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Chapter 1

Notices

1.4 Notices from the Office of the Secretary

1.4.1 Natural Bee Works Apiaries Inc. et al.

FOR IMMEDIATE RELEASE

April 3, 2019

**NATURAL BEE WORKS APIARIES INC.,
RINALDO LANDUCCI and
TAWLIA CHICKALO,
File No. 2018-40**

TORONTO – The Commission issued an Order in the above named matter.

A copy of the Order dated April 3, 2019 is available at www.osc.gov.on.ca.

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1.4.2 3iQ Corp. and the Bitcoin Fund

FOR IMMEDIATE RELEASE

April 5, 2019

**3IQ CORP. and
THE BITCOIN FUND,
File No. 2019-7**

TORONTO – The Commission issued an Order in the above named matter.

A copy of the Order dated April 5, 2019 is available at www.osc.gov.on.ca.

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1.4.3 MOAG Copper Gold Resources Inc. et al.

FOR IMMEDIATE RELEASE
April 9, 2019

**MOAG COPPER GOLD RESOURCES INC.,
GARY BROWN and
BRADLEY JONES,
File No. 2018-41**

TORONTO – The Commission issued an Order in the above named matter.

A copy of the Order dated April 9, 2019 is available at www.osc.gov.on.ca.

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Ninepoint Partners LP and the Top Funds

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief from the conflict of interest restrictions in the Securities Act (Ontario) and the self-dealing prohibitions in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations to permit fund-on-fund structures involving pooled funds under common management subject to conditions.

Applicable Legislative Provisions

Securities Act (Ontario) R.S.O. 1990, c. S.5, as am., ss. 111(2)(b), 111(2)(c), 111(4), 113, 117(1), 117(2).

February 15, 2019

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
NINEPOINT PARTNERS LP

AND

IN THE MATTER OF
THE TOP FUNDS
(as defined below)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from Ninepoint Partners LP on behalf of each of the Top Funds (as defined below) for a decision under the securities legislation of the principal regulator (the **Legislation**) in respect of the Fund-on-Fund Structure (as defined below) exempting:

- (a) the Top Funds from the restriction in the Legislation that prohibits an investment fund from knowingly making an investment in any person or company in which the investment fund, alone or together with one or more related investment funds, is a substantial securityholder;
- (b) the Top Funds from the restriction in the Legislation that prohibits an investment fund, its management company or its distribution company from knowingly holding an investment described in paragraph (a) (collectively, the **Investment Restrictions**); and

- (c) the Filer (as defined below) from the reporting obligations in the Legislation in connection with the transactions referred to in (a) and (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 the Application; and
- (b) the Filer has provided notice that Section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in each of the provinces of Alberta, British Columbia, New Brunswick, Newfoundland, Nova Scotia and Saskatchewan.

Interpretation

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

Act means the *Securities Act* (Ontario);

Existing Funds means each pooled fund, being an investment fund that is not a reporting issuer, of which the Filer currently acts as manager and/or portfolio manager as set out in Exhibit A hereto;

Existing NI 81-102 Fund means each existing NI 81-102 Fund, being an investment fund that is a reporting issuer and subject to NI 81-102 of which the Filer currently acts as manager and/or portfolio adviser;

Filer means Ninepoint Partners LP or any affiliate of Ninepoint Partners LP;

Funds means, collectively, the NI 81-102 Funds and the Pooled Funds (individually, a **Fund**);

Future NI 81-102 Fund means each future NI 81-102 Fund, being an investment fund that is or will be a reporting issuer and subject to NI 81-102 of which the Filer will act as manager or portfolio adviser in the future;

Future Pooled Fund means each pooled fund, being an investment fund that is not or will not be a reporting issuer, which is established, advised or managed by the Filer in the future;

NI 81-102 means National Instrument 81-102 - *Investment Funds*;

NI 81-102 Funds means, collectively, the Existing NI 81-102 Funds and the Future NI 81-102 Funds (individually, each an **NI 81-102 Fund**);

NI 81-106 means National Instrument 81-106 - *Investment Fund Continuous Disclosure*;

Pooled Funds means, collectively, the Existing Funds and the Future Pooled Funds (individually, each a Pooled Fund);

Top Funds means, collectively, one or more Pooled Funds as further defined in Representation 11 (each a **Top Fund**).

REPRESENTATIONS

The decision is based on the following facts represented by Ninepoint Partners LP:

Ninepoint Partners LP

1. Ninepoint Partners LP is a limited partnership formed and organized under the laws of the Province of Ontario. The general partner of Ninepoint Partners LP is Ninepoint Partners GP Inc., a corporation incorporated under the laws of the Province of Ontario. The head office of Ninepoint Partners LP is located in Ontario.
2. Ninepoint Partners LP is registered as (i) an investment fund manager in Ontario, Quebec and Newfoundland and Labrador, (ii) a portfolio manager in Ontario, British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia and Newfoundland and Labrador, and (iii) an exempt market dealer in Ontario, British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Newfoundland and Labrador and Quebec. Neither the Filer nor any of the Funds currently managed by the Filer is in default of securities legislation in any province or territory of Canada.

3. Ninepoint Partners LP became the manager and portfolio adviser of the Existing Funds when the management agreements relating to the Existing Funds were transferred to the Filer by Sprott Asset Management LP pursuant to an Asset Purchase Agreement among, *inter alia*, Sprott Asset Management LP, Sprott Private Wealth LP and Ninepoint Financial Group Inc. (formerly 2568004 Ontario Inc.) dated April 10, 2017, as filed on SEDAR under the profile of Sprott Inc., as the same may be amended, supplemented or modified from time to time in accordance with its terms.

Existing Relief

4. Each of the Existing Funds obtained the same relief as the Requested Relief evidenced by a decision dated July 27, 2010 (the **Specified Prior Relief**). Ninepoint Partners LP, as the current manager of the Existing Funds, is now seeking to obtain the Requested Relief in a separate, new decision, reflecting itself as the current manager of the Existing Funds, and on behalf of the Future Pooled Funds the Filer may establish in the future.
5. Should the Requested Relief be granted, neither the Filer or the Top Funds will rely on the Specified Prior Relief. The Specified Prior Relief will continue to apply to existing and future investment funds managed by Sprott Asset Management LP.

The Funds

6. Each of the NI 81-102 Funds is, or will be, an open-ended mutual fund trust or other trust established under the laws of the Province of Ontario, a mutual fund corporation or other corporation established under the laws of the Province of Ontario or of Canada or a limited partnership established under the laws of the Province of Ontario. Each of the NI 81-102 Funds is, or will be, a reporting issuer in Ontario and/or at least one of the other provinces and territories of Canada.
7. Each of the Pooled Funds is, or will be, a limited partnership, corporation or a trust and will not be a reporting issuer. Securities of each Pooled Fund, if distributed in Canada, will be distributed only to 'accredited investors' within the meaning of National Instrument 45-106 *Prospectus Exemptions*, or to other investors pursuant to exemptions from the prospectus requirement.
8. Each Fund is, or will be, an "investment fund" for the purposes of the Legislation.
9. The Filer is, or will be, the manager and/or portfolio adviser for the Funds.
10. Securities of each of the Pooled Funds, if distributed in Canada, are or will be offered on a private placement basis to qualified investors pursuant to available exemptions from the prospectus requirements under Canadian securities legislation.
11. The assets of each Top Fund (only if such Top Fund holds securities other than securities of an Underlying Fund) and each Underlying Fund will be held by an entity that meets the qualifications of section 6.2 of NI 81-102 (for assets held in Canada) or an entity that meets the qualifications of section 6.3 of NI 81-102 (for assets held outside Canada).
12. The Filer has developed a marketplace niche with respect to pooled funds that invest more than 10% of their assets in "illiquid assets". The Existing Funds currently have over 12,000 aggregate investors and over \$1 billion in aggregate net asset values and, in reliance on the Specified Prior Relief, have been investing in "illiquid assets" for many years.
13. Given this sizable investor and asset base it not practical for the Existing Funds to alter their investment strategies in order to limit the amount of "illiquid assets" held by the Existing Funds. The Filer is of the view that any such alteration would be detrimental to existing investors in the Existing Funds.

Fund-on-Fund Structure

14. The Pooled Funds will invest directly in a portfolio of securities that is consistent with each Pooled Fund's investment strategy, however, the Filer may determine it would be in the best interest of a Pooled Fund (a **Top Fund**) to invest a portion of its portfolio in an underlying NI 81-102 Fund or Pooled Fund (the **Underlying Funds**) to achieve its investment objective on a more cost effective basis instead of directly purchasing individual securities (the **Fund-on-Fund Structure**). The Filer believes that the Fund-on-Fund Structure provides an efficient and cost-effective manner of achieving the investment objective and asset mix allocation on behalf of the Top Funds rather than through the direct purchase of individual securities and will not be detrimental to the interests of other securityholders of the Underlying Funds.
15. The Underlying Funds that are NI 81-102 Funds will primarily hold publicly traded securities and will not hold greater than 10% of their assets in 'illiquid assets' as defined in National Instrument 81-102 *Investment Funds*.

16. No Underlying Fund will be a Top Fund.
17. An investment in an Underlying Fund by a Top Fund will be effected at an objective price. According to the Filer's policies and procedures, an objective price for this purpose, will be the net asset value per security of the applicable class or series of the applicable Underlying Fund, calculated in accordance with section 14.2 of NI 81-106.
18. The amounts invested, from time to time, in an Underlying Fund by one or more of the Top Funds, may exceed 20% of the outstanding voting securities of any single Underlying Fund. Accordingly, each Top Fund could, either alone or together with other Top Funds, become a substantial securityholder of an Underlying Fund.
19. Each Underlying Fund has, or is expected to have, other investors in addition to the Top Funds.
20. With respect to a Top Fund that is a Future Pooled Fund, the corresponding Underlying Fund(s) will have matching or more frequent redemption and valuation cycles compared to the redemption and valuation cycles of such Top Fund.
21. The Top Funds and Underlying Funds will prepare annual audited financial statements and interim financial reports in accordance with NI 81-106 and will otherwise comply with the requirements of NI 81-106.
22. In the absence of the Requested Relief, the Top Funds would be precluded by the Investment Restrictions from implementing the Fund-on-Fund Structure. Specifically, a Top Fund would be prohibited from becoming a substantial security holder of an Underlying Fund, either alone or together with related investment funds.
23. The Fund-on-Fund Structure represents the business judgment of responsible persons as of the date hereof, uninfluenced by considerations other than the best interests of the Top Funds. The "responsible persons" of the Filer with respect to the Fund-on-Fund Structure are the executive committee of the Filer, which includes the lead portfolio

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.

- (a) The decision of the principal regulator under the Legislation is that the Requested Relief is granted provided that: securities of a Top Fund are distributed in Canada solely pursuant to exemptions from the prospectus requirement under applicable securities legislation;
- (b) an investment by a Top Fund in an Underlying Fund is consistent with the fundamental investment objectives and strategy of the Top Fund;
- (c) an investment in an Underlying Fund by a Top Fund will be effected at an objective price, calculated in accordance with section 14.2 of NI 81-106;
- (d) a Top Fund will not invest in an Underlying Fund, unless the Underlying Fund complies with the provisions of NI 81-106 that apply to a "mutual fund in Ontario" as defined in the Act;
- (e) no Top Fund will purchase or hold a security of an Underlying Fund unless at the time of purchasing securities of the Underlying Fund, the Underlying Fund holds no more than 10% of its net asset value in securities of other mutual funds, unless the Underlying Fund:
 - (i) is a clone fund (as defined in NI 81-102);
 - (ii) purchases or holds securities of a "money market fund" (as defined in NI 81-102); or
 - (iii) purchases or holds securities that are "index participation units" (as defined by NI 81102) issued by an investment fund;

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;

no sales fee or redemption fees are payable by a Top Fund in relation to its purchases or redemptions of securities of an Underlying Fund that, to a reasonable person, would duplicate a fee payable by an investor in the Top Fund, other than brokerage fees incurred for the purchase or sale of an index participation unit issued by an investment fund;

- (h) the Filer does not cause the securities of an Underlying Fund held by a Top Fund to be voted at any meeting of the holders of such securities, except that the Filer may arrange for the securities the Top Fund holds in the Underlying Fund to be voted by the beneficial owners of the securities of the Top Fund, who are not the Filer or an officer, director or substantial security holder of the Filer;
- (i) when purchasing and/or redeeming securities of an Underlying Fund, the Filer shall, as investment fund manager of the applicable Top Fund and Underlying Fund, act honestly, in good faith and in the best interests of the Top Fund and the Underlying Fund, respectively, and shall exercise the care and diligence that a reasonably prudent person would exercise in comparable circumstances;
- (j) a disclosure document, including an offering memorandum where available, of a Top Fund shall be provided to each investor in a Top Fund prior to the time of the investor's investment, and shall disclose:
 - (i) that the Filer is the investment fund manager and/or portfolio manager of the Top Fund and the Underlying Fund;
 - (ii) the approximate or maximum percentage of net assets of the Top Fund that is intended be invested in securities of Underlying Funds;
 - (iii) the fees, expenses and any performance or special incentive distributions payable by an Underlying Fund in which the Top Fund invests;
 - (iv) the process or criteria used to select an Underlying Fund;
 - (v) that investors are entitled to receive from the Filer, on request and free of charge, a copy of the offering memorandum or other similar disclosure document of each Underlying Fund, if available;
 - (vi) that investors are entitled to receive from the Filer, on request and free of charge, the annual audited financial statements and interim financial reports relating to each Underlying Fund in which the Top Fund invests; and
- (k) the Filer shall annually inform investors in a Top Fund of their right to receive from the Filer, on request and free of charge, a copy of the offering memorandum or other similar disclosure document of each Underlying Fund, if available, and the annual audited financial statements and interim financial reports relating to each Underlying Fund in which the Top Fund invests.

"Garnet Fenn"
Commissioner
Ontario Securities Commission

"Tim Moseley"
Vice-Chair
Ontario Securities Commission

EXHIBIT A
EXISTING FUNDS

Pooled Funds

- 1 Ninepoint Enhanced Long Short Equity RSP Fund
- 2 Ninepoint Enhanced Long Short Equity Fund L.P.
- 3 Ninepoint Credit Income Opportunities Fund
- 4 Ninepoint Alternative Income Fund
- 5 Ninepoint - TEC Private Credit Fund
- 6 Ninepoint Canadian Senior Debt Fund

2.1.2 Ninepoint Partners LP et al.

Headnote

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

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 5.5(1)(b), 5.7(1)(b), 19.1(2).

March 1, 2019

**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
NINEPOINT PARTNERS LP
(the Filer)**

AND

**NINEPOINT SHORT-TERM BOND CLASS,
NINEPOINT REAL ASSET CLASS
(each, a Terminating Fund and collectively, 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 (the **Legislation**) for approval of the proposed merger (the **Mergers**, and each, a **Merger**) of Ninepoint Short-Term Bond Class Fund into Ninepoint Short-Term Bond Fund, and the proposed merger of Ninepoint Real Asset Class into Ninepoint Global Infrastructure Fund (together with Ninepoint Short-Term Bond Fund, the **Continuing Funds**, and each, a **Continuing Fund**) under subsection 5.5(1)(b) of National Instrument 81-102 *Investment Funds (NI 81-102)* (the **Approval Sought**).

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

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 Passport System (MI 11-102) is intended to be relied upon in each of the other provinces and territories of Canada (together with Ontario, the Canadian Jurisdictions).

Interpretation

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

Representations

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

The Filer

1. The Filer is a limited partnership under the laws of the Province of Ontario with its head office located in Toronto, Ontario.
2. The Filer is registered in the following categories: (i) in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, and Newfoundland and Labrador as an adviser in the category of portfolio manager; (ii) in Ontario, Newfoundland and Labrador and Quebec as an investment fund manager; and (iii) in British Columbia, Alberta, Quebec, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, and Newfoundland and Labrador as a dealer in the category of exempt market dealer.
3. The Filer is the investment fund manager of the Terminating Funds and the Continuing Funds (collectively, the **Funds**, and each a **Fund**).
4. The Filer is not in default of any requirement of securities legislation in any of the Canadian Jurisdictions.

The Funds

5. The Terminating Funds are a separate class of shares of Ninepoint Corporate Class Inc. (the **Corporation**), a mutual fund corporation governed under the laws of Ontario.
6. Each Terminating Fund is part of a fund-of-fund structure. Ninepoint Short-Term Bond Class invests all of its assets in securities of Ninepoint Short-Term Bond Fund. Ninepoint Real Asset Class invests primarily in a portfolio of mutual funds managed by the Filer.
7. The Continuing Funds are open-ended mutual fund trusts established under the laws of Ontario.
8. The securities of the Funds are currently qualified for sale under an amended and restated simplified prospectus, annual information form and fund facts documents dated October 1, 2018, as amended (collectively, the **Offering Documents**).
9. Each of the Funds is a reporting issuer under the applicable securities legislation in the Canadian Jurisdictions.
10. The Funds are not in default of any requirement of securities legislation in any of the Canadian Jurisdictions.
11. Other than circumstances in which the securities regulatory authority of a province or territory of Canada has expressly exempted a Fund therefrom, each of the Funds follows the standard investment restrictions and practices established under NI 81-102.
12. The net asset value for each series of the Funds is calculated on a daily basis in accordance with the Funds' valuation policy and as described in the Offering Documents.
13. Subject to obtaining approval of the securityholders of Ninepoint Short-Term Bond Fund in respect of a proposed change to the investment objectives of Ninepoint Short-Term Bond Fund, the investment objective of Ninepoint Short-Term Bond Fund will be changed on the effective date of the Merger and Ninepoint Short-Term Bond Fund will be re-named Ninepoint High Interest Savings Fund.

Reason for Approval Sought

14. Regulatory approval of the Mergers is required because each Merger does not satisfy all of the criteria for pre-approved reorganizations and transfers set out in section 5.6 of NI 81-102. The pre-approval criteria are not satisfied in the following ways:

- (a) In connection with the merger of Ninepoint Short-Term Bond Class into Ninepoint Short-Term Bond Fund, the proposed fundamental investment objectives of Ninepoint Short-Term Bond Fund are not, or may not be considered to be “substantially similar” to the investment objectives of Ninepoint Short-Term Bond Class;
- (b) In connection with the merger of Ninepoint Real Asset Class into Ninepoint Global Infrastructure Fund, the fundamental investment objectives of Ninepoint Global Infrastructure Fund are not, or may not be considered to be “substantially similar” to the investment objectives of Ninepoint Real Asset Class; and
- (c) The Mergers will not be completed as a “qualifying exchange” under the *Income Tax Act* (Canada) (the **Tax Act**).

15. The investment objectives of Ninepoint Short-Term Bond Class and its respective Continuing Fund, and the proposed investment objectives of its respective Continuing Fund are as follows:

Terminating Fund: Ninepoint Short-Term Bond Class	Continuing Fund: Ninepoint Short-Term Bond Fund	
Investment Objective	Current Investment Objective	Proposed Investment Objective
The investment objective of Short-Term Bond Class is to preserve capital and maintain liquidity. It seeks a similar return to its underlying fund, Ninepoint Short-Term Bond Fund, by investing substantially all of its assets in securities of that fund.	The investment objective of Short-Term Bond Fund is to provide a regular income while preserving capital and maintaining liquidity. The Fund invests primarily in short-term debt securities issued by Canadian federal, provincial and municipal governments as well as corporate issuers.	The proposed investment objective of Ninepoint Short-Term Bond Fund is to maximize yield on cash balances, while providing easy access to investments with daily liquidity. The Fund will invest in high interest savings accounts offered at Schedule 1 Canadian Banks.

16. The investment objectives of Ninepoint Real Asset Class and its respective Continuing Fund are as follows:

Terminating Fund: Ninepoint Real Asset Class	Continuing Fund: Ninepoint Global Infrastructure Fund
The investment objective of Ninepoint Real Asset Class is to seek to provide total return over the long term by investing primarily in a portfolio of mutual funds that are managed by the Manager, its associates or its affiliates in various real asset sectors of the global economy. The Fund may also invest directly in equity securities and/or exchange traded funds operating in, or providing exposure to, the real asset sector.	The investment objective of Ninepoint Global Infrastructure Fund is primarily to maximize risk adjusted long-term returns and secondarily to achieve a high level of income. The Fund focuses on achieving growth of capital through securities selection and pursues a long-term investment program with the aim of generating capital gains. The Fund seeks to provide a moderate level of volatility and a low degree of correlation to other asset classes through diversifying across a relatively concentrated group of global infrastructure stocks.

- 17. Ninepoint Short-Term Bond Fund currently has the same management fee as Ninepoint Short-Term Bond Class. However, if the proposed investment objective change of Ninepoint Short-Term Bond Fund is approved by its existing securityholders, the management fee of Ninepoint Short-Term Bond Fund will decrease on the effective date of the Mergers, so that securityholders of Ninepoint Short-Term Bond Class will receive securities of Ninepoint Short-Term Bond Fund that have a management fee that is lower than the management fee charged in respect of their securities of Ninepoint Short-Term Bond Class.
- 18. The management fee rate of Ninepoint Real Asset Class is lower than the management fee of its Continuing Fund.
- 19. The Mergers will be effected on a taxable basis and will not be completed as a “qualifying exchange” under the Tax Act, since a tax-deferred merger is not possible under the Tax Act given the structure of the Funds.
- 20. Except as described in this decision, the proposed Mergers comply with all of the other criteria for pre-approved reorganizations and transfers set out in section 5.6 of NI 81-102.

