fund facts document before the time specified by the purchaser under paragraph (a);

(c) before the instruction from the purchaser for the purchase of a security of the mutual fund is accepted,

(i) the dealer informs the purchaser of the existence and purpose of the fund facts document and explains the dealer's obligation to deliver the fund facts document,

(ii) the purchaser consents to the dealer delivering or sending the fund facts document after entering into the purchase, and

(iii) the dealer verbally discloses to the purchaser a summary of all of the following:

(A) the fundamental features of the mutual fund, and what it primarily invests in, as set out under the heading "What does the fund invest in?" in Item 3 of Part I of the fund facts document;

(B) the investment risk level of the mutual fund as set out under the heading "How risky is it?" in Item 4 of Part I of the fund facts document;

(C) the suitability of the mutual fund for particular investors as set out under the heading "Who is this fund for?" in Item 7 of Part I of the fund facts document;

(D) any costs associated with buying, owning and selling a security of the mutual fund as set out under the heading "How much does it cost?" in Item I of Part II of the fund facts document;

(E) any applicable withdrawal rights or rescission rights that the purchaser is entitled to under securities legislation, as set out under the heading "What if I change my mind?" in Item 2 of Part II of the fund facts document.

(2) For the purposes of subparagraph (1)(c)(ii), the consent must be given in respect of a specific instruction to purchase a security of a mutual fund and, for greater certainty, cannot be in the form of blanket consent from the purchaser.

3.2.03 Delivery of Fund Facts for Subsequent Purchases Under a Pre-authorized Purchase Plan

Despite subsection 3.2.01(1), a dealer is not required to deliver the fund facts document to a purchaser in connection with a purchase of a security of a mutual fund made pursuant to a pre-authorized purchase plan if all of the following apply:

(a) the purchase is not the first purchase under the plan;

(b) the dealer has provided a notice to the purchaser that states,

(i) subject to paragraph (c), the purchaser will not receive a fund facts document after the date of the notice, unless the purchaser specifically requests it,

(ii) the purchaser is entitled to receive upon request, at no cost to the purchaser, the most recently filed fund facts document by calling a specified toll-free number, or by sending a request by mail or e-mail to a specified address or e-mail address,

(iii) how to access the fund facts document electronically,

(iv) the purchaser will not have a right of withdrawal under securities legislation for subsequent purchases of a security of a mutual fund under the plan, but will continue to have a right of action if there is a misrepresentation in the prospectus or any document incorporated by reference into the prospectus, and

(v) the purchaser may terminate the plan at any time;

(c) at least annually during the term of the plan, the dealer notifies the purchaser in writing of how the purchaser can request the most recently filed fund facts document; and

(d) the dealer delivers or sends the most recently filed fund facts document to the purchaser if the purchaser requests it.

3.2.04 Delivery of Fund Facts for Managed Accounts and Permitted Clients

Despite subsection 3.2.01(1), a dealer may deliver or send to the purchaser of a security of a mutual fund the most recently filed fund facts document for the applicable class or series of securities of the mutual fund not later than midnight on the second business day after entering into the purchase of a security of the mutual fund if

(a) the purchase is made in a managed account, or

(b) the purchaser is a permitted client that is not an individual.

3.2.05 Electronic Delivery of the Fund Facts Document

(1) If the purchaser of a security of a mutual fund consents, a fund facts document that may be or is required to be delivered or sent under this Part may be delivered or sent electronically.

(2) For the purposes of subsection (1), a fund facts document may be delivered or sent to the purchaser by means of an e-mail that contains

(a) the fund facts document as an attachment, or

(b) a hyperlink that leads directly to the fund facts document..

5. Subsection 3.2.1(1) is amended by replacing "subsection 3.2(2)***" with "***sections 3.2.01, 3.2.02 or 3.2.04***".***

6. Subsection 3.2.2(1) is amended by replacing "subsection 3.2(2)***" with "***sections 3.2.01, 3.2.02 or 3.2.04***".***

7. Section 5.2 is replaced with the following:

5.2 Combinations of Fund Facts Documents for Delivery Purposes

(1) If a fund facts document for a particular class or series of securities of a mutual fund is delivered under subsection 3.2.01(1), the fund facts document must not be combined with any other materials or documents.

(2) Despite subsection (1), a fund facts document may be combined with one or more other fund facts documents if the combination of documents is not so extensive as to cause a reasonable person to conclude that the combination of documents prevents the information from being presented in a simple, accessible and comparable format.

(3) Despite subsection (2), if multiple fund facts documents are being delivered electronically at the same time, those fund facts documents cannot be combined into a single e-mail attachment or a single document accessible through a hyperlink.

(4) A fund facts document delivered or sent under section 3.2.02, 3.2.03, or 3.2.04 must not be combined with any other materials or documents including, for greater certainty, another fund facts document, except one or more of the following:

(a) a general front cover pertaining to the package of attached or bound materials and documents;

(b) a trade confirmation which discloses the purchase of securities of the mutual fund;

(c) a fund facts document of another mutual fund if that fund facts document is also being delivered or sent under section 3.2.02, 3.2.03, or 3.2.04;

(d) the simplified prospectus or the multiple SP of the mutual fund;

(e) any material or document incorporated by reference into the simplified prospectus or the multiple SP of the mutual fund;

(f) an account application document;

(g) a registered tax plan application or related document.

(5) If a trade confirmation referred to in paragraph (4)(b) is combined with a fund facts document, any other disclosure documents required to be delivered or sent to satisfy a regulatory requirement for purchases listed in the trade confirmation may be combined with the fund facts document.

(6) If a fund facts document is combined with any of the materials or documents referred to in subsection (4), a table of contents specifying all documents must be combined with the fund facts document, unless the only other documents combined with the fund facts document are the general front cover permitted under paragraph (4)(a) or the trade confirmation permitted under paragraph (4)(b).

(7) If one or more fund facts documents are combined with any of the materials or documents referred to in subsection (4), only the general front cover permitted under paragraph (4)(a), the table of contents required under subsection (6) and the trade confirmation permitted under paragraph (4)(b) may be placed in front of the fund facts documents..

8. Section 5.5 is replaced with the following:

5.5 Combinations of Fund Facts Documents for Filing Purposes

For the purposes of section 2.1, a fund facts document may be combined with another fund facts document of a mutual fund in a simplified prospectus or, if a multiple SP, another fund facts document of a mutual fund combined in the multiple SP..

Expiration of exemptions and waivers

9. Any exemption from or waiver of a provision of National Instrument 81-101 *Mutual Fund Prospectus Disclosure* in relation to the prospectus or fund facts document delivery requirements for mutual funds expires on May 30, 2016.

Transition for pre-authorized purchase plans

10. (1) For the purposes of section 3.2.03 of National Instrument 81-101 *Mutual Fund Prospectus Disclosure*, as enacted by section 4 of this Instrument, the first purchase of a security of a mutual fund made pursuant to a pre-authorized purchase plan on or after May 30, 2016, is considered to be the first purchase transaction under the plan.

(2) Subsection (1) does not apply to a pre-authorized purchase plan established prior to May 30, 2016, if a notice in a form substantially similar to the notice contemplated under paragraph 3.2.03(c) was delivered or sent to the purchaser between May 30, 2015 and May 30, 2016.

Effective date

11. (1) Subject to subsection (2), this Instrument comes into force on March 11, 2015.

(2) The provisions of this Instrument listed in column 1 of the following table come into force on the date set out in column 2 of the table:

Column 1: Provisions of this Instrument	Column 2: Date
Sections 3, 4, 5, 6, 7, 8 and 10	May 30, 2016

ANNEX D

CHANGES TO
COMPANION POLICY 81-101CP *TO NATIONAL INSTRUMENT 81-101 MUTUAL FUND PROSPECTUS DISCLOSURE*

1. The changes to Companion Policy 81-101CP To National Instrument 81-101 Mutual Fund Prospectus Disclosure are set out in this Annex.

2. Part 7 is replaced with the following:

PART 7 Delivery

7.1 Delivery of the Simplified Prospectus and Annual Information Form – The Instrument contemplates delivery to all investors of a fund facts document in accordance with the requirements in securities legislation. It does not require the delivery of the simplified prospectus, or any other documents incorporated by reference into the simplified prospectus, unless requested. Mutual funds or dealers may also provide investors with any of the other disclosure documents incorporated by reference into the simplified prospectus.

7.2 Pre-Sale Delivery of the Fund Facts Document – (1) The Instrument requires a fund facts document to be delivered before a dealer accepts an instruction for the purchase of a security of a mutual fund. The purpose of pre-sale delivery of a fund facts document is to provide a purchaser with key information about the mutual fund that will inform a purchase decision. What constitutes "before" is intended to be flexible, provided it occurs within a reasonable timeframe before the purchaser's instruction to purchase. Accordingly, the Canadian securities regulatory authorities would generally expect that delivery of a fund facts document will occur within a timeframe that provides a purchaser with a reasonable opportunity to consider the information in the fund facts document before proceeding with the transaction. It should not be delivered so far in advance of the purchase of a security of a mutual fund that the delivery cannot be said to have any connection with the purchaser's instruction to purchase the mutual fund.

