



Ontario  
Securities  
Commission

Commission des  
valeurs mobilières  
de l'Ontario

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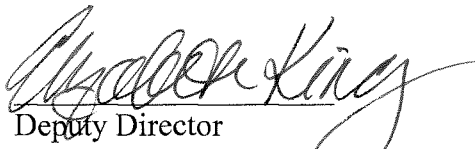
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Web site: [www.osc.gov.on.ca](http://www.osc.gov.on.ca)


Agreement to Resolve an Opportunity to be Heard (OTBH)  
Between Staff of the Ontario Securities Commission (Staff)  
and  
Ontario Wealth Management Corporation (OWMC)

1. OWMC seeks to voluntarily surrender its Exempt Market Dealer (EMD) registration and in accordance with the usual and customary process under the *Act* has consented to the suspension of its registration pending surrender. The firm has voluntarily ceased operating as an EMD and has agreed to commence the process for surrendering its EMD registration in light of Staff's ongoing concerns with the company's EMD compliance obligations.
2. Staff's compliance concerns related to the appropriate suitability assessments for some trades, the adequacy of know-your-client (KYC) data collected, the appropriate handling of client-directed trades, dealer obligations on the sale of US syndicated mortgages, reliance on prospectus exemptions and the sufficiency of the system of controls and supervision to provide reasonable assurance that the firm and each individual acting on its behalf complies with securities legislation.
3. While there is disagreement between Staff and the company as to the factual and legal underpinnings of some of these issues, the firm recognizes that it is the interests of its EMD clients that it no longer operate as an EMD.

4. Staff agrees that the commencement of the surrender process is an appropriate way to address Staff's compliance concerns.
  
5. Staff did not raise any concerns about the underlying investment product offered by the Owemanco Mortgage Trust (the Trust). The Trust continues to operate and units in the Trust are being sold to investors using a third-party independent EMD.
  
6. Staff and OWMC acknowledge that if the Director does not accept this Agreement:
  - (a) this agreement and all discussions and negotiations between Staff and OWMC in relation to this matter shall be without prejudice to the parties; and
  - (b) OWMC will be entitled to an OTBH in accordance with section 31 of the Act in respect of any recommendation that may be made by Staff regarding its registration status.
  
7. The parties agree that this Agreement, and any Director's decision approving of it, will be published on the OSC's website and in the OSC Bulletin

  
Deputy Director  
Compliance and Registrant Regulation  
November 28, 2019

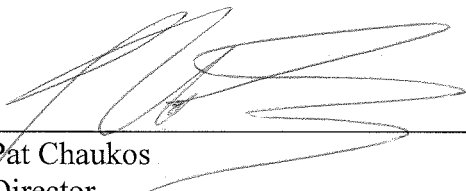
Ontario Wealth Management Corporation

  
Graham Tobe  
November 28, 2019

I approve the attached *Agreement to Resolve an Opportunity to be Heard*.

I do not approve the attached *Agreement to Resolve an Opportunity to be Heard*.

Dated this 20<sup>th</sup> day of December, 2019

  
\_\_\_\_\_  
Pat Chaukos  
Director