The Proposed Mergers

21. The Filer intends to reorganize the Funds as follows:
 - (a) Ninepoint Short-Term Bond Class will merge into Ninepoint Short-Term Bond Fund; and
 - (b) Ninepoint Real Asset Class will merge into Ninepoint Global Infrastructure Fund.
22. In accordance with National Instrument 81-106 *Investment Fund Continuous Disclosure*, a press release announcing the proposed Mergers was issued and filed by the Terminating Funds via SEDAR on January 7, 2019. A material change report with respect to the proposed Mergers was filed via SEDAR on January 7, 2019.
23. The Filer has concluded that the Mergers are not material to the Continuing Funds.
24. As required by National Instrument 81-107 *Independent Review Committee for Investment Funds*, an Independent Review Committee (the **IRC**) has been appointed for the Funds. The Filer presented the potential conflict of interest matters related to the proposed Mergers to the IRC for a decision. The IRC reviewed the potential conflict of interest matters related to the proposed Mergers and provided its position decision on December 17, 2018 for the proposed merger of Ninepoint Short-Term Bond Class into Ninepoint Short-Term Bond Fund and on January 4, 2019 for the proposed merger of Ninepoint Real Asset Class into Ninepoint Global Infrastructure Fund, after determining that each proposed Merger, if implemented, would achieve a fair and reasonable result for each applicable Fund.
25. Securityholders of the Terminating Funds approved the Mergers at special meetings held on February 25, 2019. Securityholders of Ninepoint Short-Term Bond Fund approved the investment objective change at an adjourned special meeting held on February 27, 2019.
26. The Filer will pay for the costs of the Mergers. These costs consist mainly of legal, proxy solicitation, printing, mailing and regulatory fees. Due to the fund-of-fund structure of the Funds, the Filer does not anticipate that any brokerage charges will be incurred by either the Continuing Funds or Terminating Funds in connection with the Mergers.
27. The Mergers have been approved by the board of directors of each of the Filer and the Corporation.
28. The Mergers have also been approved by the sole common voting shareholder of the Corporation, as required under applicable corporate law.
29. Securityholders that purchased securities of a Terminating Fund under the low load purchase option will receive securities of the applicable Continuing Fund that are subject to the same deferred sales charges as the securities they own in the Terminating Fund.
30. If all required approvals for the Mergers are obtained, it is intended that the Mergers will occur after the close of business on or about March 4, 2019 (the **Effective Date**). The Filer therefore anticipates that each securityholder of each Terminating Fund will become a securityholder of the applicable Continuing Fund after the close of business on the Effective Date.
31. A notice of meeting, a management information circular, a proxy and fund facts documents for the Continuing Funds in connection with special meetings of securityholders was mailed to securityholders of the Terminating Funds commencing on February 4, 2019 and was concurrently filed via SEDAR. The fund facts document mailed to securityholders of Ninepoint Short-Term Bond Class included a description of the proposed investment objective change of Ninepoint Short-Term Bond Fund.
32. The tax implications of the Mergers, differences between being a securityholder of a mutual fund corporation and a securityholder of a mutual fund trust, differences between the investment objectives as well as the differences between the fee structures of each Terminating Fund and the applicable Continuing Funds and the IRC's recommendation of the Mergers were described in the management information circular so that the securityholders of the applicable Terminating Funds could consider this information before voting on the Mergers. The meeting materials also described the various ways in which investors could obtain a copy of the simplified prospectus, annual information form and fund facts document(s) for the applicable Continuing Fund and its most recent interim and annual financial statements and management reports of fund performance.
33. In light of the disclosure in the management information circular, securityholders of the Terminating Funds have all the information necessary to determine whether the proposed Mergers are appropriate for them.
34. No sales charges will be payable by securityholders of the Terminating Funds in connection with the Mergers.

35. Securities of the Terminating Funds and the Continuing Funds are, and are expected to continue to be at all material times, "qualified investments" under the Tax Act for registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax free savings accounts.

Merger Steps

36. The proposed merger of Ninepoint Short-Term Bond Class into Ninepoint Short-Term Bond Fund will be structured as follows:
- (a) Prior to effecting the Merger, the Terminating Fund will redesignate its existing series of securities of the Continuing Fund into the series of securities of the Continuing Fund which align to the current series holdings of securityholders in the Terminating Fund.
 - (b) The Corporation may declare, pay, and automatically reinvest ordinary dividends or capital gains dividends to securityholders of the Terminating Fund, where determined fair and equitable.
 - (c) The value of the Terminating Fund's portfolio and other assets and liabilities will be determined at the close of business on the effective date of the Merger in accordance with the constating documents of the Terminating Fund.
 - (d) The Continuing Fund will not assume any liabilities of the Terminating Fund and the Terminating Fund will retain sufficient assets to satisfy its estimated liabilities, if any, as of the effective date of the applicable Merger.
 - (e) The articles of incorporation, as amended, of the Corporation will be further amended so that all of the issued and outstanding securities of the Terminating Fund will be cancelled and the securities of the Continuing Fund held by the Corporation will be distributed to each securityholder of the Terminating Fund in exchange for their securities in the Terminating Fund on a dollar-for-dollar basis, as applicable.
 - (f) Securities of the Continuing Fund received by the securityholders of the Terminating Fund will have an aggregate net asset value equal to the aggregate net asset value of the securities of the Terminating Fund which are being redeemed.
37. The proposed merger of Ninepoint Real Asset Class into Ninepoint Global Infrastructure Fund will be structured as follows:
- (a) Prior to effecting the Merger, the Terminating Fund will redeem the securities of each fund that the Terminating Fund holds in its portfolio, other than securities of the Continuing Fund. As a result, the Terminating Fund may temporarily hold cash or money market instruments and may not be fully invested in accordance with its investment objective for a brief period of time prior to the Merger being effected. The Terminating Fund will use the cash redemption proceeds to buy securities of the Continuing Fund which align to the current series holdings of securityholders in the Terminating Fund.
 - (b) The Corporation may declare, pay, and automatically reinvest ordinary dividends or capital gains dividends to securityholders of the Terminating Fund, where determined fair and equitable.
 - (c) The value of the Terminating Fund's portfolio and other assets and liabilities will be determined at the close of business on the effective date of the Merger in accordance with the constating documents of the Terminating Fund.
 - (d) The Continuing Fund will not assume any liabilities of the Terminating Fund and the Terminating Fund will retain sufficient assets to satisfy its estimated liabilities, if any, as of the effective date of the applicable Merger.
 - (e) The articles of incorporation, as amended, of the Corporation will be further amended so that all of the issued and outstanding securities of the Terminating Fund will be cancelled and the securities of the Continuing Fund held by the Corporation will be distributed to each securityholder of the Terminating Fund in exchange for their securities in the Terminating Fund on a dollar-for-dollar basis, as applicable.
 - (f) Securities of the Continuing Fund received by the securityholders of the Terminating Fund will have an aggregate net asset value equal to the aggregate net asset value of the securities of the Terminating Fund which are being redeemed.

Benefits of the Mergers

38. The Filer believes that the Mergers are beneficial to securityholders of each Terminating Fund and Continuing Fund for the following reasons:
- (a) the Mergers will result in a more streamlined and simplified product line-up that is easier for investors to understand;
 - (b) although the investment objectives of Ninepoint Real Asset Class may not be substantially similar to its corresponding Continuing Fund, Ninepoint Real Asset Class has a similar investment mandate as its corresponding Continuing Fund, and as a result, the Merger will contribute towards reducing duplication and redundancy across the fund line-up;
 - (c) the Mergers provide securityholders of the Terminating Funds with options to (a) switch to another investment, (b) redeem their investment, and (c) maintain an investment with the Filer in the Continuing Fund without having to initiate a switch with the advisor, which provides the securityholders of the Terminating Funds with flexibility, convenience and potential cost savings;
 - (d) following the Mergers, Ninepoint Global Infrastructure Fund will have a portfolio of greater value, which may allow for increased portfolio diversification opportunities if desired;
 - (e) following the Merger, Ninepoint Global Infrastructure Fund, as a result of its greater size, may benefit from its larger profile in the marketplace;
 - (f) investors of Ninepoint Real Asset Class will receive securities of the applicable Continuing Fund that have a management fee that is lower than the management fee charged in respect of the securities that they currently hold and thus, the management expense ratio is expected to be lower;
 - (g) as the proposed investment objective change has been approved, investors of Ninepoint Short-Term Bond Class will receive securities of the applicable Continuing Fund that have a management fee that is lower than the management fee charged in respect of the securities that they currently hold, and thus, the management expense ratio is expected to be lower; and
 - (h) as the proposed investment objective change has been approved, Ninepoint Short-Term Bond Fund will have a greater appeal to prospective investors and therefore the potentially increased ability to attract new investors.

Decision

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

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

“Stephen Paglia”
Investment Funds and Structured Products Branch
Ontario Securities Commission

2.1.3 Picton Mahoney Asset Management

Headnote

National Policy 11-203 Process for Exemptive Relief Application in Multiple Jurisdictions – Relief granted from the self-dealing provision in subsection 4.2(1) of National Instrument 81-102 Investment Funds to permit inter-fund trades in debt securities between investment funds subject to NI 81-102 and pooled funds managed by the same manager or its affiliates – Inter-fund trades will comply with the conditions in subsection 6.1(2) of NI 81-107 Independent Review Committee for Investment Funds, including the requirement for independent review committee approval.

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted from paragraph 13.5(2)(b) of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations to permit inter-fund trading between public funds, pooled funds and managed accounts managed by the same manager or its affiliate – Relief subject to conditions, including independent review committee approval and pricing requirements – Certain trades involving exchange-traded securities permitted to occur at last sale price as defined in the Universal Market Integrity Rules - Exemption also granted from conflict of interest trading prohibition in paragraph 13.5(2)(b) to permit in-specie subscriptions and redemptions by separately managed accounts and pooled funds – Relief subject to conditions.

Applicable Legislative Provisions

National Instrument 31-103 Registration Requirements and Exemptions, ss. 13.5, 15.1.

National Instrument 81-102 Investment Funds, ss. 4.2(1), 4.3(1), 4.3(2), 19.2.

National Instrument 81-107 Independent Review Committee for Investment Funds, ss. 6.1(2), 6.1(4).

March 25, 2019

**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
PICTON MAHONEY ASSET MANAGEMENT (PMAM)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application (the **Application**) from Picton Mahoney Asset Management for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**):

- a) for an exemption from the prohibition in section 4.2(1) of National Instrument 81-102 *Investment Funds (NI 81-102)* to permit the NI 81-102 Funds (as defined below) to purchase debt securities from, or sell debt securities to, a Pooled Fund (as defined below) (the **Section 4.2(1) Relief**);
- b) for an exemption from the prohibitions in sections 13.5(2)(b)(ii) and (iii) of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations (NI 31-103)* which prohibit a registered adviser from knowingly causing an investment portfolio managed by it, including an investment fund for which it acts as an adviser, to purchase or sell a security from or to the investment portfolio of an associate of a responsible person, or from or to the investment portfolio of an investment fund for which a responsible person acts as an adviser, in order to permit,
 - (i) a Pooled Fund (as defined below) to purchase securities from or sell securities to a Fund (as defined below);

- (ii) a Managed Account (as defined below) to purchase securities from or sell securities to a Fund;
- (iii) an NI 81-102 Fund to purchase securities from or sell securities to a Fund;
- (iv) the transactions listed in (i) to (iii) (each an **Inter-Fund Trade**) to be executed at the last sale price, as defined in the Universal Market Integrity Rules of the Investment Industry Regulatory Organization of Canada, prior to the execution of the trade (the **Last Sale Price**) in lieu of the closing sale price (the **Closing Sale Price**) contemplated by the definition of "current market price of the security" in section 6.1(1)(a)(i) of National Instrument 81-107 *Independent Review Committee for Investment Funds (NI 81-107)* on that trading day, where the securities involved in the Inter-Fund Trade are exchange-traded securities (which term shall include Canadian and foreign exchange-traded securities) ((i), (ii) (iii), and (iv) are collectively, the **Inter-Fund Trading Relief**); and
- (v) *In-specie* subscriptions and redemptions by a: (each subscription or redemption, an *In-specie Transfer*)
 - a. Account in relation to a NI 81-102 Fund or a Pooled Fund; and
 - b. Pooled Fund in relation to another Pooled Fund or a NI 81-102 Fund(collectively, the **In-specie Transfer Relief**)

(the Section 4.2(1) Relief, Inter-Fund Trading Relief and *In-specie* Transfer Relief are, collectively, the **Exemptions Sought**).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions:

- I. the Ontario Securities Commission is the principal regulator for this Application, and
- II. Picton Mahoney Asset Management has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System (MI 11-102)* is intended to be relied upon in each of the other provinces and territories of Canada (together with Ontario, the **Jurisdictions**).

Interpretation

Terms defined in MI 11-102, National Instrument 14-101 *Definitions*, NI 81-102, NI 81-107 and NI 31-103 have the same meaning if used in this decision, unless otherwise defined. The following terms have the following meanings:

Filer means, unless otherwise specified, PMAM (as defined below) or an affiliate of PMAM;

Clients means pension plans, endowments, trusts, insurance companies, corporations, mutual funds, individuals and other entities to whom the Filer offers, or may offer, discretionary portfolio management services through a Managed Account (as defined below);

Discretionary Management Agreement means a written agreement between the Filer and a Client seeking wealth management or related services;

Existing NI 81-102 Funds means each existing mutual fund, as defined in the Legislation, that is a reporting issuer and subject to NI 81-102, of which PMAM acts as the manager and/or portfolio manager;

Existing Pooled Funds means each investment fund that is not a reporting issuer, of which PMAM currently acts as manager and/or portfolio manager.

Funds means collectively, the NI 81-102 Funds and the Pooled Funds;

Future NI 81-102 Funds means each investment fund, as defined in the Legislation, which may be either a mutual fund or a non-redeemable investment fund that is a reporting issuer and subject to NI 81-102, for which the Filer may act as manager and/or portfolio adviser in the future;

Future Pooled Funds means each investment fund that is not a reporting issuer, of which the Filer may act as manager and/or portfolio manager in the future.

In-specie Transfer means causing a Managed Account or a Pooled Fund to deliver portfolio securities to a Fund, in respect of the purchase of securities of the Fund by the Managed Account or Pooled Fund, or to receive portfolio securities from the investment portfolio of a Fund in respect of a redemption of securities of the Fund by the Managed Account or Pooled Fund;

Managed Account means an account managed by the Filer for a Client that is not a responsible person and over which the Filer has discretionary authority;

NI 81-102 Funds means collectively, the Existing NI 81-102 Funds and the Future NI 81-102 Funds;

PMAM means Picton Mahoney Asset Management; and

Pooled Funds means the Existing Pooled Funds and Future Pooled Funds.

Representations

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

1. PMAM is a general partnership formed under the laws of the Province of Ontario with its head office located in Toronto, Ontario.
2. PMAM is registered as (i) an investment fund manager in Ontario, Québec and Newfoundland and Labrador; (ii) an adviser in the category of portfolio manager in, British Columbia, Saskatchewan, Manitoba, Ontario, Québec and Prince Edward Island; (iii) a dealer in the category of exempt market dealer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Newfoundland and Labrador, and Prince Edward Island; and (iv) a commodity trading manager in Ontario.
3. PMAM is the portfolio manager and manager of each Existing NI 81-102 Fund and Existing Pooled Fund and may, in the future, be the portfolio manager and/or manager of Future Pooled Funds and Future NI 81-102 Funds.
4. Each of the NI 81-102 Funds is, or will be, established under the laws of Ontario, Canada or another Jurisdiction, as an investment fund, and is or will be a reporting issuer in one or more of the Jurisdictions.
5. The securities of each Existing NI 81-102 Fund are qualified for distribution pursuant to simplified prospectuses and annual information forms that have been prepared or will be prepared and filed in accordance with NI 81-101 - *Mutual Fund Prospectus Disclosure* and the securities of each Future NI 81-102 Fund will be qualified for distribution under a prospectus. Each NI 81-102 Fund is, or will be, subject to the provisions of NI 81-102. Each Future NI 81-102 Fund will be a mutual fund or a non-redeemable investment fund that is a reporting issuer and subject to NI 81-102.
6. Each of the Pooled Funds is and will be an investment fund established as a trust, partnership or corporation under the laws of Ontario, Canada or another Jurisdiction and will not be a reporting issuer in any of the Jurisdictions.
7. The securities of the Pooled Funds are and will be distributed on a private placement basis pursuant to available prospectus exemptions. Each Pooled Fund will not be subject to NI 81-102.
8. PMAM, the Existing NI 81-102 Funds and the Existing Pooled Funds are not in default of securities legislation in the Jurisdictions.
9. The Filer offers and will offer discretionary portfolio management services to Clients seeking wealth management or related services under Discretionary Management Agreements between the Clients and the Filer.
10. Pursuant to the Discretionary Management Agreement entered into with each Client, the Client appoints the Filer to act as portfolio manager in connection with an investment portfolio of the Client with full discretionary authority to trade in securities for the Managed Account without obtaining the specific consent or instructions of the Client to execute the trade.
11. Investments in individual securities may not be appropriate in certain circumstances for a Client. Consequently, the Filer may, where authorized under the Discretionary Management Agreement, from time to time, invest the assets in a Client's Managed Account in securities of any one or more of the Funds in order to give such Client the benefit of asset diversification and economies of scale regarding minimum commission charges on portfolio trades and generally to facilitate portfolio management.

Inter-Fund Trades

12. The Filer wishes to be able to permit Inter-Fund Trades of portfolio securities between:
 - (i) an NI 81-102 Fund and another NI 81-102 Fund, a Pooled Fund or a Managed Account;
 - (ii) a Pooled Fund and another Pooled Fund, an NI 81-102 Fund or a Managed Account; and
 - (iii) a Managed Account and a Pooled Fund or an NI 81-102 Fund.
13. Different sections of NI 31-103, NI 81-102 and NI 81-107 impose different prohibitions and exceptions on different types of Funds with respect to Inter-Fund Trades.
14. An exception from the inter-fund trading prohibition in section 4.2(1) of NI 81-102 currently exists in section 4.3(1) of NI 81-102 which permits the NI 81-102 Funds to inter-fund trade listed equity securities with the Pooled Funds. The NI 81-102 Funds are, however, unable to rely on the exception in section 4.3(1) of NI 81-102 to inter-fund trade debt securities because debt securities are typically not subject to public quotations as required by section 4.3(1) of NI 81-102. The NI 81-102 Funds are further unable to rely on the exception in section 4.3(2) to inter-fund trade debt securities with the Pooled Funds because that exception only applies where funds on both sides of the inter-fund trade are investment funds governed by NI 81-107. The Pooled Funds will not be subject to NI 81-107.
15. PMAM has submitted that because of the various investment objectives and investment strategies utilized by the Funds and Managed Accounts, it may be appropriate for different investment portfolios to acquire or dispose of the same securities directly, rather than with a third party. Authorizing the Inter-Fund Trades may result in such benefits as lower trading costs, reduced market disruption and quicker execution.
16. PMAM has determined that it would be in the best interests of the Funds and Managed Accounts to receive the Inter-Fund Trading Relief because making the Funds and Managed Accounts subject to the same set of rules governing the execution of Inter-Fund Trades will result in:
 - (i) cost and timing efficiencies in respect of the execution of Inter-Fund Trades; and
 - (ii) simplified and more efficient monitoring thereof, for the Filer in connection with the execution of Inter-Fund Trades.
17. Each Inter-Fund Trade will be consistent with the investment objectives of the relevant Fund or Managed Account, as applicable.
18. At the time of an Inter-Fund Trade, the Filer will have policies and procedures in place to enable the applicable Funds and Managed Accounts to engage in Inter-Fund Trades.
19. The Filer, as manager of each NI 81-102 Fund, has established, or will establish, an independent review committee (**IRC**) in respect of each NI 81-102 Fund in accordance with the requirements of NI 81-107.
20. The Filer, as manager of each Pooled Fund, will establish an IRC in respect of each Pooled Fund to review and provide its approval for any proposed Inter-Fund Trades between a Pooled Fund and another Fund or a Managed Account.
21. The IRC of the Pooled Funds will be composed by the manager of the Pooled Funds in accordance with section 3.7 of NI 81-107 and the IRC will be expected to comply with the standard of care set out in section 3.9 of NI 81-107. The IRC of the Pooled Funds will not approve an Inter-Fund Trade involving a Pooled Fund unless it has made the determination set out in subsection 5.2(2) of NI 81-107.
22. Inter-Fund Trades involving an NI 81-102 Fund will be referred to the IRC of the NI 81-102 Fund under subsection 5.2(1) of NI 81-107 and the manager and the IRC of the NI 81-102 Fund will comply with section 5.4 of NI 81-107 in respect of any standing instructions the IRC provides in connection with the Inter-Fund Trade. The IRC of the NI 81-102 Funds will not approve an Inter-Fund Trade involving an NI 81-102 Fund unless it has made the determination set out in subsection 5.2(2) of NI 81-107.
23. Prior to engaging in Inter-Fund Trades on behalf of a Managed Account, each Discretionary Management Agreement or other documentation will contain the authorization of the Client for the portfolio manager of the Managed Account to engage in Inter-Fund Trades.

24. The Filer cannot rely on the exemption codified under subsection 6.1(4) of NI 81-107 unless each party to the transaction is a reporting issuer and the Inter-Fund Trade occurs at the "*current market price of the security*" which, in the case of exchange-traded securities, includes the Closing Sale Price but not the Last Sale Price.
25. PMAM considers that it would be in the best interests of the Funds and Managed Accounts, as applicable, if an Inter-Fund Trade could be made at the Last Sale Price prior to the execution of the trade, in lieu of the Closing Sale Price, as this will result in the trade being done at the price which is closest to the price at the time the decision to make the trade is made.
26. An Inter-fund Trade to be effected at the Last Sale Price will be implemented by the Filer as follows:
 - (i) the Filer, as the portfolio manager, will deliver the trade instruction in respect of a purchase or sale of a portfolio security by a Fund or a Managed Account, as applicable (**Party A**), to a trader on the Filer's trading desk;
 - (ii) the Filer, as the portfolio manager, will deliver the trade instruction in respect of a purchase or sale of a portfolio security by another Fund or Managed Account, as applicable (**Party B**), to a trader on the Filer's trading desk;
 - (iii) the trader on the Filer's trading desk will have the discretion to execute the trade as an Inter-fund Trade between Party A and Party B at the Last Sale Price of the portfolio security, prior to the execution of the trade;
 - (iv) the policies applicable to the Filer's trading desk will require that all orders are to be executed on a timely basis; and
 - (v) the trader on the Filer's trading desk will advise of the Last Sale Price.