(2) Where a purchaser has already received a fund facts document for a particular class or series of securities of a mutual fund, it is not necessary to deliver to the purchaser another fund facts document for a subsequent purchase of that same class or series of securities of a mutual fund, unless a more recent version of the fund facts document has been filed.

7.3 Post-Sale Delivery of the Fund Facts Document – (1) While the Instrument generally requires pre-sale delivery of the fund facts document, it also sets out specific requirements that would permit post-sale delivery of the fund facts document in circumstances where the purchaser has indicated that they require the purchase of a security of a mutual fund to be completed immediately, or by a specified time, and it is not reasonably practicable for the dealer to effect pre-sale delivery of the fund facts document within the timeframe specified by the purchaser.

(2) The requirements for post-sale delivery of the fund facts document are set out in section 3.2.02 and should be interpreted consistently with the dealer's general duties to act fairly, honestly and in good faith and to establish and maintain a compliance system in accordance with securities legislation. Accordingly, the Canadian securities regulatory authorities expect dealers will adapt their business models to comply with the general requirement for pre-sale delivery of the fund facts document.

(3) Section 3.2.02 requires dealers to provide a summary of the information contained in the fund facts document. This should include describing the purpose of the fund facts document, the type of information it contains, and advising purchasers that they are entitled to receive and review the fund facts document before the purchase of a security of a mutual fund. Where the purchaser consents to post-sale delivery of the fund facts document, dealers are required to provide verbal disclosure of certain information contained in the fund facts document. This would include a description of the fundamental features of the mutual fund and what it primarily invests in, as well as the investment risk level of the mutual fund. The Canadian securities regulatory authorities would not generally consider it necessary to disclose the information included in the fund facts document under "Top 10 investments" or "Investment mix". In disclosing the suitability of the mutual fund for particular investors, dealers would be required to describe the characteristics of the investor for whom the mutual fund may or may not be an appropriate investment, and the portfolios for which the mutual fund is and is not suited. In terms of providing an overview of any costs associated with buying, selling and owning the mutual fund, the information provided should, at a minimum, include a discussion of any applicable sales charges, as well as ongoing fund expenses (e.g., MER and TER), and any applicable trailing commissions. Information related to sales charges and trailing commissions is also required as part of pre-trade disclosure requirements set out in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Finally, dealers would also be required to provide purchasers with a summary of any applicable right to withdraw from a purchase within two days after receipt of the fund facts document and to rescind a purchase within 48 hours after receipt of the trade confirmation for the purchase**.** This latter requirement is intended to alert purchasers to the fact that

they will have an opportunity to consider the information in the fund facts document that will be delivered or sent post-sale and, based on that information, determine whether they want to cancel their purchase of the mutual fund securities at that time.

(4) Where a purchaser consents to receive delivery of the fund facts document after entering into the purchase of a security of a mutual fund, the consent will only be valid for the particular transaction. A dealer cannot rely on a blanket consent from a purchaser to carry out post-sale delivery of the fund facts document for other purchases of mutual fund securities.

(5) In accordance with existing practices, dealers must establish internal policies and procedures to ensure delivery of the fund facts document occurs in accordance with Part 3. Dealers must maintain evidence of delivery of the fund facts document, as well as receipt of purchaser consents to receive delivery of the fund facts document after entering into the purchase of a security of a mutual fund. Dealers must also maintain adequate records to evidence that satisfactory disclosure about the fund facts document has been provided to purchasers in compliance with section 3.2.02. Such records should also indicate why delivery of the fund facts document was impracticable in the circumstances. The Canadian securities regulatory authorities expect that dealers will follow their current practices to maintain evidence of required disclosures to sufficiently document delivery of the fund facts document.

(6) The Instrument does not specify a particular manner of evidencing a purchaser's consent to allow delivery of the fund facts document after entering into the purchase of a security of a mutual fund. In particular, the Instrument does not require dealers to obtain written consent from clients. The Canadian securities regulatory authorities expect that dealers will follow their current policies and procedures for tracking and monitoring client instructions and authorizations.

(7) The Canadian securities regulatory authorities expect that dealers will remain faithful to the overall objective of ensuring that purchasers are provided with a fund facts document prior to accepting instructions to purchase a security of a mutual fund. Although the instrument allows for post-sale delivery of the fund facts document in certain limited circumstances, the Canadian securities regulatory authorities expect that post-sale delivery of the fund facts document will be the exception rather than the norm. The Canadian securities regulatory authorities may examine practices or arrangements that raise the suspicion of being structured to permit dealers to do indirectly what they cannot do directly and that are inconsistent with the overall intent of providing key information to investors at a time that is most relevant to their purchase decision.

(8) Section 3.2.03 sets out an exception from the requirement to deliver a fund facts document for subsequent purchases of a mutual fund made pursuant to a pre-authorized purchase plan provided certain conditions are met. One of these conditions requires investors to be provided with an initial notice indicating, among other things, that they will not receive a fund facts document unless they specifically request it. The notice must also specify how a fund facts document can be obtained. Investors must also be provided with an annual notice reminding them about how they can request a fund facts document. The Canadian securities regulatory authorities expect that both the initial notice and the annual notice will be presented in a clear, comprehensible and prominent manner so that investors can easily ascertain how they can avail themselves of the option to request a fund facts document.

7.4 Methods of Delivery – (1) The methods of delivery of a fund facts document are consistent with methods of delivery of a prospectus under securities legislation. A fund facts document required to be delivered or sent under Part 3 of the Instrument may be delivered or sent electronically, subject to the purchaser's consent. Electronic delivery may include providing an electronic copy of a fund facts document to the purchaser in the form of an e-mail attachment or providing a hyperlink to the fund facts document.

(2) The Canadian securities regulatory authorities will not consider the making of a fund facts document available on a website, or referring an investor to a general website address where the fund facts document can be found to constitute delivery under the Instrument, even if the investor consents to that method of delivery.

(3) Where a hyperlink is provided to the purchaser, the link should lead the purchaser directly to the specific fund facts document for the applicable class or series of the mutual fund being purchased. Consideration should be given to ensuring that the hyperlink remains accessible to the purchaser for so long as the purchaser may reasonably need to consult it.

(4) In the case of online transactions conducted through order execution service accounts, there may be a number of ways in which compliance with the requirement for pre-sale delivery of the fund facts document could be achieved. For example, dealers could consider the use of a "pop-up" notice informing the purchaser that a fund fact document is available for review and provide a hyperlink to the relevant fund facts document. Dealers could also consider requiring the purchaser to "click through" the fund facts document prior to accepting their purchase order.

(5) In addition to the requirements in the Instrument and the guidance in this section, dealers may want to refer to National Policy 11-201 *Electronic Delivery of Documents* for additional guidance.

7.5 Consolidation of Fund Facts Documents – (1) For the purposes of pre-sale delivery, subsection 5.2(2) of the Instrument allows a fund facts document to be combined with one or more fund facts documents, provided the size of the document does not make the presentation of the information inconsistent with the principles of simplicity, accessibility and comparability. For example, a fund facts document may be combined with fund facts documents of other classes or series of securities of the same mutual fund, other mutual funds from the same fund family, or other mutual funds of a similar type from different fund families. In making this determination, mutual funds, managers and participants in the mutual fund industry should consider the ability of an investor to easily find and use the information that is relevant to the particular mutual funds securities they are considering purchasing, and whether a reasonable person in the circumstances would come to the same conclusion. We think a document combining more than 10 fund facts documents may discourage an investor from finding and reading each fund facts document and obscure key information, which is inconsistent with the principles of simplicity, accessibility and comparability.

(2) Where multiple fund facts documents are being delivered electronically in compliance with the pre-sale delivery requirement, subsection 5.2(3) prohibits those fund facts documents from being combined into a single e-mail attachment. The use of a hyperlink that directs the investor to a single document combining all the relevant fund facts would also be prohibited under the Instrument. Instead, a dealer would be expected to provide individual attachments or hyperlinks for each fund facts document that is required to be delivered.

(3) When delivery of the fund facts document occurs after the purchase transaction, subsections 5.2(4) to (6) of the Instrument permit a fund facts document to be combined with certain other materials or documents. With the exception of a general front cover, a table of contents or a trade confirmation, subsection 5.2(7) requires the fund facts document to be located as the first item in the package of documents or materials.