In-specie Transfers

27. The Filer may wish to, or otherwise be required, to deliver portfolio securities held in a Managed Account or Pooled Fund to a Fund in respect of a purchase of units or shares of the Fund (**Fund Securities**), and may wish to, or otherwise be required to, receive portfolio securities from a Fund in respect of a redemption of Fund Securities by a Managed Account or Pooled Fund. As the Filer is, or may be, the portfolio manager of the Funds and is, or may be, the portfolio manager of the Managed Accounts, the Filer would be considered a 'responsible person' within the meaning of NI 31-103.
28. As the Filer is, or may be in the future, the trustee of a Fund which is organized as a trust, each such Fund may be an 'associate' of the Filer, and accordingly, absent the grant of the *In-specie* Transfer Relief, the Filer would be precluded by the provisions of section 13.5(2)(b)(ii) of NI 31-103 from effecting the *In-specie* Transfers in such circumstances. As the Filer is, or will be, a registered adviser, and is or will be the manager and/or portfolio manager of the Funds and is, or will be, the portfolio manager of the Managed Accounts, absent the grant of the *In-specie* Transfer Relief, the Filer would be precluded by section 13.5(2)(b)(iii) of NI 31-103 from effecting the *In-specie* Transfers.
29. Each Discretionary Management Agreement or other documentation will contain the authorization of the Client for the Filer to engage in *In-specie* Transfers on behalf of the Managed Account.
30. The only cost which will be incurred by a Managed Account or a Fund for an *In-specie* Transfer is a nominal administrative charge levied by the custodian of the relevant Fund in recording the trades, and any commission charged by the dealer executing the trade.
31. The Filer, as manager of the Funds, will value the securities transferred under an *In-specie* Transfer on the same valuation day on which the purchase price or redemption price of the Fund Securities of a Fund is determined. With respect to the purchase of Fund Securities of a Fund, the securities transferred to a Fund under an *In-specie* Transfer in satisfaction of the purchase price of those Fund Securities will be valued as if the securities were portfolio assets of the Fund, as contemplated by section 9.4(2)(b)(iii) of NI 81-102. With respect to the redemption of Fund Securities of a Fund, the securities transferred to a Managed Account or Pooled Fund in satisfaction of the redemption price of those Fund Securities will have a value equal to the amount at which those securities were valued in calculating the net asset value per security used to establish the redemption price of the Fund Securities of the Fund, as contemplated by section 10.4(3)(b) of NI 81-102.
32. Should any *In-specie* Transfer contemplated specifically by the Exemptions Sought, involve the transfer of an "illiquid asset" (as defined in NI 81-102), the Filer will obtain at least one quote for the asset from an independent arm's length purchaser or seller, immediately before effecting the *In-specie* Transfer.

33. *In-specie* Transfers will be subject to (i) compliance with the written policies and procedures of the Filer respecting *In-specie* Transfers that are consistent with applicable securities legislation, and (ii) the oversight of the Compliance Department of the Filer to ensure that the transaction represents the business judgment of the Filer acting in its discretionary capacity with respect to the Fund and the Managed Account, uninfluenced by considerations other than the best interests of the Fund and Managed Account.
34. PMAM has determined that it will be in the best interests of the Funds and the Managed Accounts to obtain the Exemptions Sought.
35. Absent the Exemptions Sought, neither the Funds, Managed Accounts, nor the Filer, on their behalf, will be permitted to engage in Inter-Fund Trades or *In-specie* Transfers.

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:

- a) the Section 4.2(1) Relief is granted provided that the following conditions are satisfied:
 - (i) the transaction is consistent with the investment objectives of each of the Funds involved in the trade;
 - (ii) the IRC of each Fund involved in the trade has approved the transaction in respect of that Fund in accordance with the terms of subsection 5.2(2) of NI 81-107; and
 - (iii) the transaction complies with paragraphs (c) to (g) of subsection 6.1(2) of NI 81-107.
- b) the Inter-Fund Trading Relief is granted provided that the following conditions are satisfied:
 - (i) the Inter-Fund Trade is consistent with the investment objectives of the Fund or Managed Account, as applicable;
 - (ii) the Filer, as manager of a Fund, refers the Inter-Fund Trade involving a Fund to the IRC of that Fund in the manner contemplated by section 5.1 of NI 81-107 and the Filer and the IRC of the Fund comply with section 5.4 of NI 81-107 in respect of any standing instructions an IRC provides in connection with the Inter-Fund Trade;
 - (iii) in the case of an Inter-Fund Trade between Funds:
 - a. the IRC of each Fund has approved the Inter-Fund Trade in respect of the Fund in accordance with the terms of subsection 5.2(2) of NI 81-107; and
 - b. the Inter-Fund Trade complies with paragraphs (c) to (g) of subsection 6.1(2) of NI 81-107 except that for purposes of paragraph (e) of subsection 6.1(2) of NI 81-107 in respect of exchange-traded securities, the current market price of the securities may be the Last Sale Price;
 - (iv) in the case of an Inter-Fund Trade between a Managed Account and a Fund:
 - a. the IRC of the Fund has approved the Inter-Fund Trade in respect of such Fund in accordance with the terms of subsection 5.2(2) of NI 81-107;
 - b. the Discretionary Management Agreement or other documentation in respect of the Managed Account authorizes the Inter-Fund Trade; and
 - c. the Inter-Fund Trade complies with paragraphs (c) to (g) of subsection 6.1(2) of NI 81-107 except that for purposes of paragraph (e) of subsection 6.1(2) of NI 81-107 in respect of exchange-traded securities, the current market price of the securities may be the Last Sale Price;

- c) the *In-specie* Transfer Relief is granted provided that:
- (i) if the transaction is the purchase of Fund Securities of a Fund by a Managed Account:
 - a. in respect of the *In-specie* Transfer Relief as it applies to purchases of Fund Securities of an NI 81-102 Fund by a Managed Account:
 - I. the Filer as manager of the NI 81-102 Fund, obtains the approval of the IRC of the NI 81-102 Fund in respect of an *In-specie* Transfer in accordance with the terms of subsection 5.2(2) of NI 81-107; and
 - II. the Filer as manager of the NI 81-102 Fund, and the IRC, comply with the requirements of section 5.4 of NI 81-107 for any standing instructions the IRC provides in respect of an *In-specie* Transfer;
 - b. the Filer obtains the prior written consent of the Client of the Managed Account before it engages in any *In-specie* Transfer in connection with the purchase of Fund Securities of the Fund;
 - c. the Fund would, at the time of payment, be permitted to purchase the portfolio securities held by the Managed Account;
 - d. the portfolio securities are acceptable to the Filer, as portfolio manager of the Fund and consistent with the Fund's investment objectives;
 - e. the value of the portfolio securities sold to the Fund by the Managed Account is equal to the issue price of the Fund Securities of the Fund for which they are used as payment, valued as if the securities were portfolio assets of that Fund;
 - f. the account statement next prepared for the Managed Account will include a note describing the portfolio securities delivered to the Fund and the value assigned to such securities; and
 - g. the Fund keeps written records of all *In-specie* Transfers during the financial year of the Fund, reflecting details of the portfolio securities delivered to the Fund and the value assigned to such securities, for five years after the end of the financial year, the most recent two years in a reasonably accessible place;
 - (ii) if the transaction is the redemption of Fund Securities of a Fund by a Managed Account:
 - a. in respect of the *In-specie* Transfer Relief as it applies to redemptions of Fund Securities of an NI 81-102 Fund by a Managed Account:
 - I. the Filer, as manager of the NI 81-102 Fund, obtains the approval of the IRC of the NI 81-102 Fund in respect of an *In-specie* Transfer in accordance with the terms of subsection 5.2(2) of NI 81-107; and
 - II. the Filer, as manager of the NI 81-102 Fund, and the IRC of the NI 81-102 Fund, comply with the requirements of section 5.4 of NI 81-107 for any standing instructions the IRC provides in respect of an *In-specie* Transfer;
 - b. the Filer obtains the prior written consent of the Client of the Managed Account to the payment of redemption proceeds in the form of an *In-specie* Transfer;
 - c. the portfolio securities are acceptable to the Filer as portfolio manager of the Managed Account and consistent with the Managed Account's investment objectives;
 - d. the value of the portfolio securities is equal to the amount at which those securities were valued in calculating the net asset value per Fund Security used to establish the redemption price;
 - e. the holder of the Managed Account has not provided notice to terminate its Discretionary Management Agreement with the Filer;

- f. the account statement next prepared for the Managed Account will include a note describing the portfolio securities delivered to the Managed Account and the value assigned to such securities;
 - g. the Fund keeps written records of all *In-specie* Transfers in a financial year of the Fund, reflecting details of the portfolio securities delivered by the Fund and the value assigned to such securities, for five years after the end of the financial year, the most recent two years in a reasonably accessible place; and
 - h. the Filer does not receive any compensation in respect of any sale or redemption of Fund Securities of a Fund, and in respect of any delivery of securities further to an *In-specie* Transfer, the only charge paid by the Managed Account, if any, is a nominal administrative charge levied by the custodian in recording the trade and any commission charged by the dealer executing the trade;
- (iii) if the transaction is the purchase of Fund Securities of an NI 81-102 Fund by a Pooled Fund:
- a. the Filer, as manager of the NI 81-102 Fund, obtains the approval of the IRC of the NI 81-102 Fund in respect of an *In-specie* Transfer in accordance with the terms of subsection 5.2(2) of NI 81-107;
 - b. the Filer, as manager of the NI 81-102 Fund, and the IRC of the NI 81-102 Fund, comply with the requirements of section 5.4 of NI 81-107 for any standing instructions the IRC provides in respect of an *In-specie* Transfer;
 - c. the Fund would, at the time of payment, be permitted to purchase the portfolio securities;
 - d. the portfolio securities are acceptable to the Filer as portfolio manager of the Fund and consistent with such Fund's investment objectives;
 - e. the value of the portfolio securities is equal to the issue price of the Fund Securities of the NI 81-102 Fund for which they are payment, valued as if the securities were portfolio assets of that NI 81-102 Fund; and;
 - f. each of the Funds keeps written records of all *In-specie* Transfers in a financial year of the Fund, reflecting details of the portfolio securities delivered by the Pooled Fund to the NI 81-102 Fund, and the value assigned to such securities, for five years after the end of the financial year, the most recent two years in a reasonably accessible place;
- (iv) if the transaction is the redemption of Fund Securities of an NI 81-102 Fund by a Pooled Fund:
- a. the Filer, as manager of the NI 81-102 Fund, obtains the approval of the IRC of the NI 81-102 Fund in respect of the *In-specie* Transfer in accordance with the terms of subsection 5.2(2) of NI 81-107; and
 - b. the Filer, as manager of the NI 81-102 Fund, and the IRC of the NI 81-102 Fund, comply with the requirements of section 5.4 of NI 81-107 for any standing instructions the IRC provides in respect of an *In-specie* Transfer;
 - c. the portfolio securities are acceptable to the Filer as portfolio manager of the Pooled Fund and consistent with the Pooled Fund's investment objectives;
 - d. the value of the portfolio securities is equal to the amount at which those securities were valued in calculating the net asset value per Fund Security used to establish the redemption price of the NI 81-102 Fund; and
 - e. each of the Funds keeps written records of all *In-specie* Transfers in a financial year of the Fund, reflecting details of the portfolio securities delivered to the Pooled Fund and the value assigned to such securities, for five years after the end of the financial year, the most recent two years in a reasonably accessible place;
- (v) if the transaction is the purchase of Fund Securities of a Pooled Fund by a Pooled Fund:

- a. the Pooled Fund would at the time of payment be permitted to purchase the portfolio securities;
 - b. the portfolio securities are acceptable to the Filer as portfolio manager of the Pooled Fund, and consistent with the Pooled Fund's investment objectives;
 - c. the value of the portfolio securities is equal to the issue price of the Fund Securities of the Pooled Fund for which they are payment, valued as if the securities were portfolio assets of that Pooled Fund; and
 - d. each Pooled Fund keeps written records of all *In-specie* Transfers in a financial year of a Pooled Fund, reflecting details of the portfolio securities delivered to the Pooled Fund, and the value assigned to such securities, for five years after the end of the financial year, the most recent two years in a reasonably accessible place;
- (vi) if the transaction is the redemption of Fund Securities of a Pooled Fund by a Pooled Fund:
- a. the portfolio securities are acceptable to the Filer as portfolio manager of the Pooled Fund, and consistent with the investment objectives of the Pooled Fund;
 - b. the value of the portfolio securities is equal to the amount at which those securities were valued in calculating the net asset value per Fund Securities used to establish the redemption price of the Pooled Fund; and
 - c. each Pooled Fund keeps written records of all *In-specie* Transfers in a financial year of the Pooled Fund, reflecting details of the portfolio securities delivered by the Pooled Fund and the value assigned to such securities, for five years after the end of the financial year, the most recent two years in a reasonably accessible place; and
- (vii) the Filer does not receive any compensation in respect of any sale or redemption of Fund Securities of a Fund and, in respect of any delivery of portfolio securities further to an *In-specie* Transfer, the only charge paid by the Fund, if any, is a nominal administrative charge levied by the custodian in recording the trade and any commission charged by the dealer executing the trade.

"Neeti Varma"
Acting Manager, Investment Funds and Structured Products Branch
Ontario Securities Commission

2.1.4 B.E.S.T. Investment Counsel Limited

Headnote

Relief granted from s. 13.5(2)(b) of NI 31-103 based on unique factual circumstances to permit responsible person to purchase illiquid assets from the Fund in connection with the termination of the Fund – Relief subject to conditions including independent valuation and IRC approval.

Applicable Legislative Provisions

National Instrument 31-103 Registration Requirements and Exemptions, ss. 13.5, 15.1.

March 27, 2019

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO

AND

IN THE MATTER OF
B.E.S.T. INVESTMENT COUNSEL LIMITED
(the Filer)

DECISION

Background

The Ontario Securities Commission (the **Commission**) has received an application from the Filer for a decision under the securities legislation of Ontario (the **Legislation**) exempting the Filer from section 13.5(2)(b)(i) of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations (NI 31-103)* which prohibits an adviser from knowingly causing an investment portfolio managed by it, including an investment fund for which it acts as an adviser, to purchase or sell a security from or to the investment portfolio of a "responsible person" in order to permit the purchase of the Illiquid Assets (defined below) held by B.E.S.T. Total Return Fund Inc., an investment fund managed and advised by the Filer, to John Richardson, a "responsible person", as such term is defined in NI 31-103 and as further described below (the **Exemption Sought**).

Interpretation

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

Representations

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

1. The Filer is a corporation incorporated on November 24, 1998, under the *Business Corporations Act* (Ontario). Its head office is located in Toronto, Ontario.
2. The Filer is registered only in the Province of Ontario as an adviser in the category of portfolio manager, an investment fund manager and a dealer in the category of exempt market dealer.
3. The Fund was incorporated under the Canada *Business Corporations Act (CBCA)* by articles of incorporation dated October 31, 2003, as amended on November 30, 2004, and December 20, 2005. It is registered as a labour-sponsored venture capital corporation under the Income Tax Act (Canada).
4. The Fund is sponsored by the Christian Labour Association of Canada (**CLAC**). The Fund's primary objective is to generate interest and dividend income as well as long-term capital appreciation through investments in a diversified portfolio of small and medium-sized private and public companies.
5. The authorized capital of the Fund consists of an unlimited number of Class A Shares (the **Class A Shares**), an unlimited number of Class B Shares (the **Class B Shares**) and an unlimited number of Class C Shares (the **Class C Shares**). As at January 25, 2019, there were 103 holders of Class A Shares who held a total of 59,794 Class A Shares.

CLAC is the owner of 1 Class B Share. John M.A. Richardson (the **Purchaser**) is the sole owner of the 357,995 issued and outstanding Class C Shares. As at January 25, 2019, the net asset value of the Fund was \$3,841,254 of which approximately 14% is allocable to the Class A Shares, 86% is allocable to the Class C Shares and less than 1% of the Fund's net asset value is allocable the Class B Share.

6. The Filer is not in default of the Legislation.
7. The Filer also acts as the Fund's investment advisor and provides investment advisory services to the Fund and sources and monitors the Fund's investments.
8. As at February 8, 2019, the Fund's assets comprised (i) cash representing approximately 28% of the Fund's total assets, (ii) securities of publicly traded issuers representing approximately 10% of the Fund's total assets and (iii) shares of 18 private issuers representing approximately 62% of the Fund's total assets. The shares of the private issuers are "illiquid assets" (the **Illiquid Assets**) as such term is defined in National Instrument 81-102 *Investment Funds (NI 81-102)*.
9. The Filer has determined that, due to the reduced size of the Fund and the inability to raise additional capital, the distribution to holders of Class A Shares and Class C Shares of the Fund of all or substantially all of the assets of the Fund is in the best interests of the Fund and its shareholders.
10. In order to maximize the net assets that will ultimately be distributed to the Class A Shareholders, the Purchaser, who is the sole owner of the Manager and the President and Chief Executive Officer of the Fund, proposes to make a one-time purchase of all of the Illiquid Assets held by the Fund (the **Illiquid Asset Sale**).
11. Although the Illiquid Asset Sale will be a "related party transaction" as such term is defined in National Instrument 61-101 *Protection of Minority Security Holders in Special Transactions (NI 61-101)*, pursuant to section 5.1 of NI 61-101, that instrument does not apply since the Purchaser is not a reporting issuer and the Fund is a mutual fund.
12. The Filer cannot distribute the Illiquid Assets on a pro rata basis to the shareholders of the Fund because such shareholders may not all qualify as accredited investors and, as private issuers, the constating documents of many issuers of the Illiquid Assets restrict the number of shareholders they can have.
13. The Filer is of the view that the Illiquid Asset Sale will avoid the cost and delay associated with seeking an alternative purchaser. Increased costs associated with an alternative sale process will negatively impact the net asset value of the Fund and there is no assurance that such a process will result in any sale or a sale of the Illiquid Assets at a sale price that is higher than the price to be obtained under the Illiquid Asset Sale.
14. Based on a number of discussions with potential purchasers of the Illiquid Assets, the Manager has determined that other potential purchasers would seek to purchase the Illiquid Assets at a significant discount to their current carrying value, if at all.
15. The Illiquid Assets will be sold for a price equal to their fair value market determined by a national accounting firm independent of each of the Manager, the Fund and the Purchaser (the **Independent Valuator**) experienced in the valuing of private assets (the **Independent Valuation**). The board of directors of the Fund will be responsible for oversight and approval of the valuation of the Illiquid Assets provided by the Independent Valuator.
16. Following the Illiquid Asset Sale, the Fund proposes to redeem all of the issued and outstanding Class A Shares and Class C Shares at the net asset value per share (the **Redemption**). The Purchaser will bear the cost of any early redemption penalties incurred by holders of Class A Shares, which penalties are estimated to be approximately \$15,000 as at March 2, 2019.
17. As required by the CBCA, the Manager will convene a special meeting of the Fund (the **Meeting**) to obtain the approval of shareholders of the Fund to amend the articles of the Fund to make the Class A Shares and Class C Shares redeemable at the option of the Fund to facilitate the Redemption. The notice of the Meeting and the management information circular of the Fund and a related proxy form (the **Circular**) will be mailed to shareholders and filed in accordance with applicable securities legislation.
18. The Circular, among other things, will include a description of:
 - a. the Fund, including disclosure concerning the Fund's investment objectives, strategies and restrictions, distribution policy, redemption process, organization and management and historical performance;

- b. where securityholders can obtain the financial statements and management reports of fund performance of the Fund that have been made public; namely, from the Filer upon request or on SEDAR at www.sedar.com;
 - c. the purpose of the Illiquid Asset Sale and the Redemption;
 - d. the process for completing the Illiquid Asset Sale and the Redemption;
 - e. the tax considerations applicable to the Illiquid Asset Sale and the Redemption; and
 - f. the decisions of the board of directors and the IRC (as defined below).
19. The Purchaser will pay the difference in price, if any, received by holders of Class A Shares that redeem such Class A Shares prior to the Redemption (and after the mailing date for the Meeting), on the one hand, and the price received by holders of Class A Shares pursuant to the Redemption, on the other hand.
20. The Purchaser is a director and officer of, and indirectly controls, the Manager. He is also the Manager's ultimate designated person, a dealing representative (exempt market dealer) and an advising representative (portfolio manager) of the Manager. As a result, the Purchaser is a "responsible person" as defined in section 13.5(1) of NI 31-103.
21. Absent the Exemption Sought, the Filer is prohibited by section 13.5(2)(b)(i) of NI 31-103 from causing the Fund to sell securities to the Purchaser. The exemption from this prohibition in Section 6.1 of National Instrument 81-107 *Independent Review Committee for Investment Funds (NI 81-107)* does not apply because, among other reasons, the Illiquid Asset Sale is not an inter-fund trade.
22. Subject to the completion of the Independent Valuation, the Filer and the board of directors of the Fund has determined the Illiquid Asset Sale is in the best interests of the Fund and the holders of the Class A Shares. The Independent Review Committee of the Fund (the **IRC**) will review and approve the proposed Illiquid Asset Sale from a conflict of interest perspective under section 5.2(2) of NI 81-107.
23. The decision to sell the Illiquid Assets to the Purchaser has been made based on the judgment of responsible persons uninfluenced by considerations other than the best interests of the Fund.
24. The Illiquid Assets will be sold by the Fund to the Purchaser at their fair value determined by the Independent Valuator.
25. The Filer will receive no remuneration with respect to the sale of the Illiquid Assets by the Fund to the Purchaser.
26. None of the Illiquid Assets are securities of an entity that is a related party of the Filer.
27. The Fund has been audited since inception and has final audited financial statements prepared for the year ended August 31, 2018.

Decision

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

The decision of the Commission under the Legislation is that the Exemption Sought is granted, provided that the following conditions are satisfied with respect to the Illiquid Assets Sale:

- (a) The Illiquid Assets are securities of a private company that are not traded on an exchange. The Illiquid Assets will be sold by the Fund to the Purchaser at fair value based on an independent determination of the fair value of the Illiquid Assets obtained from the Independent Valuator.
- (b) The Filer referred the purchase of the Illiquid Assets to the IRC for review. The IRC will oversee the Illiquid Assets Sale described herein after making the determinations provided under sub-sections 5.2(2)(a), (b) and (d) of NI 81-107, as if the Fund was subject to NI 81-107.
- (c) The Filer will receive no remuneration with respect to the sale of the Illiquid Assets by the Fund to the Purchaser. With respect to the delivery of the securities, the only expenses incurred by the Fund are nominal administrative charges levied by the custodian and/or recordkeeper of the Fund for recording the trades and/or any charges by a dealer in transferring the securities.

- (d) The Fund will keep written records of the Illiquid Assets Sale reflecting details of the portfolio securities delivered by the Fund to the Purchaser and the value assigned to such securities, for five years after the end of the financial year, the most recent two years in a reasonably accessible place.

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

2.1.5 GRUPO4X Inc. and VectorGlobal IAG Canada Inc.

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Under paragraph 4.1(1)(b) of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations a registered firm must not permit an individual to act as a dealing, advising or associate advising representative of the registered firm if the individual is registered as a dealing, advising or associate advising representative of another registered firm – The Filers will be affiliated entities and have valid business reasons for a representative to be registered with both firms – The Filers have policies in place to handle potential conflicts of interest – The Filers are exempted from the prohibition.

Applicable Legislative Provisions

Multilateral Instrument 11-102 Passport System, s. 4.7.

National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, ss. 4.1 and 15.1.

March 20, 2019

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

AND

**IN THE MATTER OF
GRUPO4X INC.**

AND

VECTORGLOBAL IAG CANADA INC.

(collectively, the Filers)

DECISION

Background

The securities regulatory authority or regulator in Ontario (**Decision Maker**) has received an application from the Filers for a decision under the securities legislation (the **Legislation**) of the Jurisdiction for relief from the restriction under paragraph 4.1(1)(b) of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations (NI 31-103)* (the **Dual Registration Restriction**), pursuant to section 15.1 of NI 31-103, to permit Edan Howell (**Mr. Howell**) to be registered as an advising representative of Grupo4x Inc. and VectorGlobal IAG Canada Inc. (the **Exemption Sought**).

Interpretation

Terms defined in National Instrument 31-103 have the same meaning if used in this decision, unless otherwise defined.

Representations

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

1. The head office of Grupo4x Inc. is in Toronto, Ontario.
2. Grupo4x Inc. is registered in Ontario in the category of restricted portfolio manager, exempt market dealer and investment fund manager.
3. VectorMex International, Inc. will acquire 52% of the voting shares of Grupo4x Inc., which will be held through VectorGlobal WMG Canada Inc., a holding company that will hold no other assets and not conduct any business.

4. VectorMex International, Inc. is a Delaware holding company that is the parent of three different business lines operating under the trade name VectorGlobal. These include a U.S. based insurance business called VectorGlobal ISG and regulated by the State of Florida; a U.S. based portfolio management business called VectorGlobal IAG, regulated by the SEC with over US\$400 million of client assets under management; and a U.S. based securities broker-dealer operating under the name of VectorGlobal WMG. The largest of these businesses is VectorGlobal WMG (www.vectorglobalwmg.com), which is registered with the SEC and regulated by FINRA. The headquarters of VectorMex International are in Miami, Florida, but has additional offices in New York, and Houston. It's primary custodian is Pershing LLC with whom it has over US\$2 billion of client assets under custody.
5. Grupo4x Inc. acts as a portfolio manager that exercises discretionary authority over the assets of one pooled fund, Grupo4x Limited Partnership. Its primary business is trading foreign exchange pairs with a view to earning a profit for the limited partners. Grupo4x Inc.'s target market is accredited investors living in either Ontario or Mexico.
6. The head office of VectorGlobal IAG Canada Inc. is in Toronto, Ontario.
7. VectorGlobal IAG Canada Inc. is a 100% wholly-owned subsidiary of VectorMex International, Inc.
8. VectorGlobal IAG Canada Inc. has applied for registration as a portfolio manager in Ontario.
9. Since the Filers will be under common control, each such entity will be an affiliate of the other and will be affiliated registrants.
10. Mr. Howell is a resident of Toronto, Ontario and is a registered advising representative, dealing representative, officer, Chief Compliance Officer, shareholder and director of Grupo4x Inc. Mr. Howell is one of the founders of Grupo4x Inc. and has acted as advising representative since it was registered as a portfolio manager in February 2018. In that capacity he is the lead portfolio manager of Grupo4x Limited Partnership.
11. Mr. Howell has, and will continue to have, sufficient time and resources to adequately meet his obligations to each of Grupo4x Inc. and VectorGlobal IAG Canada Inc.
12. As portfolio manager at VectorGlobal IAG Canada Inc. Mr. Howell will be responsible for leveraging the work done by the parent company's portfolio management group in order to ensure the suitability of the models for clients of the Toronto office. His first objective is to recruit additional advising representatives and supervise their activities. In the future, once the additional advising representatives have been retained, Mr. Howell may cease to act as an advising representative in order to focus on supervision.
13. Mr. Howell is familiar with the business model of Grupo4x Inc., the proposed business model of VectorGlobal IAG Canada Inc. and the business model of VectorGlobal's other affiliates that presently carry out portfolio management businesses in other countries.
14. There will be minimal potential for conflicts of interest or client confusion because there is very little overlap between the activities of Grupo4x Inc. and VectorGlobal IAG Canada Inc. Grupo4x Inc. is an investment manager overseeing a single fund that engages in currency pairs trading. VectorGlobal IAG Canada Inc. will focus on financial advice and strategies for individual investors, families, businesses and institutional funds. The client base of each firm will be different.
15. Dual registration as an advising representative (portfolio manager) of both Filers would allow Mr. Howell to continue to assist in advising Grupo4x Inc. while also assisting in advising VectorGlobal IAG Canada Inc. Registration as an advising representative for Mr. Howell would permit him to conduct similar activities. Grupo4x Inc. is a specialized fund while VectorGlobal IAG Canada Inc. will be building broad-based portfolios for clients. VectorGlobal IAG Canada Inc. does not plan to manufacture its own pooled funds and instead will follow models established by the parent portfolio management group. From Canada, VectorGlobal IAG Canada Inc. will be assessing the suitability of each model for particular clients and, if necessary, making minor amendments to suit individual clients, but VectorGlobal IAG Canada Inc. will not be running their own models or funds from Canada. Grupo4x Inc. and VectorGlobal IAG Canada Inc., who Mr. Howell will be advising, will not have similar investment strategies and are not expected to compete for the same investments, thus minimizing certain conflicts of interest. If, in the future, the portfolio management group in Miami decided that Grupo4x Limited Partnership is a suitable fund to include in some of its models as part of an alternative asset allocation (no more than 5%), that would not be a decision that would include Mr. Howell, nor would there be a situation where decisions are being made to put clients into either the Grupo4x Limited Partnership versus a VectorGlobal portfolio.

16. The interests of the Filers are aligned in connection with the role of Mr. Howell.
17. Mr. Howell's role will be to support the business activities and interests of both Grupo4x Inc. and VectorGlobal IAG Canada Inc.
18. Mr. Howell will be subject to supervision by, and the applicable compliance requirements of, both Grupo4x Inc. and VectorGlobal IAG Canada Inc. Both Grupo4x Inc. and VectorGlobal IAG Canada Inc.'s Ultimate Designated Persons will supervise the proper application of those conflict of interest policies.
19. Each of the Filers' respective Ultimate Designated Persons will monitor and assess whether Mr. Howell has sufficient time and resources to adequately serve each Filer and its clients.
20. The Filers do not expect that the dual registration of Mr. Howell will create significant additional work for Mr. Howell and are confident that Mr. Howell will have sufficient time to adequately serve both firms.
21. Grupo4x Inc. and VectorGlobal IAG Canada Inc. are subject to the restrictions and requirements in Part 13 of NI 31-103.
22. Grupo4x Inc. is not in default of any requirement of securities legislation in Ontario.
23. VectorGlobal IAG Canada Inc. is not in default of any requirement of securities legislation in Ontario.
24. In the absence of the Exemption Sought, Grupo4x Inc. and VectorGlobal IAG Canada Inc. would be prohibited by the Dual Registration Restriction from permitting Mr. Howell to act as advising representatives of both Grupo4x Inc. and VectorGlobal IAG Canada Inc., even though Grupo4x Inc. and VectorGlobal IAG Canada Inc. will be affiliates and have controls and compliance procedures in place to deal with their advising activities.
25. The dual registration of Mr. Howell will not give rise to the conflicts of interest that may be present in a similar arrangement involving unrelated, arm's length firms. The interests of Grupo4x Inc. and VectorGlobal IAG Canada Inc. are aligned in connection with the role of Mr. Howell which will be to support the business activities and interest of both Filers in respect of their business activities.
26. The Filers each have adequate policies and procedures in place to address any potential conflicts of interest that may arise as a result of the dual registration of Mr. Howell and will be able to deal appropriately with any such conflicts. Further, it is expected that, if the Exemption Sought is granted, Mr. Howell will be acting as an advising representative for Grupo4x Inc. and VectorGlobal IAG Canada Inc., which each have different investment strategies. This will further mitigate the risks of conflicts of interest arising from the dual registration of Mr. Howell.
27. Mr. Howell will be under the supervision of both Grupo4x Inc. and VectorGlobal IAG Canada Inc. and will be subject to all policies and procedures addressing conflicts of interest that may arise as a result of the dual registration.
28. Mr. Howell will act in the best interest of all clients of each Filer and will deal fairly, honestly and in good faith with these clients.
29. The relationship between Grupo4x Inc. and VectorGlobal IAG Canada Inc., and the fact that Mr. Howell is dually registered with both Grupo4x Inc. and VectorGlobal IAG Canada Inc., will be fully disclosed to clients of each of Grupo4x Inc. and VectorGlobal IAG Canada Inc. that deal with Mr. Howell. The information will be disclosed to Grupo4x Inc. clients, and current prospective clients, of Mr. Howell, as applicable, to inform them of Mr. Howell's new registration with VectorGlobal IAG Canada Inc. for which Mr. Howell will be an advising representative. This disclosure will be sent once the registration of Mr. Howell with VectorGlobal IAG Canada Inc. has been approved. Disclosure regarding the dual employment of Mr. Howell will also be disclosed in writing and in any offering documentation for each of the Grupo4x Inc. and VectorGlobal IAG Canada Inc. for which Mr. Howell acts as an advising representative.

Decision

The principal regulator is satisfied that the decision meets the test set out in the Legislation for the principal regulator to make the decision. The decision of the principal regulator under the Legislation is that the Exemption Sought is granted on the following conditions:

Decisions, Orders and Rulings

- i. Mr. Howell is subject to supervision by, and the applicable compliance requirements of, both Filers;
- ii. The Ultimate Designated Person of each Filer ensures that Mr. Howell has sufficient time and resources to adequately serve each Filer and its respective clients;
- iii. The Filers each have adequate policies and procedures in place to address any potential conflicts of interest that may arise as a result of the dual registration of Mr. Howell and deal appropriately with any such conflicts; and
- iv. The relationship between the Filers and the fact that Mr. Howell is dually registered with both Filers is fully disclosed to clients of each of them in writing that deal with such person.

“Felicia Tedesco”
Deputy Director, Compliance and Registrant Regulation
Ontario Securities Commission

2.1.6 Emerald Health Therapeutics, Inc. and GMP Securities L.P.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Application for exemptive relief to permit issuer and underwriters, acting as agents for the issuer, to enter into equity distribution agreements to make "at the market" (ATM) distributions of common shares over the facilities of a marketplace in Canada – ATM distributions to be made pursuant to shelf prospectus procedures in Part 9 of NI 44-102 Shelf Distributions – issuer will issue a press release and file agreements on SEDAR – application for relief from prospectus delivery requirement – delivery of prospectus not practicable in circumstances of an ATM distribution – relief from prospectus delivery requirement has effect of removing two-day right of withdrawal and remedies of rescission or damages for non-delivery of the prospectus – application for relief from certain prospectus form requirements – relief granted to permit modified forward-looking certificate language – relief granted on terms and conditions set out in decision document – decision will terminate 25 months after the issuance of a receipt for the shelf prospectus. Decision and application also held in confidence by decision makers until the earlier of the entering into of an equity distribution agreement, waiver of confidentiality or 90 days from the date of the decision.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am, ss. 71, 147.

Applicable Ontario Rules

National Instrument 44-101 Short Form Prospectus Distributions, s. 8.1 and Item 20 of Form 44-101F1.

National Instrument 44-102 Shelf Distributions, s. 6.7, Part 9, s. 11.1, s. 2.2 of Part 2 of Appendix A.

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions.

March 19, 2019

**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
EMERALD HEALTH THERAPEUTICS, INC.
(the Issuer)**

AND

**GMP SECURITIES L.P.
(the Agent and, together with the Issuer, the Filers)**

DECISION

Background

- 1 The securities regulatory authority or regulator in each of the Jurisdictions (Decision Maker) has received an application from the Filers for a decision under the securities legislation of the Jurisdictions (the Legislation) for relief from the following requirements (the Exemption Sought):
 - (a) the requirement that a dealer, not acting as agent of the purchaser, who receives an order or subscription for a security offered in a distribution to which the prospectus requirement applies, send or deliver to the purchaser or its agent the latest prospectus (including the applicable prospectus supplement(s) in the case of a base shelf prospectus) and any amendment to the prospectus (the Prospectus Delivery Requirement) does not apply to the Agent or other registered investment dealer acting on behalf of the Agent as a selling agent (a

Selling Agent) in connection with any at-the-market distribution of common shares (Common Shares) of the Issuer (an ATM Distribution) as defined in National Instrument 44-102 *Shelf Distributions* pursuant to one or more substantially identical equity distribution agreements (an Equity Distribution Agreement) to be entered into between the Issuer and the Agent;

- (b) the requirement to include the statements specified by items 2 and 3 of section 5.5 of NI 44-102 does not apply to the Base Shelf Prospectus (as defined below); and
- (c) the requirement to include the following in a prospectus supplement or any amendment thereto does not apply to the Prospectus Supplement (as defined below) or any amendment thereto:
 - (i) a forward-looking issuer certificate in the form specified in section 2.1 or 2.4 of Appendix A to National Instrument 44-102 *Shelf Distributions* (NI 44-102);
 - (ii) a forward-looking underwriter certificate in the form specified by section 2.2 or 2.4 of Appendix A to NI 44-102; and
 - (iii) a statement respecting purchasers' statutory rights of withdrawal and remedies of rescission or damages in substantially the form prescribed in Item 20 of Form 44-101F1 *Short Form Prospectus*.

The Decision Makers have also received a request from the Filers for a decision that the application and this decision be kept confidential and not made public until the earliest of (i) the date on which the Filers enter into the Equity Distribution Agreement, (ii) the date on which the Filers jointly advise the Decision Makers that there is no longer any need for the application and this decision to remain confidential, and (iii) the date that is 90 days after the date of this decision (the Confidentiality Relief).

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 Filers have provided notice that section 4.7(1)(c) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in Alberta, Saskatchewan, Manitoba, Quebec, Nova Scotia, New Brunswick, Prince Edward Island 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

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

Representations

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

The Issuer

- 1. the Issuer is incorporated under the laws of the Province of British Columbia with its head office located in Vancouver, British Columbia;
- 2. the Issuer is a reporting issuer under the securities legislation of each of the provinces of Canada except Quebec; upon a receipt being issued by the Autorité des marchés financiers for the Base Shelf Prospectus of the Issuer (defined below), the Issuer will be a reporting issuer in Quebec; the Issuer is not in default of securities legislation in any jurisdiction of Canada;
- 3. the Common Shares are listed on the TSX Venture Exchange (the TSXV) and quoted on the OTCQX Best Market;

The Agent

- 4. the Agent is a limited partnership formed under the laws of the Province of Manitoba with its head office in Toronto, Ontario;

5. the Agent is registered as an investment dealer under the securities legislation of each of the provinces of Canada, is a member of the Investment Industry Regulatory Organization of Canada, and is a participating organization of the TSXV;

6. the Agent is not in default of securities legislation in any jurisdiction of Canada;

Proposed ATM Distributions

7. subject to mutual agreement on terms and conditions, the Filers propose to enter into Equity Distribution Agreements for the purpose of one or more ATM Distributions involving the sale from time to time of Common Shares by the Issuer through the Agent, as agent, under the base shelf prospectus procedures prescribed by Part 9 of NI 44-102;

8. prior to making any ATM Distributions, the Issuer will have:

(a) filed a final short form base shelf prospectus in each of the provinces of Canada (the Base Shelf Prospectus) providing for the distribution from time to time of securities of the Issuer, including Common Shares, preferred shares, debt securities, subscription receipts, warrants and units comprised of the foregoing; the Base Shelf Prospectus will constitute an "unallocated shelf" within the meaning of Part 3 of NI 44-102; and

(b) filed in each of the provinces of Canada a prospectus supplement describing the terms of the applicable ATM Distribution including the terms of the applicable Equity Distribution Agreement and otherwise supplementing the disclosure in the Base Shelf Prospectus (the Prospectus Supplement, and together with the Base Shelf Prospectus as supplemented or amended and including any documents incorporated by reference therein, which shall include any Designated News Release (as defined below), the Prospectus);

9. the Issuer will include in the Base Shelf Prospectus a forward-looking certificate of the Issuer in the form prescribed by section 1.1 of Appendix A to NI 44-102;

10. upon entering into an Equity Distribution Agreement, the Issuer will immediately:

(a) issue and file a news release pursuant to section 3.2 of NI 44-102 announcing the Equity Distribution Agreement for an expected distribution of Common Shares indicating that the Base Shelf Prospectus and the Prospectus Supplement have been filed on SEDAR, and will specify where and how purchasers of Common Shares under the applicable ATM Offering may obtain copies; and

(b) file the Equity Distribution Agreement on SEDAR;

11. under the proposed Equity Distribution Agreements, the Issuer may conduct one or more ATM Distributions subject to the 10% limitation set out in subsection 9.1(1) of NI 44-102;

12. the Issuer will conduct ATM Distributions through the Agent, as agent, directly or through a Selling Agent, only through the TSXV or any other recognized Canadian "marketplace" within the meaning of National Instrument 21-101 *Marketplace Operation* upon which the Common Shares are listed, quoted or otherwise traded (a Canadian Marketplace);

13. the Agent will act as the sole agent on behalf of the Issuer in connection with the ATM Distributions on the TSXV or another Canadian Marketplace, and will be the only person or company paid an agency fee or commission by the Issuer in connection with such sales; the Agent will sign an agent's certificate, in the form set out in paragraph 31 below, in the Prospectus Supplement;

14. the Agent will effect ATM Distributions on the TSXV or a Canadian Marketplace, either itself or through a Selling Agent; if sales are effected through a Selling Agent, the Selling Agent will be paid a customary seller's commission for effecting the trades on the Agent's behalf; a purchaser's rights and remedies under the Legislation against the Agent, as agent of an ATM Distribution through a Canadian Marketplace, will not be affected by a decision to effect the sale directly or through a Selling Agent;

15. the aggregate number of Common Shares sold on one or more Canadian Marketplaces pursuant to an ATM Distribution on any trading day will not exceed 25% of the trading volume of the Common Shares on all Canadian Marketplaces on that day;

16. each Equity Distribution Agreement will provide that, at the time of each sale of Common Shares pursuant to an ATM Distribution, the Issuer will represent to the Agent that the Prospectus contains full, true and plain disclosure of all material facts relating to the Issuer and the Common Shares being distributed; the Issuer will therefore be unable to proceed with sales pursuant to an ATM Distribution when it is in possession of undisclosed information that would constitute a material fact or a material change in respect of the Issuer or the Common Shares;
17. after the date of the Prospectus Supplement and before the termination of any ATM Distribution, if the Issuer disseminates a news release disclosing information that, in the Issuer's determination, constitutes a "material fact" as defined in the Legislation, the Issuer will identify such news release as a "designated news release" for the purposes of the Prospectus; this designation will be made on the face page of the news release filed on SEDAR (any such news release, a Designated News Release); the Prospectus Supplement will provide that any such Designated News Release will be deemed to be incorporated by reference into the Prospectus; a Designated News Release will not be used to update disclosure in the Prospectus by the Issuer in the event of a "material change" as defined in the Legislation);
18. if, after the Issuer delivers a notice to the Agent directing the Agent to sell Common Shares on the Issuer's behalf pursuant to the Equity Distribution Agreement (a Sell Notice), the sale of the Common Shares specified in the Sell Notice, taking into consideration prior sales under ATM Distributions, would constitute a material fact or material change, the Issuer will suspend sales under the Equity Distribution Agreement until either (i) it has disseminated and filed a Designated News Release, in the case of a material fact, or has filed a material change report, as defined in NI 44-101, or amended the Prospectus, or (ii) circumstances have changed so that the sales would no longer constitute a material fact or material change;
19. in determining whether the sale of the number of Common Shares specified in a Sell Notice would constitute a material fact or material change, the Issuer will take into account a number of factors, including, without limitation (i) the parameters of the Sell Notice, including the number of Common Shares proposed to be sold and any price or timing restrictions that the Issuer may impose with respect to the particular ATM Distribution, (ii) the percentage of outstanding Common Shares that the number of Common Shares proposed to be sold pursuant to the Sell Notice represents, (iii) sales under prior Sell Notices, (iv) trading volume and volatility of the Common Shares, (v) recent developments in the business, affairs and capital structure of the Issuer and (vi) prevailing market conditions generally;
20. the Agent will monitor closely the market's reaction to trades made on the TSXV or another Canadian Marketplace pursuant to an ATM Distribution in order to evaluate the likely market impact of future trades; the Agent has experience and expertise in managing sell orders to limit downward pressure on the Common Share price; if the Agent has concerns as to whether a particular sell order placed by the Issuer may have a significant effect on the market price of the Common Shares, the Agent will recommend against effecting the trade at that time; it is in the interest of both the Issuer and the Agent to minimize the market impact of sales under an ATM Distribution;