7.6 Preparation of Disclosure Documents in Other Languages – Nothing in the Instrument prevents the simplified prospectus, annual information form or fund facts document from being prepared in other languages, provided that these documents are delivered or sent in addition to any disclosure document filed and required to be delivered in accordance with the Instrument. The Canadian securities regulatory authorities would consider such documents to be sales communications.

7.7 Delivery of Documents by a Mutual Fund – Section 3.3 of the Instrument requires that a mutual fund deliver or send to a person or company, upon request and free of charge, a simplified prospectus or documents incorporated by reference. The Canadian securities regulatory authorities are of the view that compliance with this specifically-mandated requirement by an unregistered entity is not a breach of the registration requirements of securities legislation.

7.8 Delivery of Separate Part A and Part B Sections – Mutual fund organizations that create physically separate Part B sections are reminded that any obligation to provide the simplified prospectus would be satisfied only by the delivery of both the Part A and Part B sections of a simplified prospectus.

7.9 Delivery of Non-Educational Material – The Instrument and related forms contain no restrictions on the delivery of non-educational material such as promotional brochures with either of the simplified prospectus and the annual information form. This type of material may, therefore, be delivered with, but cannot be included within, or attached to, the simplified prospectus and the annual information form. The Instrument does not permit the binding of educational and non-educational material with the fund facts document. The intention of the Instrument is not to unreasonably encumber the fund facts document with additional documents..

ANNEX E

ADDITIONAL INFORMATION REQUIRED IN ONTARIO

ONTARIO SECURITIES COMMISION

IMPLEMENTATION OF STAGE 3 OF POINT OF SALE DISCLOSURE FOR MUTUAL FUNDS – *POINT OF SALE DELIVERY OF FUND FACTS*

NOTICE OF AMENDMENTS TO NATIONAL INSTRUMENT 81-101 *MUTUAL FUND PROSPECTUS DISCLOSURE* AND TO COMPANION POLICY 81-101CP *TO NATIONAL INSTRUMENT 81-101 MUTUAL FUND PROSPECTUS DISCLOSURE*

Introduction

The Canadian Securities Administrators (the CSA or we) are making amendments (the Amendments) to

- National Instrument 81-101 *Mutual Fund Prospectus Disclosure*, and
- Companion Policy 81-101CP *to National Instrument 81-101 Mutual Fund Prospectus Disclosure*.

The Amendments are described in the related CSA notice (the CSA Notice) to which this Ontario Securities Commission (the Commission) notice is annexed.

The purpose of this Commission notice is to supplement the CSA Notice.

Commission Approval

On October 21, 2014, the Commission approved and adopted the Amendments pursuant to sections 143 and 143.8 of the *Securities Act* (Ontario).

Delivery to the Minister

The Amendments and other required materials were delivered to the Minister of Finance on or about December 11, 2014**.** The Minister may approve or reject the Amendments or return them for further consideration. If the Minister approves the Amendments (or does not take any further action), the Amendments will come into force on March 11, 2015.

Substance and Purpose of the Amendments

Please refer to the section entitled “Substance and Purpose of the Amendments” in the CSA Notice.

Summary of Written Comments

We published the Amendments for comment on March 26, 2014. Please refer to Annex B of the CSA Notice for a summary of public comments and CSA responses.

Summary of Changes to the Amendments

Please refer to Annex A of the CSA Notice for a summary of changes made to the Amendments.

Questions

Please refer your questions to:

Irene Lee
Senior Legal Counsel,
Investment Funds and Structured Products Branch
Ontario Securities Commission
Phone: 416-593-3668
Email: ilee@osc.gov.on.ca

Stephen Paglia
Senior Legal Counsel, Investment Funds and Structured Products Branch
Ontario Securities Commission
Phone: 416-593-2393
Email: spaglia@osc.gov.on.ca

December 11, 2014

5.1.2 Amendment Instrument for NI 58-101 Disclosure of Corporate Governance Practices

Amendment Instrument for National Instrument 58-101 *Disclosure of Corporate Governance Practices*

1. **National Instrument 58-101 *Disclosure of Corporate Governance Practices* is amended by this Instrument.**

2. **Section 1.1 is amended by adding the following definition:**

"major subsidiary" has the same meaning as in National Instrument 55-104 *Insider Reporting Requirements and Exemptions*; **.**

3. **Form 58-101F1 *Corporate Governance Disclosure* is amended by adding the following after Item 9:**

10. *Director Term Limits and Other Mechanisms of Board Renewal* (Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Québec and Saskatchewan only) – Disclose whether or not the issuer has adopted term limits for the directors on its board or other mechanisms of board renewal and, if so, include a description of those director term limits or other mechanisms of board renewal. If the issuer has not adopted director term limits or other mechanisms of board renewal, disclose why it has not done so.

11. *Policies Regarding the Representation of Women on the Board* (Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Québec and Saskatchewan only) –

(a) Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women directors. If the issuer has not adopted such a policy, disclose why it has not done so.

(b) If an issuer has adopted a policy referred to in (a), disclose the following in respect of the policy:

(i) a short summary of its objectives and key provisions,

(ii) the measures taken to ensure that the policy has been effectively implemented,

(iii) annual and cumulative progress by the issuer in achieving the objectives of the policy, and

(iv) whether and, if so, how the board or its nominating committee measures the effectiveness of the policy.

12. *Consideration of the Representation of Women in the Director Identification and Selection Process* (Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Québec and Saskatchewan only) – Disclose whether and, if so, how the board or nominating committee considers the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board. If the issuer does not consider the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board, disclose the issuer's reasons for not doing so.

13. *Consideration Given to the Representation of Women in Executive Officer Appointments* (Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Québec and Saskatchewan only) – Disclose whether and, if so, how the issuer considers the level of representation of women in executive officer positions when making executive officer appointments. If the issuer does not consider the level of representation of women in executive officer positions when making executive officer appointments, disclose the issuer's reasons for not doing so.

14. *Issuer's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions* (Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Québec and Saskatchewan only) –

(a) For purposes of this Item, a "target" means a number or percentage, or a range of numbers or percentages, adopted by the issuer of women on the issuer's board or in executive officer positions of the issuer by a specific date.

(b) Disclose whether the issuer has adopted a target regarding women on the issuer's board. If the issuer has not adopted a target, disclose why it has not done so.

(c) Disclose whether the issuer has adopted a target regarding women in executive officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so.

(d) If the issuer has adopted a target referred to in either (b) or (c), disclose:

(i) the target, and

(ii) the annual and cumulative progress of the issuer in achieving the target.

15. Number of Women on the Board and in Executive Officer Positions (Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Québec and Saskatchewan only) –

(a) Disclose the number and proportion (in percentage terms) of directors on the issuer's board who are women.

(b) Disclose the number and proportion (in percentage terms) of executive officers of the issuer, including all major subsidiaries of the issuer, who are women. **.**

4. **The Instructions of Form 58-101F1 are amended by adding the following sections:**

(4) An issuer may disclose any additional information that is relevant in order to understand the context of the information disclosed by the issuer under Item 15(a) or (b) of this Form.

(5) An issuer may incorporate information required to be disclosed under Items 10 to 15 by reference to another document. The issuer must clearly identify the reference document or any excerpt of it that the issuer incorporates into the disclosure provided under Items 10 to 15. Unless the issuer has already filed the reference document or excerpt under its SEDAR profile, the issuer must file it at the same time as it files the document containing the disclosure required under this Form. **.**

5. **This Instrument only applies to management information circulars and AIFs, as the case may be, which are filed following an issuer's financial year ending on or after December 31, 2014.**

6. **This Instrument comes into force on December 31, 2014.**

Chapter 6

Request for Comments

6.1.1 Proposed Amendments to Certain National and Multilateral Instruments and Policies Related to the Recognition of Aequitas Neo Exchange Inc.

CSA/ACVM Canadian Securities Administrators Autorités canadiennes en valeurs mobilières

CSA Notice and Request for Comment

Proposed Amendments to Certain National and Multilateral Instruments and Policies Related to the Recognition of Aequitas Neo Exchange Inc.

December 11, 2014

Introduction

The Canadian Securities Administrators (the **CSA** or **we**) are publishing for a 90 day comment period proposed amendments (the **Proposed Amendments**) to:

- National Instrument 41-101 *General Prospectus Requirements* (**NI 41-101**)
- National Instrument 44-101 *Short Form Prospectus Distributions* (**NI 44-101**)
- National Instrument 45-106 *Prospectus and Registration Exemptions* (**NI 45-106**)
- National Policy 46-201 *Escrow for Initial Public Offerings* (**NP 46-201**)
- National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**)
- Except in Ontario, Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets* (**MI 51-105**)
- National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (**NI 52-109**)
- National Instrument 52-110 *Audit Committees* (**NI 52-110**)
- National Instrument 58-101 *Disclosure of Corporate Governance Practices* (**NI 58-101**)
- In Ontario and Québec, Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (**MI 61-101**)
- National Instrument 71-102 *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers* (**NI 71-102**)
- National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (**NI 81-101**)

The text of the Proposed Amendments is contained in Annexes A through L of this notice and will also be available on websites of CSA jurisdictions, including:

www.bcsc.bc.ca
www.albertasecurities.com
www.fcaa.gov.sk.ca
www.msc.gov.mb.ca

www.osc.gov.on.ca
www.lautorite.qc.ca
www.fcnb.ca
www.gov.pe.ca/securities
nssc.novascotia.ca
www.gov.nl.ca/gs
www.justice.gov.nt.ca/SecuritiesRegistry
www.community.gov.yk.ca
www.justice.gov.nu.ca

Substance and Purpose

The Proposed Amendments are intended to address the differences in treatment of certain reporting issuers under current securities legislation that have arisen or will arise as a result of references to specific exchanges under current securities legislation and the recognition of Aequitas Neo Exchange Inc. (**Aequitas Neo Exchange**) as an exchange pursuant to section 21 of the *Securities Act* (Ontario) and the exemption from the requirement to be recognized in other jurisdictions, namely British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Prince Edward Island, Nova Scotia, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut. The Proposed Amendments aim to ensure that securities legislation applies consistently to issuers listed on Aequitas Neo Exchange and issuers listed on other senior recognized exchanges. Investors will benefit directly from the Proposed Amendments as issuers listed on Aequitas Neo Exchange will be subject to the same regulatory requirements as issuers listed on other senior recognized exchanges and the industry will benefit from a harmonized regulatory regime.

Background

By order dated November 13, 2014, the Ontario Securities Commission (**OSC**) approved the recognition of Aequitas Innovations Inc. (**Aequitas**) and Aequitas Neo Exchange as an exchange pursuant to section 21 of the *Securities Act* (Ontario), subject to certain terms and conditions (the **Recognition Order**). The Recognition Order will be effective as of March 1, 2015. Aequitas Neo Exchange operates an electronic, automated exchange to trade securities of qualified senior issuers listed on Aequitas Neo Exchange as well as those listed on other recognized exchanges. Aequitas is the sole parent company of Aequitas Neo Exchange, and was recognized as an exchange for the purpose of complying with the terms and conditions set out in the recognition order published by the OSC. The securities regulatory authorities in British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Prince Edward Island, Nova Scotia, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut have exempted or are in the process of exempting Aequitas and Aequitas Neo Exchange from the requirement to be recognized as a stock exchange, exchange or self-regulatory organization, with such exemption being subject to certain conditions, including that: (i) Aequitas and Aequitas Neo Exchange will continue to be recognized as an exchange by the OSC and to comply with the terms and conditions of the Recognition Order; and (ii) Aequitas Neo Exchange will be subject to the oversight program established by the OSC from time to time in accordance with the provisions of the *Memorandum of Understanding respecting the Oversight of Exchanges and Quotation and Trade Reporting Systems* which took effect on January 1st, 2010 among the Alberta Securities Commission, Autorité des marchés financiers, British Columbia Securities Commission, Manitoba Securities Commission, the OSC and Saskatchewan Financial Services Commission.

Currently, certain definitions, requirements or exemptions in securities legislation do not apply to Aequitas Neo Exchange. The recognition of Aequitas Neo Exchange has several implications for issuers which the Proposed Amendments will address. For example, without the Proposed Amendments, issuers listing on Aequitas Neo Exchange will be “venture issuers”, notwithstanding that such issuers are more appropriately classified as issuers that are not venture issuers under applicable Canadian securities law. Secondly, without the Proposed Amendments, issuers listing solely on Aequitas Neo Exchange will not be qualified to file a prospectus in the form of a short form prospectus, as Aequitas Neo Exchange is not included in the definition of “short form eligible exchange” under NI 44-101. The Proposed Amendments must be made to ensure that securities legislation applies equally to issuers listed on other recognized senior exchanges and issuers listing on Aequitas Neo Exchange.

Summary of the Proposed Amendments

The Proposed Amendments include:

- referencing Aequitas Neo Exchange in the definitions of “venture issuer”, “IPO venture issuer”, “personal information form”, “listed issuer”, “short form eligible exchange” and “OTC issuer” and adding a definition for “Aequitas personal information form” in the applicable national and multilateral instruments listed above,

- changing certain provisions contained in NP 46-201 for the purpose of describing certain issuers listing on Aequitas Neo Exchange as being either exempt issuers or established issuers (as such terms are described in NP 46-201),

- amending MI 61-101 to include Aequitas Neo Exchange in the list of specified markets identified in certain sections, and

- amending NI 71-102 to update and expand the list of Canadian exchanges (including Aequitas Neo Exchange) in certain sections.

Existing Security Holder Prospectus Exemptions

The securities regulatory authorities in British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Prince Edward Island, Nova Scotia, Yukon, Northwest Territories and Nunavut have adopted a prospectus exemption that, subject to certain conditions, allows issuers listed on specified exchanges to raise money by distributing securities to their existing security holders (the "**Existing Security Holder Prospectus Exemption**"). The list of specified exchanges in the definition of "listed security" in the Existing Security Holder Prospectus Exemption does not contemplate Aequitas Neo Exchange. On November 27, 2014, the OSC published in final an exemption that is substantially similar to the Existing Security Holder Prospectus Exemption, which includes reference to Aequitas Neo Exchange in the list of specified exchanges under the definition of "listed security" contained therein. CSA staff recommend that issuers listed on Aequitas Neo Exchange be able to use the Existing Security Holder Prospectus Exemption and accordingly intend to seek approval to amend the relevant rules or revise the blanket orders as necessary to ensure that the Existing Security Holder Prospectus Exemption is consistent with the Proposed Amendments.

Interim Measures

As discussed above, until the Proposed Amendments are effective, issuers listed on Aequitas Neo Exchange will be "venture issuers" under securities legislation, even though such issuers are more appropriately classified as non-venture issuers. During this period certain interim measures will be taken. Firstly, issuers intending to list on Aequitas Neo Exchange will provide an undertaking that they will comply with Canadian securities legislation as applicable to non-venture issuers. Secondly, other than in Ontario, CSA jurisdictions will issue blanket orders relieving issuers listed on Aequitas Neo Exchange from the requirements pertaining to venture issuers. In Ontario, issuers will gain such relief by application.

Designation Orders

Subsection 4.8(2) of Multilateral Instrument 62-104 *Take-over Bids and Issuer Bids* (MI 62-104) and subsection 101.2(1) of the *Securities Act* (Ontario) provide an exemption from certain issuer bid requirements for issuer bids that are made through the facilities of a designated exchange. CSA jurisdictions have issued or are in the process of issuing orders designating Aequitas Neo Exchange to be a designated exchange for the purpose of MI 62-104 or the *Securities Act* (Ontario), as applicable.

Anticipated Costs and Benefits

We expect the Proposed Amendments to contribute to the maintenance of a harmonized regulatory regime by treating issuers listed on Aequitas Neo Exchange in the same manner as those listed on other recognized senior exchanges. We do not expect any costs to be associated with the Proposed Amendments because issuers listed on Aequitas Neo Exchange will already be complying with the same requirements as issuers listed on other senior recognized exchanges as a result of the interim measures discussed above.

Alternatives Considered

No alternatives to the Proposed Amendments were considered.

Unpublished Materials

In developing the Proposed Amendments, we have not relied on any significant unpublished study, report, or other written materials.

Local Notices

Annex M is being published in any local jurisdiction that is making related changes to local securities laws, including local notices or other policy instruments in that jurisdiction. It also includes any additional information that is relevant to that jurisdiction only.

Request for Comments

Please submit your comments in writing on or before March 11, 2015. If you are sending your comments by e-mail, please also send an electronic file containing the submissions (in Microsoft Word format).

Address your submission to all of the CSA as follows:

British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority (Saskatchewan)
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
Financial and Consumer Services Commission (New Brunswick)
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward Island
Nova Scotia Securities Commission
Securities Commission of Newfoundland and Labrador
Superintendent of Securities, Northwest Territories
Superintendent of Securities, Yukon
Superintendent of Securities, Nunavut

Deliver your comments **only** to the addresses below. Your comments will be distributed to the other participating CSA.

The Secretary
Ontario Securities Commission
20 Queen Street West
22nd Floor
Toronto, Ontario, M5H 3S8
Fax: 416-593-2318
comments@osc.gov.on.ca

M^{e} Anne-Marie Beaudoin
Corporate Secretary
Autorité des marchés financiers
800, square Victoria, 22e étage
C.P. 246, tour de la Bourse
Montréal (Québec) H4Z 1G3
Fax : 514-864-6381
consultation-en-cours@lautorite.qc.ca

We cannot keep submissions confidential because securities legislation in certain provinces requires publication of a summary of the written comments received during the comment period.