Disclosure of Common Shares Sold in ATM Distribution

21. within seven calendar days after the end of each calendar month during which the Issuer conducts an ATM Distribution, the Issuer will disclose in a report filed on SEDAR the number and average selling price of the Common Shares distributed through an ATM Distribution, and the commission and gross and net proceeds for such sales;
22. the Issuer will disclose in the Issuer's annual and interim financial statements and related management's discussion and analysis filed on SEDAR in respect of that financial period, the number and average selling price of Common Shares distributed pursuant to an ATM Distribution during that annual or interim period, as well as gross proceeds, commission and net proceeds;

Prospectus Delivery Requirement

23. pursuant to the Prospectus Delivery Requirement, a dealer effecting a trade of securities offered under a prospectus is required to deliver a copy of the prospectus (including the applicable prospectus supplement(s) in the case of a base shelf prospectus) to the purchaser within prescribed time limits;
24. delivery of a prospectus is not practicable in the circumstances of an ATM Distribution, as neither the Agent nor any Selling Agent effecting the trade will know the identity of the purchasers;

25. the Prospectus will be filed and readily available electronically via SEDAR to all purchasers under ATM Distributions and the Issuer will issue a news release that specifies where and how copies of the Base Shelf Prospectus and the Prospectus Supplement can be obtained;
26. the liability of an issuer or an underwriter (or others) for a misrepresentation in a prospectus pursuant to the civil liability provisions of the Legislation will not be affected by the grant of an exemption from the Prospectus Delivery Requirement, because purchasers of securities offered by a prospectus during the period of distribution have a right of action for damages or rescission without regard to whether or not the purchaser relied on the misrepresentation or in fact received a copy of the prospectus;

Withdrawal Right and Right of Action for Non-Delivery

27. pursuant to the Legislation, an agreement to purchase a security in respect of a distribution to which the prospectus requirement applies is not binding on the purchaser if the dealer from whom the purchaser purchases the security receives, not later than the prescribed time following receipt by the purchaser of the latest prospectus or any amendment to the prospectus, a notice in writing that the purchaser does not intend to be bound by the agreement of purchase (the Withdrawal Right);
28. pursuant to the Legislation, a purchaser of a security to whom a prospectus was required to be sent or delivered in compliance with the Prospectus Delivery Requirement, but was not so sent or delivered, has a right of action for rescission or damages against the dealer who did not comply with the Prospectus Delivery Requirement (the Right of Action for Non-Delivery);
29. neither the Withdrawal Right nor the Right of Action for Non-Delivery is workable in the context of an ATM Distribution because of the impracticability of delivering the Prospectus to a purchaser of Common Shares thereunder;

Modified Certificates and Statements

30. to reflect the fact that an ATM Distribution is a continuous distribution, the Prospectus Supplement and any amendment thereto will include the following issuer certificate (with appropriate modifications in respect of the filing of an amendment prescribed by section 2.4 of Appendix A to NI 44-102), such issuer certificate to supersede and replace the issuer certificate in the Base Shelf Prospectus solely with regard to the ATM Distribution:

The short form prospectus, as supplemented by the foregoing, together with the documents incorporated in the prospectus by reference as of the date of a particular distribution of securities offered by the prospectus and this supplement, will, as of that date, constitute full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement, as required by the securities legislation of each of the provinces of Canada.

31. to reflect the fact that an ATM Distribution is a continuous distribution, the Prospectus Supplement and any amendment thereto will include the following underwriter certificate (with appropriate modifications in respect of the filing of an amendment prescribed by section 2.4 of Appendix A to NI 44-102):

To the best of our knowledge, information and belief, the short form prospectus, as supplemented by the foregoing, together with the documents incorporated in the prospectus by reference as of the date of a particular distribution of securities offered by the prospectus and this supplement, will, as of that date, constitute full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement, as required by the securities legislation of each of the provinces of Canada.

32. a different statement of purchasers' rights than that required by the Legislation is necessary so that the Prospectus will accurately reflect the relief granted from the Prospectus Delivery Requirement; accordingly, the Prospectus Supplement will state the following, with the date reference completed:

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities and with remedies for rescission or, in some jurisdictions, revision of the price, or damages if the prospectus, prospectus supplements relating to securities purchased by a purchaser and any amendment are not delivered to the purchaser, provided that the remedies are exercised by the purchaser within the time limit prescribed by securities legislation. However, purchasers of Common Shares under an at-the-market distribution by the Company will not have the right to withdraw from an agreement to purchase the Common Shares

and will not have remedies of rescission or, in some jurisdictions, revisions of the price, or damages for non-delivery of the prospectus supplement, the accompanying prospectus and any amendment thereto relating to Common shares purchased by such purchaser, because the prospectus supplement, the accompanying prospectus and any amendment thereto relating to the Common Shares purchased by such purchaser will not be delivered as permitted under a decision document dated ?, 2019 and granted pursuant to National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions.

Securities legislation in certain of the provinces of Canada also provides purchasers with remedies for rescission or, in some jurisdictions, revision of the price, or damages if the prospectus, prospectus supplements relating to securities purchased by a purchaser and any amendment contains a misrepresentation, provided that the remedies are exercised by the purchaser within the time limit prescribed by securities legislation. Any remedies under securities legislation in the jurisdictions that a purchaser of Common Shares under an at-the-market distribution by the Company may have against the Company or the Agent for rescission, or in some jurisdictions, revisions of the price, or damages if the prospectus supplement, the accompanying prospectus and any amendment thereto relating to securities purchased by a purchaser and any amendment contain a misrepresentation will remain unaffected by the non-delivery of the prospectus and the decision referred to above.

Purchasers should refer to any applicable provisions of the securities legislation of the purchaser's province and the decision document referred to above for the particulars of these rights or consult with a legal advisor.

33. the Prospectus Supplement will disclose that, solely with regards to the ATM Distribution, the statement prescribed in paragraph 32 above supersedes and replaces the statement of purchasers' rights contained in the Base Shelf Prospectus;
34. the statements required by subsections 5.5(2) and (3) of NI 44-102 will be included in the Base Shelf Prospectus, but will be qualified by the additional words "except in cases where an exemption from such delivery requirement has been obtained"; and
35. the Issuer has not yet publicly announced its intention to enter into the Equity Distribution Agreement; premature disclosure of this intention may have an adverse effect on the Filer.

Decision

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

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

- (a) the Issuer makes the disclosure described in paragraphs 21, 22, 30, 31, 32, 33 and 34;
- (b) the Issuer complies with the representations in paragraphs 2, 8, 9, 10, 11, 12, 15, 16, 17, 18 and 19;
- (c) the Agent complies with the representations in paragraphs 5, 6, 11, 12, 13, 14, 15 and 20.

This decision will terminate 25 months after the issuance of the receipt for the Base Shelf Prospectus.

The further decision of the Decision Makers is that the Confidentiality Relief is granted.

"John Hinze"
Director, Corporate Finance
British Columbia Securities Commission

2.1.7 Arrow Capital Management Inc.

Headnote

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

Applicable Legislative Provisions

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

April 2, 2019

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
ARROW CAPITAL MANAGEMENT INC.
(the Filer)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of existing investment funds of which the Filer is, or in the future will be, the investment fund manager (or if applicable in the future, which an affiliate of the Filer becomes the investment fund manager) and to which National Instrument 81-102 *Investment Funds* (NI 81-102) applies (each a **Fund** and collectively, the **Funds**) for a decision under the securities legislation of the Jurisdiction (the **Legislation**) for an exemption from the requirements set out in paragraphs 15.3(4)(c) (in respect of both the FundGrade A+ Awards and the FundGrade Ratings) and 15.3(4)(f) (in respect of the FundGrade A+ Awards only) of NI 81-102, which provide that a sales communication must not refer to a performance rating or ranking of a mutual fund or asset allocation service unless:

1. 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
2. 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;

(together, the **Exemption Sought**) in order to permit the FundGrade A+ Awards and the FundGrade Ratings to be referenced in sales communications relating to the Funds.

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

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

- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System (MI 11-102)* is intended to be relied upon in each of the other provinces and territories of Canada (together with Ontario, the **Canadian 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 existing under the laws of Ontario with its registered head office in Toronto, Ontario.
2. The Filer is registered in the following categories in the jurisdictions as indicated below:
 - (a) Ontario: Portfolio Manager, Investment Fund Manager (“**IFM**”); Exempt Market Dealer (“**EMD**”) and Commodity Trading Manager under the *Commodity Futures Act* (Ontario);
 - (b) Alberta: EMD;
 - (c) British Columbia: EMD;
 - (d) Quebec: EMD and IFM; and
 - (e) Newfoundland and Labrador: IFM.
3. The Filer is not in default of securities legislation in any of the Canadian Jurisdictions.

The Funds

4. The Filer manages the Funds, the securities of which are, or will be, qualified for distribution to investors in each of the Canadian Jurisdictions pursuant to one or more prospectuses or simplified prospectuses prospectus that has been, or will be, prepared and filed in accordance with the securities legislation of the Canadian Jurisdictions.
5. Each of the Funds is, or will be, a reporting issuer in one or more of the Canadian Jurisdictions. Each of the Funds is, or will be, subject to the requirements of NI 81-102, including Part 15 of NI 81-102 which governs sales communications.
6. The Funds are not in default of securities legislation in any of the Canadian Jurisdictions.

Fundata FundGrade A+ Awards Program

7. The Filer wishes to include in sales communications for the Funds references to the FundGrade Ratings and the FundGrade A+ Awards, where such Funds have been awarded a FundGrade A+ Award.
8. Fundata Canada Inc. (“**Fundata**”) is a “mutual fund rating entity” as that term is defined in NI 81-102 and is not a member of the organization of the Funds. Fundata is a leader in supplying mutual fund information, analytical tools, and commentary. Fundata’s fund data and analysis, fund awards designations and ratings information provide valuable insight to advisors, media and individual investors.
9. One of Fundata’s programs is the FundGrade A+ Awards program. This program highlights funds that have excelled in delivering consistently strong risk-adjusted performance relative to their peers. The FundGrade A+ Awards designate award-winning funds in most individual fund classifications for the previous calendar year, and the awards are announced in January of each year. The categories for fund classification used by Fundata are those maintained by the Canadian Investment Funds Standards Committee (**CIFSC**) (or a successor to CIFSC), a Canadian organization that is independent of Fundata.
10. The FundGrade A+ Awards are based on a proprietary rating methodology developed by Fundata, the FundGrade Rating system. The FundGrade Rating system evaluates funds based on their risk-adjusted performance measured by

three well-known and widely used metrics: the Sharpe Ratio, the Information Ratio, and the Sortino Ratio. The ratios are calculated for the two through ten year time periods for each fund. When there is more than one eligible series of a fund, an average ratio is taken for each period. The ratios are ranked across all time periods and an overall score is calculated by equally weighting the yearly rankings.

11. The FundGrade Ratings are letter grades for each fund and are determined each month. The FundGrade Ratings for each month are released on the seventh business day of the following month. The top 10% of funds earn an A Grade; the next 20% of funds earn a B Grade; the next 40% of funds earn a C Grade; the next 20% of funds receive a D Grade; and the lowest 10% of funds receive an E Grade. Because the overall score of a fund is calculated by equally weighting the periodic rankings, to receive an A Grade, a Fund must show consistently high scores for all ratios across all time periods.
12. Fundata calculates a grade using only the retail series of each Fund. Institutional series or fee-based series of any Fund are not included in the calculation. A Fund must have at least two years of history to be included in the calculation. Once a letter grade is calculated for a Fund, it is then applied to all related series of that Fund.
13. At the end of each calendar year, Fundata calculates a "Fund GPA" for each Fund based on the full year's performance. The Fund GPA is calculated by converting each month's FundGrade Rating letter grade into a numerical score. Each A is assigned a grade of 4.0; each B is assigned a grade of 3.0; each C is assigned a grade of 2.0; each D is assigned a grade of 1.0; and each E is assigned a grade of 0. The total of the grades for each Fund is divided by 12 to arrive at the Fund's GPA for the year. Any Fund earning a GPA of 3.5 or greater earns a FundGrade A+ Award.
14. When a Fund is awarded a FundGrade A+ Award, Fundata will permit such Fund to make reference to the award in its sales communications.

Sales Communication Disclosure

15. The FundGrade Ratings fall within the definition of "performance data" under NI 81-102, as they constitute "a rating, ranking, quotation, discussion or analysis regarding an aspect of the investment performance of an investment fund", given that the FundGrade Ratings are based on performance measures calculated by Fundata. The FundGrade A+ Awards may be considered to be "overall ratings or rankings", given that the awards are based on the FundGrade Ratings as described above. Therefore, references to FundGrade Ratings and FundGrade A+ Awards in sales communications relating to the Funds need to meet the applicable requirements in Part 15 of NI 81-102.
16. Paragraph 15.3(4)(c) of NI 81-102 imposes a "matching" requirement for performance ratings or rankings that are included in sales communications for mutual funds. If a performance rating or ranking is referred to in a sales communication, it must be provided for, or "match", each period for which standard performance data is required to be given for the fund, except for the period since the inception of the fund (i.e., for one, three, five and ten year periods, as applicable).
17. While FundGrade Ratings are based on calculations for a minimum of two years through to a maximum of ten years, and the FundGrade A+ Awards are based on a yearly average of monthly FundGrade Ratings, specific ratings for the three, five and ten year periods within the two to ten year measurement period are not given. This means that a sales communication referencing FundGrade Ratings cannot comply with the "matching" requirement contained in paragraph 15.3(4)(c) of NI 81-102. Relief from paragraph 15.3(4)(c) of NI 81-102 is, therefore, required in order for a Fund to use FundGrade Ratings in sales communications.
18. The exemption in subsection 15.3(4.1) of NI 81-102 for references to overall ratings or rankings of funds cannot be relied upon to reference the FundGrade A+ Awards in sales communications for the Funds because it is available only if a sales communication "otherwise complies" with the requirements of subsection 15.3(4). As noted above, sales communications referencing the FundGrade A+ Awards cannot comply with the "matching" requirement in subsection 15.3(4) because the underlying FundGrade Ratings are not available for the three, five and ten year periods within the two to ten year measurement period for the FundGrade Ratings, rendering the exemption in subsection 15.3(4.1) unavailable. Relief from paragraph 15.3(4)(c) is, therefore, required in order for the Funds to reference the FundGrade A+ Awards and the FundGrade Ratings in sales communications.
19. Paragraph 15.3(4)(f) of NI 81-102 imposes certain restrictions on disclosure in sales communications. This paragraph provides that in order for a rating or ranking such as a FundGrade A+ Award to be used in an advertisement, the advertisement must be published within 45 days of the calendar month end to which the rating or ranking applies. Further, in order for the rating or ranking to be used in any other sales communication, the rating or ranking must be published within three months of the calendar month end to which the rating or ranking applies.

Decisions, Orders and Rulings

20. Because the evaluation of funds for the FundGrade A+ Awards will be based on data aggregated until the end of December in any given year and the results will be published in January of the following year, by the time a Fund receives a FundGrade A+ Award in January, paragraph 15.3(4)(f) of NI 81-102 will only allow the FundGrade A+ Award to be used in an advertisement until the middle of February and in other sales communications until the end of March.
21. The Exemption Sought is required in order for the FundGrade Ratings and the FundGrade A+ Awards to be referenced in sales communications relating to the Funds.
22. The Filer submits that the FundGrade A+ Awards and the FundGrade Ratings provide important tools for investors, as they provide investors with context when evaluating investment choices. The FundGrade A+ Awards and the FundGrade Ratings provide an objective, transparent and quantitative measure of performance that is based on the expertise of Fundata in fund analysis that alleviates any concern that references to them may be misleading and therefore, contrary to paragraph 15.2(1)(a) of NI 81-102.

Decision

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

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

1. The sales communication that refers to the FundGrade A+ Awards and the FundGrade Ratings complies with Part 15 of NI 81-102 other than as set out herein and contains the following disclosure in at least 10-point type:
 - (a) the name of the category for which the Fund has received the award or rating;
 - (b) the number of mutual funds in the category for the applicable period;
 - (c) the name of the ranking entity, i.e., Fundata;
 - (d) the length of period and the ending date, or, the first day of the period and the ending date on which the FundGrade A+ Awards or the FundGrade Rating is based;
 - (e) a statement that FundGrade Ratings are subject to change every month;
 - (f) in the case of a FundGrade A+ Award, a brief overview of the FundGrade A+ Awards;
 - (g) in the case of a FundGrade Rating (other than FundGrade Ratings referenced in connection with a FundGrade A+ Award), a brief overview of the FundGrade Rating;
 - (h) disclosure of the meaning of the FundGrade Ratings from A to E (e.g., rating of A indicates a fund is in the top 10% of its category); and
 - (i) reference to Fundata's website (www.fundata.com) for greater detail on the FundGrade A+ Awards and the FundGrade Ratings;
2. The FundGrade A+ Award being referenced must not have been awarded more than 365 days before the date of the sales communication; and
3. The FundGrade A+ Awards and the FundGrade Ratings being referenced are calculated based on comparisons of performance of investment funds within a specified category established by the CIFSC (or a successor to the CIFSC).

"Darren McKall"
Investment Funds & Structured Products Branch
Ontario Securities Commission

2.1.8 H4 SAS

Headnote

Dual application under National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Application for relief from the prospectus and registration requirements for certain trades made in connection with an employee share offering by a French issuer – The issuer cannot rely on the employee exemption in section 2.24 of National Instrument 45-106 Prospectus Exemptions as the securities are not being offered to Canadian employees directly by the issuer but rather through a special purpose entity – Canadian participants will receive disclosure documents – The special purpose entity is subject to the supervision of the local securities regulator – Canadian employees will not be induced to participate in the offering by expectation of employment or continued employment – There is no market for the securities of the issuer in Canada – The number of Canadian participants and their share ownership are de minimis – Relief granted, subject to conditions.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 25(1), 53(1), 74(1).

March 8, 2019

TRANSLATION

**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
H4 SAS
(the Filer)**

DECISION

Background

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

1. an exemption from the prospectus requirement (the Prospectus Relief) so that such requirement does not apply to trades of units (the Units) of a *fonds commun de placement d'entreprise* or "FCPE", a form of collective shareholding vehicle commonly used in France for the conservation and custodianship of shares held by employee-investors, named "Demathieu Bard" (the Fund), made pursuant to an Employee Share Offering (as defined below) to or with Qualifying Employees (as defined below) resident in the Jurisdictions (collectively, the Canadian Employees, and Canadian Employees who subscribe for Units, the Canadian Participants); and
2. an exemption from the dealer registration requirement (together with the Prospectus Relief, the Exemption Sought) so that such requirement does not apply to the Filer and its Local Affiliates (as defined below), the Fund and Equalis Capital France (the Management Company) in respect of trades in Units made pursuant to an Employee Share Offering to or with Canadian Employees.

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, and
- (b) 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* (chapter V-1.1, r. 3) and *Regulation 11-102 respecting Passport System* (chapter V-1.1, r. 1) have the same meaning if used in this decision, unless otherwise defined.

“Affiliate” has the same meaning given to such term in *Regulation 45-106 respecting Prospectus Exemptions* (chapter V-1.1, r. 21) (*Regulation 45-106*).

In Québec, “trade” has the same meaning given to such term in *Regulation 45-106*.

Representations

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

1. The Filer is a corporation formed under the laws of France. It is not, and has no current intention of becoming, a reporting issuer under the securities legislation of any jurisdiction of Canada. The head office of the Filer is located in France. No shares of the Filer (the Shares) are listed on any stock exchange, and the Filer does not intend to list its securities on any stock exchange. No shareholders of the Filer are Canadian residents.
2. The Filer carries on business in Canada through two affiliates that employ Canadian Employees, Construction Demathieu & Bard (CDB) Inc. and Technopref Canada Inc. (collectively, the Local Affiliates, and together with the Filer and other affiliates of the Filer, the Demathieu Bard Group).
3. Each Local Affiliate is a direct or indirect subsidiary of the Filer and is not, and has no current intention of becoming, a reporting issuer under the securities legislation of any jurisdiction of Canada.
4. The head office of the main affiliate of the Filer in Canada, Construction Demathieu & Bard (CDB) Inc., is located in Québec and the greatest number of employees in the Demathieu Bard Group in Canada reside in Québec.
5. At the date hereof and taking into account the subscriptions made under the Employee Share Offering, Canadian Participants do not and will not beneficially own (which term, for the purposes of this paragraph, is deemed to include all Shares held by the Fund on behalf of Canadian Participants) more than 1% of the Shares as shown on the books of the Filer.
6. The Filer has established a global employee share offering (the Employee Share Offering) for Qualifying Employees. The Employee Share Offering involves an offering of Shares to be subscribed through the Fund.
7. Only persons who are employees of an entity forming part of the Demathieu Bard Group with at least three months' service on the first day of the subscription period and who are employed on the last day of the subscription period for the Employee Share Offering (the Qualifying Employees) will be allowed to participate in the Employee Share Offering.
8. The Fund was established for the purpose of implementing the Employee Share Offering. There is no current intention for the Fund to become a reporting issuer under the securities legislation of any jurisdiction of Canada.
9. The Fund is registered with, and has been approved, by the French Autorité des marchés financiers (the French AMF).
10. Under the Employee Share Offering, Canadian Participants will subscribe for Units and the Fund will then subscribe for Shares on behalf of Canadian Participants using the Canadian Participants' contributions. The subscription period to the Fund will be limited to a single period of three weeks, beginning upon receipt of this decision document. The subscription price per Unit will be the Canadian dollar equivalent of 10 €, based on a Share price of 1 €. The Share price has been set by an independent appraiser, Associés en Finance, Jacquillat & Détroyat Associés (the Independent Appraiser) in accordance with regulations from the French AMF and as described in the terms and rules of the Fund (the Rules).
11. A Canadian Participant's loss, if any, under the Employee Share Offering will be limited to the Canadian Participant's contributions to the Employee Share Offering and under no circumstances will a Canadian Participant be liable to the Filer or the Fund for any additional amounts.
12. The Units will be subject to a hold period of five years (the Lock-Up Period), subject to certain exceptions prescribed by French law and provided for in the Employee Share Offering (such as death, termination of employment, or that the Canadian Participant's employer ceases to be an affiliate of the Filer).

13. At the end of the Lock-Up Period, a Canadian Participant may (a) request the redemption of Units in the Fund in consideration for a cash payment equal to the value of the Unit set by an Independent Appraiser, less a transaction cost of 1% (the Transaction Cost), or (b) continue to hold Units in the Fund and request the redemption of those Units at a later date in consideration for a cash payment equal to the value of the Unit set by an Independent Appraiser less the Transaction Cost.
14. In the event of an early unwind resulting from a Canadian Participant exercising one of the exceptions to the Lock-Up Period and meeting the applicable criteria, the Canadian Participant may request the redemption of Units in the Fund in consideration for a cash payment equal to the value of the Unit set by an Independent Appraiser less the Transaction Cost.
15. In its activities, the Filer agreed to a loan contract. This loan contract does not allow the payment of dividends on the Shares before complete repayment of the loan (i.e. before June 28, 2024), except in the case of preferred dividends. After such date, the Shares will give the right to dividends, should it be so decided at the general meeting of the Filer.
16. Any dividends paid on the Shares held in the Fund will be reinvested by the Fund in cash or cash equivalents. To reflect this reinvestment, no new Unit will be issued. Instead, the reinvestment will increase the asset base of the Fund as well as the value of the Units held by the Canadian Participants.
17. Under French law, an FCPE is a limited liability entity. The portfolio of the Fund will consist almost entirely of Shares, but may, from time to time, also include cash or cash equivalents in respect of dividends paid on the Shares (as described in paragraph 16). Initially, the portfolio of the Fund will solely consist of Shares.
18. The Management Company is a portfolio management company governed by the laws of France. The Management Company is registered with the French AMF as an investment manager and complies with the rules of the French AMF. To the best of the Filer's knowledge, the Management Company is not, and has no current intention of becoming, a reporting issuer under the securities legislation of any jurisdiction of Canada.
19. The Management Company's portfolio management activities in connection with the Employee Share Offering and the Fund are limited to subscribing to Shares from the Filer, selling such Shares to the Filer at the Share price set by the Independent Appraiser as necessary in order to fund redemption requests and investing available cash in cash equivalents.
20. The Management Company is also responsible for preparing accounting documents and publishing periodic informational documents about the Fund as provided by the Rules of the Fund.
21. The Management Company is bound to act exclusively in the best interests of Canadian Participants and is liable to them, jointly with the Depositary (as defined below), for any violation of the rules and regulations governing FCPEs, for any self-dealing or for any negligence.
22. The entities forming part of the Demathieu Bard Group, the Fund and the Management Company, as well as any director, officer, employee, agent or representative respective thereof will not provide investment advice to the Canadian Employees with respect to an investment in the Units nor to the Canadian Participants in respect of the holding or redemption of the Units.
23. Shares issued pursuant to the Employee Share Offering will be deposited in the Fund through Banque Fédérative du Crédit Mutuel (the Depositary), a large French commercial bank subject to French banking legislation. The Depositary carries out orders to purchase, trade and sell securities in the portfolio and takes all necessary action to allow the Fund to exercise the rights relating to the securities held in its portfolio.
24. The accounts of the Fund are audited by chartered auditors, appointed for a period of six years with the agreement of the French AMF.
25. The Unit value of the Fund will be calculated and reported to the French AMF every six months, based on the net assets of the Fund divided by the number of Units outstanding. The value of the Units will be based on the value of the underlying Shares but the number of Units of the Fund will not correspond to the number of the underlying Shares (as dividends will be reinvested in cash or cash equivalents and increase the value of each Unit). The underlying value of the Shares will be re-evaluated once a year based on the formula laid out by the Independent Appraiser in accordance with regulations from the French AMF and as described in the Rules of the Fund.
26. All management charges relating to the Fund will be paid by the Filer, as provided in the Rules of the Fund.

Decisions, Orders and Rulings

27. Participation in the Employee Share Offering is voluntary, and the Canadian Employees will not be induced to participate in the Employee Share Offering by expectation of employment or continued employment.
28. The total amount which may be invested by a Canadian Employee in the Employee Share Offering cannot exceed 25% of his or her projected gross annual compensation for the 2019 calendar year.
29. The Units are not transferable and will not be listed on any exchange, and no market for the Units is expected to develop.
30. The Canadian Employees may request an information package in the French or English language, according to their preference, which will include a summary of the terms of the Employee Share Offering and a tax notice containing a description of Canadian income tax consequences of subscribing to and holding Units of the Fund and requesting the redemption of such Units for cash at the end of the Lock-Up Period.
31. Canadian Employees can have access, through their management or their human resources services, to a copy of a presentation of the Filer, its annual financial statements consolidated and audited, as well as a copy of the information documents of the Filer deposited with the French AMF relating to the Shares and the Rules of the Fund. The new value of the Shares and general information on the business of the Filer will also be communicated annually to the Canadian Employees.
32. Canadian Participants will receive an initial statement of their holdings under the Employee Share Offering, together with an updated statement at least once per year.
33. There are approximately 100 Qualifying Employees resident in Canada (with the greatest number, approximately 80, resident in Québec), who represent, in the aggregate, approximately 3% of the number of employees in the Demathieu Bard Group worldwide.
34. Neither the Fund nor an entity forming part of the Demathieu Bard Group is in default of securities legislation of any jurisdiction of Canada. To the Filer's knowledge, the Management Company is not in default of securities legislation of any jurisdiction of Canada.

Decision

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

The decision of the Decision Makers under the Legislation is that the Exemption Sought is granted provided that the prospectus requirement will apply to the first trade in any Units acquired by Canadian Participants pursuant to this decision.

"Lucie J Roy"
Director, Corporate Finance

2.2 Orders

2.2.1 Natural Bee Works Apiaries Inc. et al.

FILE NO.: 2018-40

IN THE MATTER OF
NATURAL BEE WORKS APIARIES INC.,
RINALDO LANDUCCI and
TAWLIA CHICKALO

D. Grant Vingoe, Vice-Chair and Chair of the Panel

April 3, 2019

ORDER

WHEREAS on April 3, 2019, the Ontario Securities Commission (**Commission**) held a hearing at the offices of the Commission, located at 20 Queen Street West, 17th Floor, Toronto, Ontario;

ON HEARING the oral submissions of Staff of the Commission (**Staff**) appearing in person, Tawlia Chickalo on her own behalf participating by telephone, Rinaldo Landucci on his own behalf participating by telephone, and, the Panel having been advised that Natural Bee Works Apiaries Inc. has been sold and therefore no one appearing on behalf of Natural Bee Works Apiaries Inc.;

IT IS ORDERED THAT:

1. the hearing date scheduled for April 5, 2019 is vacated;
2. the merits hearing shall commence on April 22, 2019 at 11:00 a.m. and continue at 11:00 a.m. on April 23, 24, 25 and 26, 2019, or such other dates and times as provided by the Office of the Secretary and agreed to by the parties;
3. by no later than April 15, 2019, each of Natural Bee Works Apiaries Inc., Rinaldo Landucci and Tawlia Chickalo shall provide their hearing briefs to Staff; and
4. by no later than April 15, 2019, each party shall provide to the Registrar the electronic documents that the party intends to rely on or enter into evidence at the merits hearing, in accordance with the Protocol for E-Hearings in the Practice Guideline.

“D. Grant Vingoe”

2.2.2 Viking Gold Exploration Inc. – s. 144

Headnote

Application by an issuer for a revocation of a cease trade order issued by the Commission – cease trade order issued because the issuer failed to file certain continuous disclosure materials required by Ontario securities law – defaults subsequently remedied by bringing continuous disclosure filings up-to-date – Issuer has provided an undertaking to the Commission that it will not complete (a) a restructuring transaction involving, directly or indirectly, an existing or proposed, material underlying business which is not located in Canada, (b) a reverse takeover with a reverse takeover acquiror that has a direct or indirect, existing or proposed, material underlying business which is not located in Canada, or (c) a significant acquisition involving, directly or indirectly, an existing or proposed, material underlying business which is not located in Canada, unless the issuer files a preliminary prospectus and a final prospectus with the Ontario Securities Commission and obtains receipts for the preliminary prospectus and the final prospectus from the Director under the Act.

Statutes Cited

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
VIKING GOLD EXPLORATION INC.**

**ORDER
(Section 144 of the Act)**

WHEREAS the securities of Viking Gold Exploration Inc. (the **Applicant**) are subject to a cease trade order dated December 8, 2015 issued by the Director of the Ontario Securities Commission (the **Commission**) pursuant to paragraph 2 of subsection 127(1) and subsection 127(5) of the Act as extended by a further cease trade order issued by the Director on December 21, 2015 pursuant to paragraph 2 of subsection 127(1) of the Act (the **Cease Trade Order**) directing that all trading in securities of the Applicant, whether direct or indirect, shall cease until further order by the Director;

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

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

AND UPON the Applicant having represented to the Commission that:

1. The Applicant is a company existing under the *Business Corporations Act* (Ontario). The Applicant was originally incorporated under predecessor legislation, The Business Corporations Act of Ontario, by Letters Patent on May 13, 1936 under the name "New Augarita Porcupine Mines Limited". It subsequently changed its name to "Royal Aerospace Corp." on February 6, 1995. On March 11, 1997, the Corporation changed its name to "Royal Group Capital." On September 23, 1997, the Corporation changed its name to "Copper Hill Corporation" by Articles of Amendment under the Business Corporations Act, 1990. On February 13, 2004, the Applicant filed articles of amendment changing its name to "Viking Gold Exploration Inc.".
2. The Applicant's head office is located at 2900 John Street, Suite 2B, Markham, Ontario L3R 5G3.
3. The Applicant is a reporting issuer in Ontario, British Columbia, Alberta, and Newfoundland and Labrador and is not a reporting issuer in any other jurisdiction of Canada. The Applicant's principal regulator is the Commission.
4. The Applicant's authorized capital consists of an unlimited number of common shares (the **Common Shares**) without nominal or par value, of which 79,778,229 Common Shares are issued and outstanding as at December 31, 2017. The Applicant has no other securities issued and outstanding.

5. The Common Shares of Applicant were listed on the TSX Venture Exchange (the **Exchange**) under the stock symbol "VGC". The trading of the securities is currently suspended. The Common Shares are not currently listed, quoted or traded on any other exchange, marketplace or other facility in Canada or elsewhere.
6. The Cease Trade Order was issued as a result of the Applicant's failure to file interim financial statements and accompanying management's discussion and analysis (**MD&A**) within the timeframe as required under National Instrument 51-102 (**NI 51-102**), and related certifications as required by National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (**NI 52-109 Certificates**) for the period ended September 30, 2015.
7. The Applicant is also subject to a similar cease trade order issued by the British Columbia Securities Commission (**BCSC**) dated December 8, 2015 (the **BCCTO**) and a reciprocal cease trade order issued by the Alberta Securities Commission (**ASC**) (the BCCTO, together with the Cease Trade Order, the **Cease Trade Orders**).
8. The Applicant has concurrently applied to the BCSC for a full revocation of the BCCTO.
9. Subsequent to the issuance of the Cease Trade Order, the Applicant also failed to file, within the timeframe stipulated by applicable legislation:
 - a. all audited annual financial statements, together with accompanying MD&As (including statements of executive compensation), as required under NI 51-102 and NI 52-109 Certificates for the financial years ended December 31, 2015, 2016, and 2017; and
 - b. all unaudited interim financial statements, together with accompanying MD&As, as required under NI 51-102 and NI 52-109 Certificates for the interim periods ended March 31, 2016 to March 31, 2018.
10. Since the issuance of the Cease Trade Order, the Applicant has filed the following on the System of Electronic Document Analysis and Retrieval (**SEDAR**):
 - a. audited financial statements, accompanying MD&As, and NI 52-109 Certificates for the years ended December 31, 2015, 2016 and 2017;
 - b. unaudited interim financial statements, accompanying MD&A, and NI 52-109 Certificates for the periods ended March 31, 2018, June 30, 2018 and September 30, 2018; and
 - c. a statement of executive compensation for the years ended December 31, 2016 and 2017.
11. The Applicant has not filed the unaudited interim financial statements, accompanying MD&A, related NI 52-109 Certificates for the interim periods ended September 30, 2015 to September 30, 2017 and statements of executive compensation for the years ended December 31, 2015 to December 31, 2017 (the **Outstanding Filings**).
12. The Applicant has filed with the Commission all continuous disclosure that it is required to file under Ontario securities law, except for the Outstanding Filings and any other continuous disclosure that the Commission elected not to require as contemplated under section 6 of National Policy 12-202 *Revocation of a Compliance-related Cease Trade Order* (**NP 12-202**).
13. Except for the failure to file the Outstanding Filings, the Applicant is (i) up-to-date with all of its other continuous disclosure obligations; (ii) not in default of any of its obligations under the Cease Trade Orders; and (iii) not in default of any requirements under the Act or the rules and regulations made pursuant thereto.
14. The Applicant has provided the Commission with a written undertaking that it will:
 - a. hold an annual meeting of shareholders of the Applicant within three months after the date on which the Cease Trade Order is revoked; and
 - b. not complete:
 - i. a restructuring transaction involving, directly or indirectly, an existing or proposed, material underlying business which is not located in Canada,

- ii. a reverse takeover with a reverse takeover acquirer that has a direct or indirect, existing or proposed, material underlying business which is not located in Canada, or
- iii. a significant acquisition involving, directly or indirectly, an existing or proposed, material underlying business which is not located in Canada,

unless

- a. the Applicant files a preliminary prospectus and a final prospectus with the Commission and obtains receipts for the preliminary prospectus and the final prospectus from the Director under the Act,
 - b. the Applicant files or delivers with the preliminary prospectus and the final prospectus the documents required by Part 9 of National Instrument 41-101 *General Prospectus Requirements (NI 41-101)* including a completed personal information form and authorization in the form set out in Appendix A of NI 41-101 for each current and incoming director, executive officer and promoter of the Applicant, and
 - c. the preliminary prospectus and final prospectus contain the information required by applicable securities legislation, including the information required for a probable restructuring transaction, reverse takeover or significant acquisition (as applicable).
15. The Applicant has paid all outstanding activity, participation and late filing fees that are required to be paid to the Commission and has filed all forms associated with such payments.
16. The Applicant is not considering, nor is it involved in any discussions relating to a reverse take-over, merger, amalgamation or other form of combination or transaction similar to any of the foregoing.
17. Since the issuance of the Cease Trade Orders, there have been no material changes in the business, operations or affairs of the Applicant which have not been disclosed by news release and/or material change report and filed on SEDAR.
18. The Applicant's profile on SEDAR and the issuer profile supplement on the System for Electronic Disclosure by Insiders, are current and accurate.
19. Upon the revocation of the Cease Trade Order, the Applicant will issue a news release and concurrently file a material change report on SEDAR announcing the revocation of the Cease Trade Order and outlining the Applicant's future plans.

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

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

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

DATED at Toronto this 4th day of April, 2019.

"Winnie Sanjoto"
Manager, Corporate Finance
Ontario Securities Commission

2.2.3 3iQ Corp. and the Bitcoin Fund – s. 8

FILE NO.: 2019-7

**IN THE MATTER OF
3IQ CORP. and
THE BITCOIN FUND**

M. Cecilia Williams, Commissioner and Chair of the Panel

April 5, 2019

**ORDER
(Section 8 of the Securities Act, RSO 1990, c S.5)**

WHEREAS on April 3, 2019, the Ontario Securities Commission held a hearing at the offices of the Commission, located at 20 Queen Street West, 17th Floor, Toronto, Ontario, for the first attendance in the Application for a hearing and review filed by 3iQ Corp. and The Bitcoin Fund (the “Applicants”) on March 15, 2019 to review a decision of a Director of the Commission dated February 15, 2019;

ON HEARING the submissions of the representatives for the Applicants and for Staff of the Commission;

IT IS ORDERED THAT:

1. By no later than April 12, 2019 at 1:00 p.m., the Applicants shall:
 - a. file and serve the record of the original proceeding;
 - b. file and serve the documents on which the Applicants intend to rely that are not already contained in the record of the original proceeding, if any; and
 - c. file and serve the affidavit evidence on which the Applicants intend to rely;
2. A hearing to address the scheduling of the proceeding’s next steps will be heard on April 24, 2019, commencing at 4:00 p.m., or on such other date or time as may be agreed to by the parties and set by the Office of the Secretary.

“M. Cecilia Williams”

2.2.4 MOAG Copper Gold Resources Inc. et al.

FILE NO.: 2018-41

**IN THE MATTER OF
MOAG COPPER GOLD RESOURCES INC.,
GARY BROWN and
BRADLEY JONES**

Timothy Moseley, Vice-Chair and Chair of the Panel

April 9, 2019

ORDER

WHEREAS on April 9, 2019, the Ontario Securities Commission held a hearing at the offices of the Commission, located at 20 Queen Street West, 17th Floor, Toronto, Ontario;

ON HEARING the submissions of the representatives for Staff of the Commission and Bradley Jones, appearing in person, and of David Mark, participating by telephone on behalf of MOAG Copper Gold Resources Inc., and on reading correspondence from the representative for Gary Brown indicating his consent to this order;

IT IS ORDERED THAT:

1. each Respondent shall serve and file a witness list, and serve a summary of each witness’s anticipated evidence on Staff, and indicate any intention to call an expert witness by no later than May 9, 2019;
2. each party shall file a completed copy of the *E-hearing Checklist for the Hearing on the Merits* by no later than May 29, 2019; and
3. an attendance in this matter is scheduled for June 7, 2019 at 1:00 p.m., or on such other date and time as may be agreed by the parties and set by the Office of the Secretary.

“Timothy Moseley”

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
Viking Gold Explorations Inc.	08 December 2015	21 December 2015	21 December 2015	04 April 2019

Failure to File Cease Trade Orders

Company Name	Date of Order	Date of Revocation
Barker Minerals Ltd.	05 April 2019	
Esrey Resources Ltd.	03 April 2019	
Haltain Developments Corp.	05 April 2019	
Forsys Metals Corp.	05 April 2019	

4.2.1 Temporary, Permanent & Rescinding Management Cease Trading Orders

Company Name	Date of Order	Date of Lapse
Namaste Technologies Inc.	04 April 2019	

4.2.2 Outstanding Management & Insider Cease Trading Orders

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/ Expire	Date of Issuer Temporary Order
Performance Sports Group Ltd.	19 October 2016	31 October 2016	31 October 2016		

Company Name	Date of Order	Date of Lapse
Katanga Mining Limited	15 August 2017	
Namaste Technologies Inc.	04 April 2019	

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Chapter 7

Insider Reporting

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

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

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

Chapter 11

IPOs, New Issues and Secondary Financings

INVESTMENT FUNDS

Issuer Name:

RBC Canadian Bond Index Fund
RBC Canadian Government Bond Index Fund
RBC Canadian Index Fund
RBC U.S. Index Fund
RBC U.S. Index Currency Neutral Fund
RBC International Index Currency Neutral Fund
Principal Regulator - Ontario

Type and Date:

Amendment #6 to Final Simplified Prospectus dated March 29, 2019

Received on April 2, 2019

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

RBC Global Asset Management Inc. (other than Series A)
Royal Mutual Funds Inc. (Series A)
Royal Mutual Funds Inc./RBC Direct Investing Inc.
The Royal Trust Company
RBC Dominion Securities Inc.
Phillips, Hager & North Investment Funds Ltd.