Contents of Annexes

The following annexes form part of this CSA Notice:

The Proposed Amendments are set out in the following annexes to this Notice:

Annex A	Proposed Amendments to NI 41-101
Annex B	Proposed Amendments to NI 44-101
Annex C	Proposed Amendments to NI 45-106
Annex D	Proposed Changes to NP 46-201
Annex E	Proposed Amendments to NI 51-102
Annex F	Proposed Amendments to MI 51-105
Annex G	Proposed Amendments to NI 52-109
Annex H	Proposed Amendments to NI 52-110
Annex I	Proposed Amendments to NI 58-101
Annex J	Proposed Amendments to MI 61-101
Annex K	Proposed Amendments to NI 71-102
Annex L	Proposed Amendments to NI 81-101
Annex M	Local Matters

Questions

Please refer your questions to any of the following:

Ontario
Steven Oh
Legal Counsel, Corporate Finance
Ontario Securities Commission
416-595-8778
soh@osc.gov.on.ca

British Columbia
Victoria Steeves
Senior Legal Counsel
British Columbia Securities Commission
604-899-6791
vsteeves@bcsc.bc.ca

Alberta
Lanion Beck
Legal Counsel
Alberta Securities Commission
403-355-3884
lanion.beck@asc.ca

Alberta
Rajeeve Thakur
Legal Counsel
Alberta Securities Commission
403-355-9032
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Québec
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Avocate
Autorité des marchés financiers
514-395-0337 poste 4384
jacynthe.charpentier@lautorite.qc.ca

New Brunswick
Ella-Jane Loomis
Legal Counsel
Financial and Consumer Services Commission
(New Brunswick)
506-658-2602
ella-jane.loomis@fcnb.ca

Manitoba
Chris Besko
Acting General Counsel and Acting Director
The Manitoba Securities Commission
204-945-2561
chris.besko@gov.mb.ca

Saskatchewan
Sonne Udemgba
Deputy Director
Financial and Consumer Affairs Authority of Saskatchewan
306-787-5879
sonne.udemgba@gov.sk.ca

ANNEX A

PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 41-101 *GENERAL PROSPECTUS REQUIREMENTS*

1. National Instrument 41-101 General Prospectus Requirements is amended by this Instrument.

2. Section 1.1 is amended

(a) in paragraph (c) of the definition of "IPO venture issuer***" by adding the following subparagraph:***

(i.1) Aequitas Neo Exchange Inc.;***,***

(b) by replacing the definition of "personal information form***" with the following:***

"personal information form" means one of the following:

(a) a completed Schedule 1 of Appendix A;

(b) a completed TSX/TSXV personal information form submitted by an individual to the Toronto Stock Exchange or to the TSX Venture Exchange to which is attached a completed certificate and consent in the form set out in Schedule 1 — Part B of Appendix A;

(c) a completed Aequitas personal information form submitted by an individual to Aequitas Neo Exchange Inc., to which is attached a completed certificate and consent in the form set out in Schedule 1 – Part B of Appendix A;***, and***

(c) by adding the following definition:

"Aequitas personal information form" means a personal information form for an individual pursuant to Aequitas Neo Exchange Inc. Form 3, as amended from time to time;**.**

3. Item 1 of Form 41-101F1 is amended in subsection 1.9(4) by adding "Aequitas Neo Exchange Inc.,***" after "***on the Toronto Stock Exchange,***".***

4 Item 20 of Form 41-101F1 is amended in section 20.11 by adding "Aequitas Neo Exchange Inc.,***" after "***on the Toronto Stock Exchange,***".***

5. This Instrument comes into force on ●.

ANNEX B

PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 44-101 *SHORT FORM PROSPECTUS DISTRIBUTIONS*

1. National Instrument 44-101 Short Form Prospectus Distributions is amended by this Instrument.

2. Section 1.1 is amended by replacing the definition of "short form eligible exchange***" with the following:***

"short form eligible exchange" means each of the Toronto Stock Exchange, Tier 1 and Tier 2 of the TSX Venture Exchange, Aequitas Neo Exchange Inc., and the Canadian Securities Exchange;***.***

3. This Instrument comes into force on ●.

ANNEX C

PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 45-106 *PROSPECTUS AND REGISTRATION EXEMPTIONS*

1. National Instrument 45-106 Prospectus and Registration Exemptions is amended by this Instrument.

2. Section 2.22 is amended in paragraph (a) of the definition of "listed issuer***" by adding the following subparagraph:***

(ii.1) Aequitas Neo Exchange Inc.;.

3. This Instrument comes into force on ●.

ANNEX D

PROPOSED CHANGES TO
NATIONAL POLICY 46-201 *ESCROW FOR INITIAL PUBLIC OFFERINGS*

1. The changes proposed to National Policy 46-201 Escrow for Initial Public Offerings are set out in this annex.

2. Section 3.2 is changed by deleting **"**or**"** ***at the end of paragraph (a) and by adding the following paragraph:***

(a.i) has securities listed on Aequitas Neo Exchange Inc. and is a Closed End Fund, Exchange Traded Fund or Exchange Traded Product (as defined in the Aequitas Neo Exchange Inc. Listing Manual as amended from time to time); or***.***

3. Subsection 3.3(2) is changed by deleting "or***" at the end of paragraph (a), by adding*** **"**or**"** ***at the end of paragraph (b) and by adding the following paragraph:***

(c) has securities listed on Aequitas Neo Exchange Inc. and is not an exempt issuer.**.**

4. Subsection 4.4(1) is changed by replacing paragraph (a) with the following:

(a) lists its securities on the TSX or Aequitas Neo Exchange Inc.;**.**

5. Item 3 of Form 46-201F1 is changed in section 3.1 by replacing paragraph (a) with the following:

(a) lists its securities on the Toronto Stock Exchange Inc. or Aequitas Neo Exchange Inc.;**.**

6. These changes become effective on ●.

ANNEX E

PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 51-102 *CONTINUOUS DISCLOSURE OBLIGATIONS*

1. National Instrument 51-102 Continuous Disclosure Obligations is amended by this Instrument.

2. Section 1.1 is amended in the definition of "venture issuer***" by adding "***Aequitas Neo Exchange Inc.,***" after "***Toronto Stock Exchange,***".***

3. This Instrument comes into force on ●.

ANNEX F

PROPOSED AMENDMENTS TO
MULTILATERAL INSTRUMENT 51-105 *ISSUERS QUOTED IN THE U.S. OVER-THE-COUNTER MARKETS*

1. Multilateral Instrument 51-105 Issuers Quoted in the U.S. Over-the-Counter Markets is amended by this Instrument.

2. Section 1 is amended in paragraph (b) of the definition of "OTC issuer***" by adding the following subparagraph:***

(viii) Aequitas Neo Exchange Inc.;.

3. This Instrument comes into force on ●.

ANNEX G

PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 52-109 *CERTIFICATION OF DISCLOSURE IN ISSUERS' ANNUAL AND INTERIM FILINGS*

1. National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings is amended by this Instrument.

2. Section 1.1 is amended in the definition of "venture issuer***" by adding "***Aequitas Neo Exchange Inc.,***" after "***Toronto Stock Exchange,***".***

3. This Instrument comes into force on ●.

ANNEX H

PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 52-110 *AUDIT COMMITTEES*

1. National Instrument 52-110 Audit Committees is amended by this Instrument.

2. Section 1.1 is amended in the definition of "venture issuer***" by adding "***Aequitas Neo Exchange Inc.,***" after "***Toronto Stock Exchange,***".***

3. This Instrument comes into force on ●.

ANNEX I

PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 58-101 *DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES*

1. National Instrument 58-101 Disclosure of Corporate Governance Practices is amended by this Instrument.

2. Section 1.1 is amended in the definition of "venture issuer***" by adding "***Aequitas Neo Exchange Inc.,***" after "***Toronto Stock Exchange,***".***

3. Section 1.3 is amended by replacing paragraph (c) with the following:

(c) an exchangeable security issuer or credit support issuer that is exempt under sections 13.3 and 13.4 of NI 51-102, as applicable; and**.**

4. This Instrument comes into force on ●.

ANNEX J

PROPOSED AMENDMENTS TO
MULTILATERAL INSTRUMENT 61-101 *PROTECTION OF MINORITY SECURITY HOLDERS IN SPECIAL TRANSACTIONS*

1. Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions is amended by this Instrument.

2. Paragraph 4.4(1)(a) is amended by adding "Aequitas Neo Exchange Inc.,***" after "***Toronto Stock Exchange,***".***

3. Paragraph 5.5(b) is amended by adding "Aequitas Neo Exchange Inc.,***" after "***Toronto Stock Exchange,***".***

4. Subparagraph 5.7(1)(b)(i) is amended by adding "Aequitas Neo Exchange Inc.,***" after "***Toronto Stock Exchange,***".***

5. This Instrument comes into force on ●.

ANNEX K

PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 71-102 *CONTINUOUS DISCLOSURE AND OTHER EXEMPTIONS RELATING TO FOREIGN ISSUERS*

1. National Instrument 71-102 Continuous Disclosure and Other Exemptions Relating to Foreign Issuers is amended by this Instrument.

2. Section 1.1 is amended by replacing the definition of "marketplace***" with the following:***

"marketplace" has the same meaning as in National Instrument 21-101 *Marketplace Operation*;**.**

3. Section 4.7 is amended by replacing paragraph (2)(a) with the following:

(a) the aggregate published trading volume of the class on the TSX, Aequitas Neo Exchange Inc., the Canadian Securities Exchange and the TSX Venture Exchange exceeded the aggregate published trading volume of the class on all U.S. markets

(i) for the 12 calendar month period before commencement of the proxy solicitation, if there is no other proxy solicitation for securities of the same class in progress, or

(ii) for the 12 calendar month period before commencement of the first proxy solicitation, if another proxy solicitation for securities of the same class is already in progress;**.**

4. Section 5.8 is amended by replacing paragraph (2)(a) with the following:

(a) the aggregate published trading volume of the class on the TSX, Aequitas Neo Exchange Inc., the Canadian Securities Exchange and the TSX Venture Exchange exceeded the aggregate trading volume on securities marketplaces outside Canada

(i) for the 12 calendar months before commencement of the proxy solicitation, if there is no other proxy solicitation for securities of the same class in progress, or

(ii) for the 12 calendar month period before the commencement of the first proxy solicitation, if another proxy solicitation for securities of the same class is already in progress;**.**

5. This Instrument comes into force on ●.

ANNEX L

PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 81-101 *MUTUAL FUND PROSPECTUS DISCLOSURE*

1. National Instrument 81-101 Mutual Fund Prospectus Disclosure is amended by this Instrument.

2. Section 1.1 is amended by

(a) replacing the definition of "personal information form***" with the following:***

"personal information form" means one of the following:

(a) a completed Schedule 1 of Appendix A to National Instrument 41-101 *General Prospectus Requirements*;

(b) a completed TSX/TSXV personal information form submitted by an individual to the Toronto Stock Exchange or to the TSX Venture Exchange to which is attached a completed certificate and consent in the form set out in Schedule 1 — Part B of Appendix A to National Instrument 41-101 *General Prospectus Requirements*;

(c) a completed Aequitas personal information form submitted by an individual to Aequitas Neo Exchange Inc., to which is attached a completed certificate and consent in the form set out in Schedule 1 – Part B of Appendix A to National Instrument 41-101 *General Prospectus Requirements*;***, and***

(b) adding the following definition:

"Aequitas personal information form" means a personal information form for an individual pursuant to Aequitas Neo Exchange Inc. Form 3, as amended from time to time;**.**

3. This Instrument comes into force on ●.

ANNEX M

ONTARIO SECURITIES COMMISSION
NOTICE AND REQUEST FOR COMMENT

Ontario Proposed Amendment

In addition to the Proposed Amendments referred to in the CSA Notice and Request for Comment (the **CSA Notice**), the Ontario Securities Commission (the **OSC**) is also publishing for a 90-day comment period, a proposed amendment to the following (the **Ontario Proposed Amendment**):

- Ontario Securities Commission Rule 56-501 *Restricted Shares* (**OSC Rule 56-501**), as set out in Schedule 1 to this Annex.

Substance and Purpose

The following sections in the CSA Notice in respect of the Proposed Amendments also apply to the Ontario Proposed Amendment:

- Substance and Purpose,
- Background,
- Anticipated Costs and Benefits,
- Alternatives Considered,
- Unpublished Materials, and
- Request for Comments.

Summary of the Ontario Proposed Amendment

The Ontario Proposed Amendment revises the list of exchanges described under subsection 2.2(1) of OSC Rule 56-501 to include the Toronto Stock Exchange, the TSX Venture Exchange, the Canadian Securities Exchange and Aequitas Neo Exchange Inc. Subsection 2.2(1) of OSC Rule 56-501 provides for the disclosure of the appropriate restricted share term if restricted shares and the appropriate restricted share term, or a code reference to restricted shares or the appropriate restricted share term, are included in a trading record published by an exchange described in such subsection.

Authority

In Ontario, the following provisions of the *Securities Act* (the **Act**) provide the OSC with the authority to make the Proposed Amendments and the Ontario Proposed Amendment:

- Paragraph 143(1)13 of the Act authorizes the OSC to make rules regulating trading or advising in securities to prevent trading or advising that is fraudulent, manipulative, deceptive or unfairly detrimental to investors.
- Paragraph 143(1)15 of the Act, which authorizes the OSC to make rules prescribing categories or subcategories of issuers for purposes of the prospectus requirements under the Act, the regulations and the rules and classifying issuers into categories or subcategories.
- Paragraph 143(1)16 of the Act, which authorizes the OSC to make rules regulating in respect of, or varying the Act to facilitate, expedite or regulate in respect of, the distribution of securities, or the issuing of receipts.
- Paragraph 143(1)22 of the Act, which authorizes the OSC to make rules prescribing requirements in respect of the preparation and dissemination and other use, by reporting issuers, of documents providing for continuous disclosure that are in addition to the requirements under the Act.
- Paragraph 143(1)24 of the Act, which authorizes the OSC to make rules requiring issuers or others to comply, in whole or in part, with Part XVIII (Continuous Disclosure), or rules made under paragraph 22.
- Paragraph 143(1)25 of the Act, which authorizes the Commission to prescribe requirements in respect of financial accounting, reporting and auditing for the purposes of the Act, the regulations and the rules.

- Paragraph 143(1)28 authorizes the Commission to make rules to regulate issuer bids, insider bids, going private transactions and related party transactions, including, in clause v, prescribing requirements for disclosure, valuations, review by independent committees of boards of directors and approval by minority security holders.

- Paragraph 143(1)31 of the Act, which authorizes the OSC to make rules regulating investment funds and the distribution and trading of the securities of investment funds.

- Paragraph 143(1)37 of the Act authorizes the OSC to make rules regulating labour sponsored investment fund corporations registered under Part III (Labour Sponsored Investment Fund Corporations) of the *Community Small Business Investment Funds Act*, and the distribution and trading of the securities of the corporations and varying the Act in respect of the corporations and requiring or prohibiting the use of particular forms or types of offering documents in respect of the securities of the corporation and prescribing disclosure requirements for or in respect of the securities of the corporations.

- Paragraph 143(1)39 of the Act, which authorizes the OSC to make rules requiring or respecting the media, format, preparation, form, content, execution, certification, dissemination and other use, filing and review of all documents required under or governed by the Act, the regulations or the rules and all documents determined by the regulations or the rules to be ancillary to the documents.

- Paragraph 143(1)45 of the Act, which authorizes the OSC to establish requirements for and procedures in respect of the use of an electronic or computer-based system for the filing, delivery or deposit of documents or information.

- Paragraph 143(1)56 of the Act, which authorizes the OSC to make rules providing for exemptions from or varying any or all time periods in the Act.

SCHEDULE 1

ONTARIO SECURITIES COMMISSION RULE 56-501
RESTRICTED SHARES

Ontario Amendment Instrument

1. Ontario Securities Commission Rule 56-501 Restricted Shares is amended by this Instrument.

2. Section 2.2 is amended by replacing subsection (1) with the following:

(1) If restricted shares and the appropriate restricted share term, or a code reference to restricted shares or the appropriate restricted share term, are included in a trading record published by The Toronto Stock Exchange, the TSX Venture Exchange, the Canadian Securities Exchange or Aequitas Neo Exchange Inc., the appropriate restricted share term shall be included in

(a) any confirmation sent in accordance with section 36 of the Act in respect of transactions in restricted shares;

(b) any statement of transactions or security positions sent by a registered dealer to a customer that refers to restricted shares; and

(c) all recommendations, selling documents and other literature prepared by or on behalf of a registered dealer or adviser and published by a registered dealer or adviser or sent by a registered dealer or adviser to a customer or potential customer that refer to restricted shares..

3. This Instrument comes into force on ●.

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 8

Notice of Exempt Financings

REPORT OF TRADES ON FORM 45-106F1 AND 45-501F1

There are no Reports of Exempt Distribution on Forms 45-106F1 or 45-501F1 (Reports) in this Bulletin.

Reports filed on or after February 19, 2014 must be filed electronically.