Promoter(s):

RBC Global Asset Management Inc. (other than Series A)
Project #2774740

Issuer Name:

Evolve Active Canadian Preferred Share ETF
Evolve Active Short Duration Bond ETF
Evolve Active US Core Equity ETF
Principal Regulator - Ontario

Type and Date:

Amended and Restated to Final Long Form Prospectus dated April 3, 2019

Received on April 5, 2019

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

Evolve Funds Group Inc.
Project #2794934

Issuer Name:

Evolve Active Global Fixed Income ETF
Principal Regulator - Ontario

Type and Date:

Amended and Restated to Final Long Form Prospectus dated April 3, 2019

Received on April 8, 2019

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

Evolve Funds Group Inc.
Project #2830246

Issuer Name:

Evolve Automobile Innovation Index ETF
Evolve Cyber Security Index ETF
Evolve Global Healthcare Enhanced Yield ETF
Evolve North American Gender Diversity Index ETF
Evolve US Banks Enhanced Yield ETF
Principal Regulator - Ontario

Type and Date:

Amended and Restated to Final Long Form Prospectus dated April 3, 2019

Received on April 5, 2019

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A
Project #2792902

Issuer Name:

Canadian Disciplined Equity® Fund
 Fidelity Canadian Growth Company Fund
 Fidelity Canadian Large Cap Fund
 Fidelity Canadian Opportunities Fund
 Fidelity Dividend Fund
 Fidelity Greater Canada Fund
 Fidelity Dividend Plus Fund
 Special Situations Fund
 Fidelity True North® Fund
 Fidelity American Disciplined Equity® Fund
 Fidelity American Equity Fund
 Fidelity U.S. Focused Stock Fund
 Fidelity Small Cap America Fund
 Fidelity U.S. Dividend Fund
 Fidelity U.S. Dividend Currency Neutral Fund
 Fidelity U.S. Dividend Registered Fund
 Fidelity U.S. All Cap Fund
 Fidelity Event Driven Opportunities Fund
 Fidelity AsiaStar® Fund
 Fidelity China Fund
 Fidelity Emerging Markets Fund
 Fidelity Europe Fund
 Fidelity Far East Fund
 Fidelity Global Fund
 Fidelity Global Disciplined Equity® Fund
 Fidelity Global Dividend Fund
 Fidelity Global Large Cap Fund
 Fidelity Global Concentrated Equity Fund
 Fidelity Global Concentrated Equity Currency Neutral Fund
 Fidelity Global Small Cap Fund
 Fidelity International Disciplined Equity® Fund
 Fidelity International Concentrated Equity Fund
 Fidelity International Concentrated Equity Currency Neutral Fund
 Fidelity Japan Fund
 Fidelity Frontier Emerging Markets Fund
 Fidelity NorthStar® Fund
 Fidelity International Growth Fund
 Fidelity Global Consumer Industries Fund
 Fidelity Global Financial Services Fund
 Fidelity Global Health Care Fund
 Fidelity Global Natural Resources Fund
 Fidelity Global Real Estate Fund
 Fidelity Technology Innovators Fund (formerly Fidelity Global Technology Fund)
 Fidelity Global Telecommunications Fund
 Fidelity Canadian Asset Allocation Fund
 Fidelity Canadian Balanced Fund
 Fidelity Monthly Income Fund
 Fidelity Income Allocation Fund
 Fidelity Global Asset Allocation Fund
 Fidelity Global Monthly Income Fund
 Fidelity Global Monthly Income Currency Neutral Fund
 Fidelity Tactical Strategies Fund
 Fidelity U.S. Monthly Income Fund
 Fidelity U.S. Monthly Income Currency Neutral Fund
 Fidelity Tactical High Income Fund
 Fidelity Tactical High Income Currency Neutral Fund
 Fidelity NorthStar® Balanced Fund
 Fidelity NorthStar® Balanced Currency Neutral Fund
 Fidelity American Balanced Fund
 Fidelity American Balanced Currency Neutral Fund

Fidelity Conservative Income Fund
 Fidelity Income Portfolio
 Fidelity Global Income Portfolio
 Fidelity Balanced Portfolio
 Fidelity Global Balanced Portfolio
 Fidelity Growth Portfolio
 Fidelity Global Growth Portfolio
 Fidelity Balanced Managed Risk Portfolio
 Fidelity Conservative Managed Risk Portfolio
 Fidelity ClearPath® 2005 Portfolio
 Fidelity ClearPath® 2010 Portfolio
 Fidelity ClearPath® 2015 Portfolio
 Fidelity ClearPath® 2020 Portfolio
 Fidelity ClearPath® 2025 Portfolio
 Fidelity ClearPath® 2030 Portfolio
 Fidelity ClearPath® 2035 Portfolio
 Fidelity ClearPath® 2040 Portfolio
 Fidelity ClearPath® 2045 Portfolio
 Fidelity ClearPath® 2050 Portfolio
 Fidelity ClearPath® 2055 Portfolio
 Fidelity ClearPath® 2060 Portfolio
 Fidelity ClearPath® Income Portfolio
 Fidelity Canadian Bond Fund
 Fidelity Corporate Bond Fund
 Fidelity Canadian Money Market Fund
 Fidelity Canadian Short Term Bond Fund
 Fidelity Tactical Fixed Income Fund
 Fidelity American High Yield Fund
 Fidelity America High Yield Currency Neutral Fund
 Fidelity U.S. Money Market Fund
 Fidelity Floating Rate High Income Fund
 Fidelity Floating Rate High Income Currency Neutral Fund
 Fidelity Multi-Sector Bond Fund
 Fidelity Multi-Sector Bond Currency Neutral Fund
 Fidelity Strategic Income Fund
 Fidelity Strategic Income Currency Neutral Fund
 Fidelity Investment Grade Total Bond Fund
 Fidelity Investment Grade Total Bond Currency Neutral Fund
 Fidelity Global Bond Fund
 Fidelity Global Bond Currency Neutral Fund
 Fidelity U.S. Dividend Private Pool
 Fidelity U.S. Growth and Income Private Pool
 Fidelity Conservative Income Private Pool
 Fidelity Global Asset Allocation Private Pool
 Fidelity Global Asset Allocation Currency Neutral Private Pool
 Fidelity Premium Fixed Income Private Pool
 Fidelity Premium Money Market Private Pool
 Fidelity Premium Tactical Fixed Income Private Pool
 Fidelity Global Credit Ex-U.S. Investment Trust
 Fidelity Global Growth and Value Investment Trust
 Principal Regulator - Ontario

Type and Date:

Amendment #4 to Final Simplified Prospectus dated April 1, 2019

Received on April 3, 2019

Offering Price and Description:

E2T5, E5, F5, F8, P1T5, P2T5, P4T5 and P2

Underwriter(s) or Distributor(s):

Fidelity Investments Canada ULC
 Fidelity Investments Canada Limited

Promoter(s):

N/A

Project #2822465

Issuer Name:

Fidelity Canadian High Dividend Index ETF Fund
Fidelity U.S. Dividend for Rising Rates Index ETF Fund
Fidelity U.S. Dividend for Rising Rates Currency Neutral Index ETF Fund
Fidelity U.S. High Dividend Index ETF Fund
Fidelity U.S. High Dividend Currency Neutral Index ETF Fund
Fidelity International High Dividend Index ETF Fund
Fidelity Tactical Global Dividend ETF Fund
Principal Regulator - Ontario

Type and Date:

Amendment #1 to Final Annual Information Form dated April 1, 2019
Received on April 4, 2019

Offering Price and Description:

Changes to Fund facts on trailing commission, filer only files amendment to AIF, please confirm it doesn't affect SP.

Underwriter(s) or Distributor(s):

Fidelity Investments Canada ULC

Promoter(s):

Fidelity investments Canada ULC

Project #2798799

Issuer Name:

Fidelity Canadian Low Volatility Index ETF Fund
Fidelity Canadian High Quality Index ETF Fund
Fidelity U.S. Low Volatility Index ETF Fund
Fidelity U.S. Low Volatility Currency Neutral Index ETF Fund
Fidelity U.S. High Quality Index ETF Fund
Fidelity U.S. High Quality Currency Neutral Index ETF Fund
Fidelity International Low Volatility Index ETF Fund
Fidelity International High Quality Index ETF Fund
Principal Regulator - Ontario

Type and Date:

Amendment #1 to Final Annual Information Form dated April 1, 2019
Received on April 3, 2019

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

Fidelity Investments Canada ULC

Project #2841252

Issuer Name:

Gold Miners Split Corp.
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated April 3, 2019
NP 11-202 Preliminary Receipt dated April 3, 2019

Offering Price and Description:

Maximum: Offerings: \$*-*

Maximum Offerings: * Preferred Shares and * Class A Shares

Price: \$10.00 per Preferred Share and \$15.00 per Class A Share

Underwriter(s) or Distributor(s):

National Bank Financial Inc.
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
TD Securities Inc.
Canaccord Genuity Corp.
Industrial Alliance Securities Inc.
Raymond James Ltd.
Echelon Wealth Partners Inc.
GMP Securities L.P.
Desjardins Securities Inc.
Mackie Research Capital Corporation
Manulife Securities Incorporated

Promoter(s):

N/A

Project #2898367

Issuer Name:

Manulife Dividend Income Plus Class (formerly Manulife Canadian Focused Class)
Manulife Dividend Income Plus Fund (formerly Manulife Canadian Focused Fund)
Manulife Value Balanced Class
Manulife Value Balanced Fund
Principal Regulator - Ontario

Type and Date:

Amendment #5 to Final Annual Information Form dated April 8, 2019
Received on April 8, 2019

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Manulife Securities Incorporated/Manulife Securities Investment Services Inc.

Promoter(s):

N/A

Project #2783412

Issuer Name:

iShares Global Government Bond Index ETF (CAD-Hedged) (formerly RBC Global Government Bond (CAD Hedged) Index ETF)
Principal Regulator - Ontario

Type and Date:

Amendment #2 to Final Long Form Prospectus dated April 8, 2019

Received on April 8, 2019

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

RBC Global Asset Management Inc.

Promoter(s):

RBC Global Asset Management Inc.

Project #2793652

Issuer Name:

RBC Canadian Bond Index Fund
RBC Canadian Government Bond Index Fund
RBC Canadian Index Fund
RBC U.S. Index Fund
RBC U.S. Index Currency Neutral Fund
RBC International Index Currency Neutral Fund
Principal Regulator - Ontario

Type and Date:

Amendment #6 to Final Simplified Prospectus dated March 29, 2019

NP 11-202 Receipt dated April 3, 2019

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

RBC Global Asset Management Inc. (other than Series A)
Royal Mutual Funds Inc. (Series A)
Royal Mutual Funds Inc./RBC Direct Investing Inc.
The Royal Trust Company
RBC Dominion Securities Inc.
Phillips, Hager & North Investment Funds Ltd.

Promoter(s):

RBC Global Asset Management Inc. (other than Series A)

Project #2774740

Issuer Name:

Chorus II Aggressive Growth Portfolio (formerly Chorus II Dynamic Growth Portfolio)
Chorus II Balanced Low Volatility Portfolio (formerly Chorus II Balanced Growth Portfolio)
Chorus II Conservative Low Volatility Portfolio (formerly Chorus II Conservative Portfolio)
Chorus II Growth Portfolio
Chorus II Maximum Growth Portfolio
Chorus II Moderate Low Volatility Portfolio (formerly Chorus II Balanced Income Portfolio)
Desjardins American Equity Growth Currency Neutral Fund
Desjardins American Equity Growth Fund
Desjardins American Equity Value Fund
Desjardins Canadian Bond Fund
Desjardins Canadian Equity Fund
Desjardins Canadian Equity Income Fund
Desjardins Canadian Equity Value Fund
Desjardins Canadian Preferred Share Fund
Desjardins Canadian Small Cap Equity Fund
Desjardins Dividend Growth Fund
Desjardins Dividend Income Fund
Desjardins Emerging Markets Bond Fund
Desjardins Emerging Markets Fund
Desjardins Emerging Markets Opportunities Fund
Desjardins Enhanced Bond Fund
Desjardins Floating Rate Income Fund
Desjardins Global Balanced Strategic Income Fund
Desjardins Global Corporate Bond Fund
Desjardins Global Dividend Fund
Desjardins Global Equity Fund
Desjardins Global Inflation Linked Bond Fund (formerly Desjardins Completion Investments Fund)
Desjardins Global Infrastructure Fund
Desjardins Global Small Cap Equity Fund
Desjardins Global Tactical Bond Fund
Desjardins Ibrix Global Bond Fund
Desjardins Ibrix Low Volatility Emerging Markets Fund
Desjardins Money Market Fund
Desjardins Overseas Equity Fund (formerly Desjardins Overseas Equity Value Fund)
Desjardins Overseas Equity Growth Fund
Desjardins Québec Balanced Fund
Desjardins Short-Term Income Fund
Desjardins SocieTerra American Equity Fund
Desjardins SocieTerra Canadian Bond Fund
Desjardins SocieTerra Canadian Equity Fund
Desjardins SocieTerra Cleantech Fund
Desjardins SocieTerra Emerging Markets Equity Fund
Desjardins SocieTerra Environment Fund (formerly Desjardins Environment Fund)
Desjardins SocieTerra Environmental Bond Fund
Desjardins SocieTerra International Equity Fund
Desjardins SocieTerra Positive Change Fund
Desjardins Tactical Balanced Fund (formerly Desjardins Canadian Balanced Fund)
Melodia 100 Percent Equity Growth Portfolio
Melodia Aggressive Growth Portfolio (formerly the Diapason High Growth Portfolio)
Melodia Balanced Growth Portfolio (formerly the Diapason Growth Portfolio)
Melodia Conservative Income Portfolio (formerly the Diapason Conservative Portfolio)

Melodia Diversified Growth Portfolio (formerly the Diapason
Balanced Growth Portfolio)
Melodia Diversified Income Portfolio (formerly the Diapason
Retirement Portfolio F (Growth))
Melodia Maximum Growth Portfolio (formerly the Diapason
Maximum Growth Portfolio)
Melodia Moderate Growth Portfolio (formerly the Diapason
Balanced Income Portfolio)
Melodia Moderate Income Portfolio (formerly the Diapason
Retirement Portfolio D (Balanced Income))
Melodia Very Conservative Income Portfolio (formerly the
Diapason Retirement Portfolio B (Conservative))
SocieTerra Balanced Portfolio
SocieTerra Conservative Portfolio (formerly SocieTerra
Secure Market Portfolio)
SocieTerra Growth Portfolio
SocieTerra Maximum Growth Portfolio (formerly SocieTerra
Growth Plus Portfolio)
Principal Regulator - Quebec

Type and Date:

Final Simplified Prospectus dated March 29, 2019
NP 11-202 Receipt dated April 3, 2019

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #2870473

Issuer Name:

Fidelity American Disciplined Equity Class
Fidelity American Disciplined Equity Currency Neutral
Class
Fidelity American Equity Class
Fidelity American Equity Currency Neutral Class
Fidelity AsiaStar Class
Fidelity Asset Allocation Currency Neutral Private Pool
Fidelity Asset Allocation Private Pool
Fidelity Balanced Class Portfolio
Fidelity Balanced Currency Neutral Private Pool
Fidelity Balanced Income Currency Neutral Private Pool
Fidelity Balanced Income Private Pool
Fidelity Balanced Private Pool
Fidelity Canadian Asset Allocation Class
Fidelity Canadian Balanced Class
Fidelity Canadian Disciplined Equity Class
Fidelity Canadian Equity Private Pool
Fidelity Canadian Growth Company Class
Fidelity Canadian Large Cap Class
Fidelity Canadian Opportunities Class
Fidelity Canadian Short Term Income Class
Fidelity CanAM Opportunities Class
Fidelity CanAM Opportunities Currency Neutral Class
Fidelity China Class
Fidelity Concentrated Canadian Equity Private Pool
Fidelity Concentrated Value Private Pool
Fidelity Corporate Bond Class
Fidelity Dividend Class
Fidelity Dividend Plus Class
Fidelity Emerging Markets Class
Fidelity Europe Class
Fidelity Event Driven Opportunities Class
Fidelity Event Driven Opportunities Currency Neutral Class
Fidelity Far East Class
Fidelity Founders Class
Fidelity Founders Currency Neutral Class
Fidelity Global Balanced Class Portfolio
Fidelity Global Class
Fidelity Global Concentrated Equity Class
Fidelity Global Consumer Industries Class
Fidelity Global Disciplined Equity Class
Fidelity Global Disciplined Equity Currency Neutral Class
Fidelity Global Dividend Class
Fidelity Global Equity Currency Neutral Private Pool
Fidelity Global Equity Private Pool
Fidelity Global Financial Services Class
Fidelity Global Growth and Value Class (formerly, Fidelity
Core Global Equity Class)
Fidelity Global Growth and Value Currency Neutral Class
(formerly, Fidelity Core Global Equity Currency Neutral
Class)
Fidelity Global Growth Class Portfolio
Fidelity Global Health Care Class
Fidelity Global Income Class Portfolio
Fidelity Global Innovators Class
Fidelity Global Innovators Currency Neutral Class
Fidelity Global Intrinsic Value Class
Fidelity Global Intrinsic Value Currency Neutral Class
Fidelity Global Large Cap Class
Fidelity Global Large Cap Currency Neutral Class
Fidelity Global Natural Resources Class
Fidelity Global Real Estate Class

Fidelity Global Small Cap Class
Fidelity Global Telecommunications Class
Fidelity Greater Canada Class
Fidelity Growth Class Portfolio
Fidelity Income Class Portfolio
Fidelity Insights Class
Fidelity Insights Currency Neutral Class
Fidelity International Disciplined Equity Class
Fidelity International Disciplined Equity Currency Neutral Class
Fidelity International Equity Currency Neutral Private Pool
Fidelity International Equity Private Pool
Fidelity International Growth Class
Fidelity Japan Class
Fidelity Monthly Income Class
Fidelity North American Equity Class
Fidelity NorthStar Class
Fidelity NorthStar Currency Neutral Class
Fidelity Premium Fixed Income Private Pool Class
Fidelity Small Cap America Class
Fidelity Small Cap America Currency Neutral Class
Fidelity Special Situations Class
Fidelity Technology Innovators Class (formerly, Fidelity Global Technology Class)
Fidelity True North Class
Fidelity U.S. All Cap Class
Fidelity U.S. All Cap Currency Neutral Class
Fidelity U.S. Equity Currency Neutral Private Pool
Fidelity U.S. Equity Private Pool
Fidelity U.S. Focused Stock Class (formerly Fidelity Growth America Class)
Fidelity U.S. Focused Stock Currency Neutral Class
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated April 1, 2019
NP 11-202 Receipt dated April 3, 2019
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Fidelity Investments Canada ULC
Promoter(s):
Fidelity Investments Canada ULC
Project #2875188

Issuer Name:
Franklin Liberty Canadian Investment Grade Corporate ETF
Franklin Liberty Core Balanced ETF
Franklin Liberty Global Aggregate Bond ETF (CAD-Hedged)
Franklin Liberty Risk Managed Canadian Equity ETF
Franklin Liberty Senior Loan ETF (CAD-Hedged)
Franklin Liberty U.S. Investment Grade Corporate ETF (CAD-Hedged)
Franklin LibertyQT Emerging Markets Index ETF
Franklin LibertyQT Global Dividend Index ETF
Franklin LibertyQT International Equity Index ETF
Franklin LibertyQT U.S. Equity Index ETF
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated April 5, 2019
NP 11-202 Receipt dated April 5, 2019
Offering Price and Description:
Units
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #2875326

Issuer Name:
iShares Global Government Bond Index ETF (CAD-Hedged) (formerly RBC Global Government Bond (CAD Hedged) Index ETF)
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated April 8, 2019
NP 11-202 Receipt dated April 8, 2019
Offering Price and Description:
units @ net asset value
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #2884227

Issuer Name:
Manulife Global Infrastructure Class
Manulife Global Infrastructure Fund
Principal Regulator - Ontario
Type and Date:
Amendment #4 to Final Annual Information Form dated March 29, 2019
NP 11-202 Receipt dated April 3, 2019
Offering Price and Description:
Advisor Series, Series D, Series F, Series FT6 and Series T6 Securities
Underwriter(s) or Distributor(s):
Manulife Securities Incorporated/Manulife Securities Investment Services Inc.
Promoter(s):
N/A
Project #2783412

Issuer Name:

RBC Global Government Bond (CAD Hedged) Index ETF
Principal Regulator - Ontario

Type and Date:

Amendment #2 to Final Long Form Prospectus dated April 8, 2019

NP 11-202 Receipt dated April 8, 2019

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

RBC Global Asset Management Inc.

Promoter(s):

RBC Global Asset Management Inc.

Project #2793652

Issuer Name:

W.A.M. Collins Income Pool
Willoughby Investment Pool
Principal Regulator - British Columbia

Type and Date:

Final Simplified Prospectus dated April 4, 2019

NP 11-202 Receipt dated April 5, 2019

Offering Price and Description:

Series A and F units @ net asset value

Underwriter(s) or Distributor(s):

Harbourfront Wealth Management Inc.

Promoter(s):

Willoughby Asset Management Inc.

Project #2882056

Issuer Name:

BMO Concentrated U.S. Equity Fund
BMO Low Volatility Canadian Equity
ETF Fund

Principal Regulator – Ontario

Type and Date

Combined Preliminary and Pro Forma Simplified Prospectus dated April 4, 2019

NP 11-202 Preliminary Receipt dated April 5, 2019

Offering Price and Description:

ETF Series, Series A, Series F, Advisor Series, Series D and Series I

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #2898872

NON-INVESTMENT FUNDS

Issuer Name:

Aurora Cannabis Inc.
Principal Regulator - Alberta

Type and Date:

Preliminary Shelf Prospectus dated April 2, 2019
NP 11-202 Receipt dated April 2, 2019

Offering Price and Description:

US\$750,000,000.00 - Common Shares, Warrants,
Subscription Receipts, Debt Securities, Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2886251

Issuer Name:

BARRIAN MINING CORP.
Principal Regulator - British Columbia

Type and Date:

Amended and Restated Final Long Form Prospectus dated
April 4, 2019
NP 11-202 Receipt dated April 5, 2019

Offering Price and Description:

Minimum Offering to raise gross proceeds of \$2,500,000.00
through the issuance of 12,500,000 Shares at a price of
C\$0.20 per Share

Maximum Offering to raise gross proceeds of
\$3,500,000.00 through the issuance of 17,500,000 Share
at a price of C\$0.20 per Share

Underwriter(s) or Distributor(s):

Haywood Securities Inc.