As a result of the transition to mandated electronic filings, the OSC is considering the most effective manner to make data about filed Reports available to the public, including whether and how this information should be reflected in the Bulletin. In the meantime, Reports filed with the Commission continue to be available for public inspection during normal business hours.

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Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
AGF European Equity Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectus dated December 1, 2014
NP 11-202 Receipt dated December 2, 2014
Offering Price and Description:
Series S Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
AGF Investments Inc.
Project #2288905

Issuer Name:
Blackbird Energy Inc.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated December 5, 2014
NP 11-202 Receipt dated December 5, 2014
Offering Price and Description:
$32,000,120.00 - 110,345,241 Common Shares Issuable on Exercise of 110,345,241 Outstanding Special Warrants
Price: $0.29 per Special Warrant
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
Raymond James Ltd.
Haywood Securities Inc.
TD Securities Inc.
Cormark Securities Inc.
Jennings Capital Inc.
Promoter(s):
-
Project #2290863

Issuer Name:
Brookfield Infrastructure Finance Limited
Brookfield Infrastructure Finance LLC
Brookfield Infrastructure Finance Pty Ltd
Brookfield Infrastructure Finance ULC
Brookfield Infrastructure Preferred Equity Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Base Shelf Prospectus dated December 4, 2014
NP 11-202 Receipt dated December 4, 2014
Offering Price and Description:
C$1,000,000,000 - Debt Securities
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2290425; 2290430; 2290427; 2290428;2290433

Issuer Name:
Cameco Corporation
Principal Regulator - Saskatchewan
Type and Date:
Preliminary Base Shelf Prospectus dated December 2, 2014
NP 11-202 Receipt dated December 2, 2014
Offering Price and Description:
$1,000,000,000 - COMMON SHARES, FIRST PREFERRED SHARES, SECOND PREFERRED SHARES, WARRANTS, SUBSCRIPTION RECEIPTS, DEBT SECURITIES
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2289835

Issuer Name:
CI Investments Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Base Shelf Prospectus dated December 5, 2014
NP 11-202 Receipt dated December 5, 2014
Offering Price and Description:
$1,000,000,000 - Debt Securities (unsecured)
Fully and unconditionally guaranteed by CI FINANCIAL CORP.
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2290808

Issuer Name:
Dominion General Investment Corporation
Principal Regulator - Ontario
Type and Date:
Preliminary CPC Prospectus dated December 4, 2014
NP 11-202 Receipt dated December 5, 2014
Offering Price and Description:
Minimum Offering: $500,000 - 500,000 Common Shares
Maximum Offering: $4,750,000 - 4,750,000 Common Shares
Price: $1.00 per Common Share
Underwriter(s) or Distributor(s):
Hapmton Securities Limited
Promoter(s):
Anton Konovalov
Project #2290640

Issuer Name:
Financial 15 Split Corp.
Principal Regulator - Ontario
Type and Date:
Amended and Restated Preliminary Short Form Prospectus dated December 2, 2014
NP 11-202 Receipt dated December 2, 2014
Offering Price and Description:
$38,295,250.00 - 1,939,000 Preferred Shares and 1,939,000 Class A Shares
Prices: $10.00 per Preferred Share and $9.75 per Class A Share
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
CIBC World Markets Inc.
RBC Dominion Securities
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
GMP Securities L.P.
Canaccord Genuity Corp.
Raymond James Ltd.
Promoter(s):
-
Project #2288583

Issuer Name:
GuestLogix Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated December 8, 2014
NP 11-202 Receipt dated December 8, 2014
Offering Price and Description:
$19,000,000 - 20,000,000 Subscription Receipts, each representing the right to receive one Common Share
Price: $0.95 per Subscription Receipt
and
$20,000,000 - 7.00% Extendible Convertible Unsecured Subordinated Debentures
Price: $1,000 per Debenture
Underwriter(s) or Distributor(s):
NATIONAL BANK FINANCIAL INC.
CIBC WORLD MARKETS INC.
BEACON SECURITIES LIMITED
CANACCORD GENUITY CORP.
CORMARK SECURITIES INC.
GMP SECURITIES L.P.
MACKIE RESEARCH CAPITAL CORPORATION
Promoter(s):
-
Project #2289965

Issuer Name:
IBI Group Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated December 3, 2014
NP 11-202 Receipt dated December 3, 2014
Offering Price and Description:
Issue of $3,551,440 principal amount 7.0% Unsecured Subordinated Notes in Connection with the Amendment of Convertible Debentures

Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2290164

Issuer Name:
Liquor Stores N.A. Ltd.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated December 5, 2014
NP 11-202 Receipt dated December 5, 2014
Offering Price and Description:
$50,029,750 - 3,415,000 Common Shares
Price: $14.65 per Common Share
Underwriter(s) or Distributor(s):
Scotia Capital Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
National Bank Financial Inc.
Cormark Securities Inc.
PI Financial Corp.
HSBC Securities (Canada) Inc.
Promoter(s):
-
Project #2289134

Issuer Name:
North American Palladium Ltd.
Principal Regulator - Ontario
Type and Date:
Preliminary Base Shelf Prospectus dated December 5, 2014
NP 11-202 Receipt dated December 5, 2014
Offering Price and Description:
US$150,000,000.00
Common Shares
Debt Securities
Warrants
Subscription Receipts
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2290832

Issuer Name:
NYX Gaming Group Limited
Principal Regulator - Ontario
Type and Date:
Amended and Restated Preliminary Long Form Prospectus dated December 5, 2014
NP 11-202 Receipt dated December 8, 2014
Offering Price and Description:
$ * - * Shares
Price: $ * per Share
Underwriter(s) or Distributor(s):
CANACCORD GENUITY CORP.
CORMARK SECURITIES INC.
NATIONAL BANK FINANCIAL INC.
DUNDEE SECURITIES LTD.
GLOBAL MAXFIN CAPITAL INC.
MACKIE RESEARCH CAPITAL CORPORATION
Promoter(s):
-
Project #2282101

Issuer Name:
Blue Ribbon Income Fund
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated December 5, 2014
NP 11-202 Receipt dated December 5, 2014
Offering Price and Description:
Maximum $40,150,000 - 3,650,000 Units @ $11 per unit
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
National Bank Financial Inc.
TD Securities Inc.
Desjardins Securities Inc.
GMP Securities L.P.
Raymond James Ltd.
Canaccord Genuity Corp.
Dundee Securities Ltd.
Haywood Securities Inc.
Industrial Alliance Securities Inc.
Mackie Research Capital Corporation
Promoter(s):
-
Project #2286954

Issuer Name:
ESSA Pharma Inc.
Principal Regulator - British Columbia
Type and Date:
Final Long Form Prospectus dated December 5, 2014
NP 11-202 Receipt dated December 8, 2014
Offering Price and Description:
$1,359,280
679,640 Preferred Shares Issuable on Exercise of 679,640 Outstanding Special Warrants
Underwriter(s) or Distributor(s):
Haywood Securities Inc.
Promoter(s):
-
Project #2270343

Issuer Name:
Mackenzie Emerging Markets Opportunities Class
(formerly Mackenzie Cundill Emerging Markets Class)
(Series A, D, F, O, PW, PWF and PWX securities)
(A Class of Mackenzie Financial Capital Corporation)
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated November 21, 2014 to the Simplified Prospectus and Annual Information Form dated September 29, 2014
NP 11-202 Receipt dated December 3, 2014
Offering Price and Description:
Series A, D, F, O, PW, PWF and PWX securities
Underwriter(s) or Distributor(s):
Quadrus Investment Services Ltd.
LBC Financial Services Inc.
Promoter(s):
Mackenzie Financial Corporation
Project #2245861

Issuer Name:
Marquest Canadian Fixed Income Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated December 1, 2014
NP 11-202 Receipt dated December 2, 2014
Offering Price and Description:
Class A and F units
Underwriter(s) or Distributor(s):
-
Promoter(s):
Marquest Asset Management Inc.
Project #2257134

Issuer Name:
Mira VI Acquisition Corp.
Principal Regulator - Ontario
Type and Date:
Final CPC Prospectus dated December 2, 2014
NP 11-202 Receipt dated December 3, 2014
Offering Price and Description:
$250,000.00 (2,500,000 Common Shares) - Price: $0.10 per Common Share
Underwriter(s) or Distributor(s):
Richardson GMP Limited
Promoter(s):
Ronald D. Schmeichel
Project #2279873

Issuer Name:
Next Edge Theta Yield Fund
Next Edge Bio-Tech Plus Fund
(Class A, Class A1, Class F and Class F1 Units)
Principal Regulator - Ontario
Type and Date:
Final Simplified dated December 1, 2014
NP 11-202 Receipt dated December 2, 2014
Offering Price and Description:
Class A, A1, F and F1 units @ net asset value
Underwriter(s) or Distributor(s):
-
Promoter(s):
Next Edge Capital Corp.
Project #2259775

Issuer Name:
Revive Therapeutics Ltd.
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated December 4, 2014
NP 11-202 Receipt dated December 5, 2014
Offering Price and Description:
Maximum Offering: C$5,000,000.00
Minimum Offering: C$2,500,000.00
Price: C$0.60 per Unit
Underwriter(s) or Distributor(s):
Beacon Securities Limited
Promoter(s):
-
Project #2273895

Issuer Name:
Scotia Private International Core Equity Pool
(Series I and Series M units)
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated November 28, 2014 to the Simplified Prospectus and Annual Information Form dated November 12, 2014
NP 11-202 Receipt dated December 8, 2014
Offering Price and Description:
Series I and Series M units
Underwriter(s) or Distributor(s):
Scotia Securities Inc.
Promoter(s):
1832 Asset Management L.P.
Project #2263083, 2263109,2263127

Issuer Name:
The Toronto-Dominion Bank
Principal Regulator - Ontario
Type and Date:
Final Base Shelf Prospectus dated December 4, 2014
NP 11-202 Receipt dated December 4, 2014
Offering Price and Description:
$10,000,000,000.00 - Securities (subordinated indebtedness), Common Shares, Class A First Preferred Shares, Warrants to Purchase Preferred Subscription Receipts
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2271176

Issuer Name:
Union Gas Limited
Principal Regulator - Ontario
Type and Date:
Final Base Shelf Prospectus dated December 4, 2014
NP 11-202 Receipt dated December 4, 2014
Offering Price and Description:
$1,500,000,000.00 - MEDIUM TERM NOTE DEBENTURES (UNSECURED)
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
Scotia Capital Inc.
TD Securities Inc.
Promoter(s):
-
Project #2282144

Issuer Name:
VPI Canadian Equity Pool
Series A Units, Series B Units, Series F Units, and Cardinal Series Units
Principal Regulator - Manitoba
Type and Date:
Amendment #1 dated November 21, 2014 to the Simplified Prospectus, Annual Information Form and Fund Facts dated June 20, 2014
NP 11-202 Receipt dated December 5, 2014
Offering Price and Description:
Series A Units, Series B Units, Series F Units, and Cardinal Series Units @ Net Asset Value
Underwriter(s) or Distributor(s):
-
Promoter(s):
Value Partners Investments Inc.
Project #2214158

Issuer Name:
Westcoast Energy Inc.
Principal Regulator - British Columbia
Type and Date:
Final Base Shelf Prospectus dated December 4, 2014
NP 11-202 Receipt dated December 4, 2014
Offering Price and Description:
Medium Term Note Debentures
(Unsecured)
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
Scotia Capital Inc.
TD Securities Inc.
Promoter(s):
-
Project #2282229

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Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Change in Registration Category	Arrow Capital Management Inc.	From: Investment Fund Manager, Exempt Market Dealer, Portfolio Manager, Commodity Trading Manager and Mutual Fund Dealer To: Investment Fund Manager, Exempt Market Dealer, Portfolio Manager and Commodity Trading Manager	December 3, 2014
New Business	Ascend Capital, LLC	Portfolio Manager	December 5, 2014

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Chapter 13

SROs, Marketplaces, Clearing Agencies and Trade Repositories

13.2 Marketplaces

13.2.1 Liquidnet Canada – Notice of Approval of Proposed Changes

LIQUIDNET CANADA

NOTICE OF APPROVAL OF PROPOSED CHANGES

On December 4, 2014, the Ontario Securities Commission (OSC) approved changes proposed by Liquidnet Canada. The changes approved include:

- Indications manually added to the pool will default to “active” status;
- Indications ineligible to trade default to “outside” status;
- Automatic conversion of indications to “outside” status;
- Removing restriction to allow liquidity partners (LPs) to submit directed orders; and
- Addition of closing price negotiation proposals.

A notice requesting feedback on the proposed changes was published on the OSC website and in the OSC Bulletin on October 23, 2014, at (2014), 37 OSCB 9648. No comments were received on the proposed changes.

Liquidnet Canada will publish a notice indicating the date of implementation of the approved changes.

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Chapter 25

Other Information

25.1 Consents

25.1.1 First Sahara Energy Inc. – s. 4(b) of the Regulation

Headnote

Consent given to an offering corporation under the Business Corporations Act (Ontario) to continue under the laws of the province of Alberta.

Statutes Cited

Business Corporations Act, R.S.O. 1990, c. B.16, as am., s. 181.
Securities Act, R.S.O. 1990, c. S.5, as am.

Regulations Cited

Regulation made under the Business Corporations Act, Ont. Reg. 289/00, as am., s. 4(b).

IN THE MATTER OF
R.R.O 1990, REGULATION 289/00, AS AMENDED
(the "Regulation")
MADE UNDER THE BUSINESS CORPORATIONS ACT (ONTARIO),
R.S.O. 1990, c.B.16, AS AMENDED
(the "OBCA")

AND

IN THE MATTER OF
FIRST SAHARA ENERGY INC.

CONSENT
(Subsection 4(b) of the Regulation)

UPON the application (the "**Application**") of First Sahara Energy Inc. (the "**Applicant**") to the Ontario Securities Commission (the "**Commission**") requesting the consent from the Commission for the Applicant to continue in another jurisdiction (the "**Continuance**"), as required by clause 4(b) of the Regulation;

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

AND UPON the Applicant having represented to the Commission that:

1. The Applicant was incorporated under the OBCA by articles of incorporation effective March 11, 2003.

2. The Applicant's registered office is located at 200 Bay Street, Royal Bank Plaza, South Tower, Suite 3800, Toronto, Ontario M5J 2Z4. The Applicant's head office is located at 580 Hornby Street, Suite 430, Vancouver, British Columbia V6C 3B6.

3. The Applicant's authorized share capital consists of an unlimited number of common shares ("**Common Shares**") of which 80,666,764 Common Shares are issued and outstanding as of the date hereof. The Common Shares are listed for trading on the Canadian Securities Exchange.

4. The general nature of the Applicant's business is an oil and gas exploration company with properties and interests in eastern Canada.

5. The Applicant proposes to make an application to the Director under the OBCA pursuant to section 181 of the OBCA (the "**Application for Continuance**") for authorization to continue as a company under the *Business Corporations Act* (Alberta) R.S.A. 2000, c. B-9 (the "**ABCA**").

6. Pursuant to clause 4(b) of the Regulation, where a corporation is an "offering corporation" under the OBCA, the Application for Continuance must be accompanied by a consent from the Commission.

7. The Applicant is an "offering corporation" under the OBCA and is a reporting issuer within the meaning of the Securities Act, R.S.O. 1990, c. S.5, as amended (the "**Act**"). The Applicant is a reporting issuer in the jurisdictions of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia and Prince Edward Island. The Applicant is not a reporting issuer in any other jurisdiction. The Applicant's principal regulator is British Columbia. The Applicant intends to remain a reporting issuer under the Act following the Continuance.

8. The Applicant is not in default of any of the provisions of the OBCA, the securities legislation of any jurisdiction in Canada or the regulations or rules made under the securities legislation of any jurisdiction in Canada.

9. The Applicant is not a party to any proceeding or, to the best of its knowledge, information and belief, pending proceeding under the OBCA or the securities legislation of any jurisdiction in Canada.

10. The holders of Common Shares of the Applicant authorized the Continuance of the Applicant at a special meeting of shareholders (the "**Meeting**") held on October 10, 2014. The special resolution authorizing the Continuance was approved at the Meeting by 99.92% of the votes cast.

11. The management information circular of the Applicant dated September 8, 2014 (the "**Circular**") provided to all shareholders of the Applicant in connection with the Meeting included full disclosure of the reasons for, and the implications of, the proposed Continuance, including a summary of the material differences between the OBCA and the applicable provisions of the ABCA. The Circular was mailed on September 18, 2014 to shareholders of record on September 8, 2014.

12. The Applicant's shareholders had the right to dissent with respect to the proposed Continuance pursuant to section 185 of the OBCA, and the Circular disclosed full particulars of this right in accordance with the applicable law. None of the shareholders of the Applicant exercised dissent rights pursuant to section 185 of the OBCA.

13. The board of directors considers it to be in the best interest of the Applicant to continue under the ABCA because the location of the Applicant's Canadian counsel is in Alberta and the Continuance will result in administrative efficiencies and lower costs to the Applicant.

14. The material rights, duties and obligations of a corporation governed by the ABCA are substantially similar to those of a corporation governed by the OBCA.

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

THE COMMISSION HEREBY CONSENTS to the continuance of the Applicant as a company under the ABCA.

DATED at Toronto, Ontario this 25th day of November, 2014.

"James Turner"
Ontario Securities Commission

"Deborah Leckman"
Ontario Securities Commission

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