Promoter(s):

Max Sali

Project #2839319

Issuer Name:

Boss Minerals Inc.
Principal Regulator - British Columbia

Type and Date:

Preliminary Long Form Prospectus dated April 1, 2019
NP 11-202 Preliminary Receipt dated April 3, 2019

Offering Price and Description:

41,988,611 Common Shares issuable upon the acquisition
of FHL Games Ltd. and 8,352,000 Common Shares and
8,352,000 Unit Warrants issuable upon the exercise of
outstanding Subscription Receipts.

Underwriter(s) or Distributor(s):

-

Promoter(s):

Cheol Jung
Min Gi Kang

Project #2898083

Issuer Name:

Canadian Apartment Properties Real Estate Investment
Trust
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated April 5, 2019
NP 11-202 Receipt dated April 5, 2019

Offering Price and Description:

\$300,125,000.00 - 6,125,000 Units
Price: \$49.00 per Unit

Underwriter(s) or Distributor(s):

RBC DOMINION SECURITIES INC.
SCOTIA CAPITAL INC.
TD SECURITIES INC.

CIBC WORLD MARKETS INC.

BMO NESBITT BURNS INC.

NATIONAL BANK FINANCIAL INC.

CANACCORD GENUITY CORP.

DESJARDINS SECURITIES INC.

INDUSTRIAL ALLIANCE SECURITIES INC.

RAYMOND JAMES

GMP SECURITIES L.P.

ECHELON WEALTH PARTNERS INC.

Promoter(s):

-

Project #2897064

Issuer Name:

Caprice Business Development Canada Inc.
Principal Regulator - British Columbia

Type and Date:

Preliminary CPC Prospectus dated March 28, 2019
NP 11-202 Preliminary Receipt dated March 29, 2019

Offering Price and Description:

\$200,000.00 - 2,000,000 Common Shares
Price: C\$0.10 per Common Share

Underwriter(s) or Distributor(s):

HAYWOOD SECURITIES INC.

Promoter(s):

-

Project #2893889

Issuer Name:

Cargojet Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated April 2, 2019
NP 11-202 Preliminary Receipt dated April 2, 2019

Offering Price and Description:

\$100,000,000.00 - 5.75% Listed Senior Unsecured Hybrid
Debentures Due April 30, 2025
Price: C\$1,000.00 per Debenture

Underwriter(s) or Distributor(s):

RBC DOMINION SECURITIES INC.
CIBC WORLD MARKETS INC.
SCOTIA CAPITAL INC.
NATIONAL BANK FINANCIAL INC.
BMO NESBITT BURNS INC.
CANACCORD GENUITY CORP.
LAURENTIAN BANK SECURITIES INC.
RAYMOND JAMES LTD.
ACUMEN CAPITAL FINANCE PARTNERS LIMITED
CORMARK SECURITIES INC.
BEACON SECURITIES LIMITED
ECHELON WEALTH PARTNERS INC.

Promoter(s):

-

Project #2890684

Issuer Name:

Century Metals Inc.
Principal Regulator - Ontario

Type and Date:

Final Long Form Prospectus dated April 3, 2019
NP 11-202 Receipt dated April 4, 2019

Offering Price and Description:

Distribution by Century Global Commodities Corporation as
a Dividend-in-Kind of 10,000,000
Common Shares of the Company
5,798,999 Common Shares Issuable Upon the Deemed
Exercise of 5,798,999 Special Warrants

Underwriter(s) or Distributor(s):

-

Promoter(s):

Central Global Commodities Corporation

Project #2853551

Issuer Name:

Exelerate Capital Corp. (formerly Exelerate Health Inc.)
Principal Regulator - British Columbia

Type and Date:

Preliminary CPC Prospectus dated April 1, 2019
NP 11-202 Preliminary Receipt dated April 2, 2019

Offering Price and Description:

\$300,000.00 - 3,000,000 Common Shares
Price: C\$0.10 per Common Share

Underwriter(s) or Distributor(s):

Haywood Securities Inc.

Promoter(s):

Mark William Kohler

Project #2897100

Issuer Name:

Kalytera Therapeutics, Inc.
Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated April 2, 2019
NP 11-202 Preliminary Receipt dated April 2, 2019

Offering Price and Description:

MINIMUM: \$4,500,000.00 (* UNITS)
MAXIMUM: \$10,000,000.00 (* UNITS)
PRICE: C\$* PER UNIT

Underwriter(s) or Distributor(s):

ECHELON WEALTH PARTNERS INC.
PARADIGM CAPITAL INC.

Promoter(s):

-

Project #2897976

Issuer Name:

Midas Gold Corp.
Principal Regulator - British Columbia

Type and Date:

Short Form Base Shelf Prospectus dated April 4, 2019
NP 11-202 Receipt dated April 4, 2019

Offering Price and Description:

\$200,000,000 Common Shares Debt Securities Warrants
Subscription Receipts Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2884579

Issuer Name:

Norbord Inc.
Principal Regulator - Ontario

Type and Date:

Base Shelf Prospectus dated April 1, 2019
NP 11-202 Receipt dated April 2, 2019

Offering Price and Description:

US\$500,000,000.00
Common Shares
Debt Securities
Subscription Receipts

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2888836

Issuer Name:

Park Lawn Corporation
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated April 5, 2019
NP 11-202 Receipt dated April 5, 2019

Offering Price and Description:

\$125,018,100.00 - 4,874,000 Common Shares
Price: C\$25.65 per Common Share

Underwriter(s) or Distributor(s):

NATIONAL BANK FINANCIAL INC.
CIBC WORLD MARKETS INC.
CORMARK SECURITIES INC.
ACUMEN CAPITAL FINANCE PARTNERS LIMITED
RAYMOND JAMES LTD.
TD SECURITIES INC.
CANACCORD GENUITY CORP.
GMP SECURITIES L.P.
PARADIGM CAPITAL INC.
BMO NESBITT BURNS INC.
RBC DOMINION SECURITIES INC.
SCOTIA CAPITAL INC.

Promoter(s):

-

Project #2896834

Issuer Name:

Royal Nickel Corporation
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated April 1, 2019
NP 11-202 Receipt dated April 2, 2019

Offering Price and Description:

\$12,000,100.00 - 24,490,000 Common Shares
\$0.49 per Offered Share

Underwriter(s) or Distributor(s):

HAYWOOD SECURITIES INC.
CANTOR FITZGERALD CANADA CORPORATION
BMO NESBITT BURNS INC.
CANACCORD GENUITY CORP.
MACQUARIE CAPITAL MARKETS CANADA LTD.
RBC DOMINION SECURITIES INC.
SPROTT CAPITAL PARTNERS LP BY ITS GENERAL
PARTNER, SPROTT CAPITAL PARTNERS GP INC.
TD SECURITIES INC.

Promoter(s):

-

Project #2890073

Issuer Name:

Rozdil Capital Corporation
Principal Regulator - Ontario

Type and Date:

Preliminary CPC Prospectus dated April 3, 2019
NP 11-202 Receipt dated April 3, 2019

Offering Price and Description:

Offering: \$215,000.00 - 2,150,000 Common Shares
Price: C\$0.10 per Common Share

Underwriter(s) or Distributor(s):

Haywood Securities Inc.

Promoter(s):

Brook G. Riggins

Project #2898182

Issuer Name:

Valens Groworks Corp. (formerly Genovation Capital Corp.)
Principal Regulator - British Columbia

Type and Date:

Short Form Prospectus dated April 2, 2019
NP 11-202 Receipt dated April 3, 2019

Offering Price and Description:

\$37,499,999.00
12,711,864 Units

\$2.95 per Unit

Underwriter(s) or Distributor(s):

AltaCorp Capital Inc.
GMP Securities L.P.
Raymond James Ltd.
Haywood Securities Inc.
Mackie Research Capital Corp.

Promoter(s):

-

Project #2887278

Issuer Name:

Village Farms International, Inc.
Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated April 5, 2019
NP 11-202 Receipt dated April 5, 2019

Offering Price and Description:

\$20,000,000.00 - 1,000,000 Common Shares

Underwriter(s) or Distributor(s):

BEACON SECURITIES LIMITED
CANACCORD GENUITY CORP.
GMP SECURITIES L.P.

Promoter(s):

-

Project #2898643

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Name Change	From: ITG Canada Corp. To: Virtu ITG Canada Corp.	Investment Dealer and Futures Commission Merchant	March 1, 2019
New Registration	Neo-Criterion Capital Limited	Portfolio Manager	April 5, 2019
New Registration	Hamilton Lane (Canada) LLC	Exempt Market Dealer	April 5, 2019

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Chapter 13

SROs, Marketplaces, Clearing Agencies and Trade Repositories

13.2 Marketplaces

13.2.1 360 Treasury Systems AG – Application by 360 Treasury Systems AG for Exemption from Recognition as an Exchange – Notice and Request for Comment

NOTICE AND REQUEST FOR COMMENT

APPLICATION BY 360 TREASURY SYSTEMS AG FOR EXEMPTION FROM RECOGNITION AS AN EXCHANGE

A. Introduction

This notice requests comment on (i) the application filed by 360 Treasury Systems AG (the **Applicant**) under section 147 of the Securities Act (Ontario) (**Act**) for an exemption from the requirement to be recognized as an exchange contained in section 21 of the Act (**Recognition Requirement**); and (ii) the draft order exempting the Applicant from the Recognition Requirement.

The Applicant is a public limited company headquartered in Germany that operates a multilateral trading facility (**MTF**), which is principally regulated by the German Federal Financial Services Authority (**BaFin**). The MTF is a 'Request for Quote' (**RFQ**) trading system that facilitates transactions in foreign exchange (**FX**) derivatives instruments, including forwards, multiple forwards, swaps, options and non-deliverable forwards (**NDFs**).

The Applicant proposes to offer direct access in Ontario to its MTF to prospective participants in Ontario (**Ontario Participants**).

As the Applicant will be carrying on business in Ontario, it is required either to be recognized as an exchange under the Act or to apply for an exemption from the Recognition Requirement. The Applicant has applied for an exemption from the Recognition Requirement on the basis that it is already subject to regulatory oversight by BaFin.

B. Background

On January 3, 2018, the Markets in Financial Instruments Directive 2014/65/EU of the European Parliament and of the Council (**MiFID II**) was implemented. Under Article 28(1) of the Markets in Financial Instruments Regulation (Regulation (EU) No. 600/2014) (**MiFIR**), the regulation that accompanies MiFID II, certain European counterparties must trade certain derivatives on a trading venue and not bilaterally. As a result, Canadian banks and other institutions wishing to enter into transactions in these derivatives with EU counterparties must do so on a trading venue, namely a regulated market, an organised trading facility (**OTF**), an MTF or a third-country trading venue that the European Commission has determined has an equivalent system for regulating trading venues.

The Applicant has indicated that Canadian banks and other institutions wish to trade on its MTF.

MTFs provide a facility for bringing together orders from multiple buyers and sellers for types of over-the-counter (**OTC**) derivatives and other securities and use established non-discretionary methods under which the orders interact with each other. They meet the definition of "marketplace."

An MTF has a responsibility to regulate the conduct of its participants with respect to trading on the MTF and to set rules governing trading on the system. Because of these self-regulatory responsibilities, under the Act they would be considered an exchange.

C. Application and Draft Exemption Order

In the application, the Applicant has outlined how it meets the criteria for exemption from the Recognition Requirement. The specific criteria can be found in Appendix 1 of the draft exemption order. Subject to comments received, Staff intend to recommend that the Commission grant an exemption order with terms and conditions based on the draft exemption order. The application can be found on our website at www.osc.gov.on.ca and the draft exemption order is attached to this Notice.

D. Comment Process

The Commission is publishing for public comment the Applicant's application and the draft exemption order. We are seeking comment on all aspects of the application and draft exemption order.

Please provide your comments in writing, via e-mail, on or before May 14, 2019, to the attention of:

Ontario Securities Commission
20 Queen Street West, 22nd Floor
Toronto, Ontario M5H 3S8
Email: comments@osc.gov.on.ca

The confidentiality of submissions cannot be maintained as the comment letters and a summary of written comments received during the comment period will be published.

Questions may be referred to:
Keir Wilmut
Legal Counsel, Market Regulation
email: kwilmut@osc.gov.on.ca

Alex Petro
Trading Specialist, Market Regulation
email: apetro@osc.gov.on.ca

Jalil El Moussadek
Risk Specialist, Market Regulation
email: jelmoussadek@osc.gov.on.ca

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

AND

IN THE MATTER OF
360 TREASURY SYSTEMS AG

ORDER
(Section 147 of the Act)

WHEREAS 360 Treasury Systems AG (**Applicant**) has filed an application dated July 27, 2018 (**Application**) with the Ontario Securities Commission (**Commission**) requesting an order pursuant to section 147 of the Act exempting the Applicant from the requirement to be recognized as an exchange under subsection 21(1) of the Act (**Exchange Relief**);

AND WHEREAS the German Federal Financial Services Authority (**BaFin**) authorized the Applicant to act as the operator of a multilateral trading facility (**MTF**) under the German Securities Trading Act (Wertpapierhandelsgesetz) (**WpHG**) on January 11, 2017;

AND WHEREAS the Applicant has represented to the Commission that:

- 1.1 The Applicant is a stock corporation organized under the laws of the Federal Republic of Germany, and is wholly owned by its direct parent company, 360T Verwaltungs GmbH, and is indirectly wholly owned by its ultimate parent company, Deutsche Börse AG;
- 1.2 The Applicant is authorized by BaFin to act as the operator of a MTF for FX derivative instruments under WpHG;
- 1.3 The Applicant's MTF supports request-for-quote trading in FX derivative instruments;
- 1.4 Each member of the Applicant's MTF must qualify as an "eligible counterparty" or "professional client" under the Markets in Financial Instruments Directive 2014/65/EU (**MiFID II**) and the Markets in Financial Instruments Regulation (EU) No 600/2014 (**MiFIR**), both as amended;
- 1.5 An MTF is obliged under BaFin rules to have requirements governing the conduct of members, to monitor compliance with those requirements and to discipline its members, including by means other than exclusion from the Applicant's trading platform;
- 1.6 The Applicant monitors the trading activity conducted under its MTF's rules with a view to identifying breaches of such rules, disorderly trading and conduct that may amount to market abuse;
- 1.7 Because the Applicant regulates the conduct of its members, it is considered by the Commission to be an exchange;
- 1.8 Because the Applicant will have members located in Ontario, it will be considered by the Commission to be carrying on business as an exchange in Ontario and will be required to be recognized as such or exempted from recognition pursuant to section 21 of the Act;
- 1.9 The Applicant does not list or trade derivative instruments that are required to be cleared;
- 1.10 The Applicant has no physical presence in Ontario and does not otherwise carry on business in Ontario except as described herein; and
- 1.11 The Applicant satisfies all the Criteria for Exemption as described in Appendix 1 to Schedule "A";

AND WHEREAS the products traded on the Applicant's MTF are not commodity futures contracts as defined in the *Commodity Futures Act* (Ontario) and the Applicant is not considered to be carrying on business as a commodity futures exchange in Ontario;

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

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

AND WHEREAS based on the Application, together with the representations made by and acknowledgements of the Applicant to the Commission, the Commission has determined that Applicant satisfies the criteria set out in Appendix 1 to Schedule "A" and that the granting of the Exchange Relief would not be prejudicial to the public interest;

IT IS HEREBY ORDERED by the Commission that, pursuant to section 147 of the Act, the Applicant is exempt from recognition as an exchange under subsection 21(1) of the Act,

PROVIDED THAT the Applicant complies with the terms and conditions contained in Schedule "A."

DATED _____, 2019.

SCHEDULE "A"

TERMS AND CONDITIONS

Meeting Criteria for Exemption

1. 360 Treasury Systems AG ("**360T**") will continue to meet the criteria for exemption included in Appendix 1 to this Schedule.

Regulation and Oversight of 360T

2. **360T** will maintain its registration as a multilateral trading facility ("**MTF**") with the German Federal Financial Services Authority ("**BaFin**") and will continue to be subject to the regulatory oversight of BaFin.
3. **360T** will continue to comply with the ongoing requirements applicable to it as an MTF registered with BaFin.
4. **360T** will promptly notify the Commission if its registration as an MTF has been revoked, suspended, or amended by BaFin, or the basis on which its registration as an MTF has been granted has significantly changed.
5. **360T** must do everything within its control, which includes cooperating with the Commission as needed, to carry out its activities as an exchange exempted from recognition under subsection 21(1) of the Act in compliance with Ontario securities law.

Access

6. **360T** will not provide direct access to a participant in Ontario ("**Ontario User**") unless the Ontario User is appropriately registered as applicable under Ontario securities laws or exempt from or not subject to those requirements, and qualifies an "eligible counterparty" or "professional client" under the Markets in Financial Instruments Directive 2014/65/EU (MiFID II) and the Markets in Financial Instruments Regulation (EU) No 600/2014 (MiFIR), both as amended.
7. For each Ontario User provided direct access to its MTF, **360T** will require, as part of its application documentation or continued access to the MTF, the Ontario User to represent that it is appropriately registered as applicable under Ontario securities laws or is exempt from or not subject to those requirements.
8. **360T** may reasonably rely on a written representation from the Ontario User that specifies either that it is appropriately registered as applicable under Ontario securities laws or is exempt from or not subject to those requirements, provided **360T** notifies such Ontario User that this representation is deemed to be repeated each time it enters an order, request for quote or response to a request for quote or otherwise uses the MTF.
9. **360T** will require Ontario Users to notify **360T** if their registration as applicable under Ontario securities laws has been revoked, suspended, or amended by the Commission or if they are no longer exempt from or become subject to those requirements and, following notice from the Ontario User and subject to applicable laws, **360T** will promptly restrict the Ontario User's access to **360T** if the Ontario User is no longer appropriately registered or exempt from those requirements.
10. **360T** must make available to Ontario Users appropriate training for each person who has access to trade on **360T's** facilities.

Trading by Ontario Users

11. **360T** will not provide access to an Ontario User to trading in products other than "swaps," as defined in section 1a(47) of the United States Commodity Exchange Act ("**CEA**") as amended (and for greater certainty, excluding security-based swaps), without prior Commission approval.

Submission to Jurisdiction and Agent for Service

12. With respect to a proceeding brought by the Commission arising out of, related to, concerning or in any other manner connected with the Commission's regulation and oversight of the activities of **360T** in Ontario, **360T** will submit to the non-exclusive jurisdiction of (i) the courts and administrative tribunals of Ontario and (ii) an administrative proceeding in Ontario.

13. **360T** will file with the Commission a valid and binding appointment of an agent for service in Ontario upon whom the Commission may serve a notice, pleading, subpoena, summons or other process in any action, investigation or administrative, criminal, quasi-criminal, penal or other proceeding arising out of, related to, concerning or in any other manner connected with the Commission's regulation and oversight of **360T's** activities in Ontario.

Disclosure

14. **360T** will provide to its Ontario Users disclosure that states that:
- (a) rights and remedies against **360T** may only be governed by the laws of Germany, rather than the laws of Ontario and may be required to be pursued in Germany rather than in Ontario;
 - (b) the rules applicable to trading on **360T** may be governed by the laws of Germany, rather than the laws of Ontario; and
 - (c) **360T** is regulated by BaFin, rather than the Commission.

Prompt Reporting

15. **360T** will notify staff of the Commission promptly of any of:
- (a) any material change to its business or operations or the information provided in the Application, including, but not limited to material changes:
 - (i) to the regulatory oversight by BaFin;
 - (ii) the corporate governance structure of **360T**;
 - (iii) the access model, including eligibility criteria, for Ontario Users;
 - (iv) systems and technology; and
 - (v) the clearing and settlement arrangements for **360T**;
 - (b) any change in **360T** regulations or the laws, rules and regulations in Germany relevant to the financial instruments available for trading on **360T's** MTF where such change may materially affect its ability to meet the criteria set out in Appendix I to this Schedule;
 - (c) any condition or change in circumstances whereby **360T** is unable or anticipates it will not be able to continue to meet any applicable requirements or regulations of BaFin;
 - (d) any known investigations of, or disciplinary action against, **360T** by BaFin or any other regulatory authority to which it is subject;
 - (e) any matter known to **360T** that may materially and adversely affect its financial or operational viability, including, but not limited to, any declaration of an emergency pursuant to **360T's** rules;
 - (f) any default, insolvency, or bankruptcy of a participant known to **360T** or its representatives that may have a material, adverse impact upon **360T**; and
 - (g) any material systems outage, malfunction or delay.
16. **360T** will promptly provide staff of the Commission with the following information to the extent it is required to provide to or file such information with BaFin:
- (a) details of any material legal proceeding instituted against **360T**;
 - (b) notification that **360T** has instituted a petition for a judgment of bankruptcy or insolvency or similar relief, or to wind up or liquidate **360T** or has a proceeding for any such petition instituted against it; and
 - (c) the appointment of a receiver or the making of any voluntary arrangement with creditors.

Quarterly Reporting

17. **360T** will maintain the following updated information and submit such information in a manner and form acceptable to the Commission on a quarterly basis (within 30 days of the end of each calendar quarter), and at any time promptly upon the request of staff of the Commission:
- (a) a current list of all Ontario Users and whether the Ontario User is registered under Ontario securities laws or is exempt from or not subject to registration, and, to the extent known by **360T**, other persons or companies located in Ontario trading on the MTF as customers of participants (**Other Ontario Participants**);
 - (b) the legal entity identifier assigned to each Ontario User, and, to the extent known by **360T**, to Other Ontario Participants in accordance with the standards set by the Global Legal Entity Identifier System;
 - (c) a list of all Ontario Users whom **360T** has referred to BaFin, or, to the best of **360T's** knowledge, whom have been disciplined by BaFin with respect to such Ontario Users' activities on the MTF and the aggregate number of all participants referred to BaFin in the last quarter by **360T**;
 - (d) a list of all active investigations during the quarter by **360T** relating to Ontario Users and the aggregate number of active investigations during the quarter relating to all participants undertaken by **360T**;
 - (e) a list of all Ontario applicants for status as a participant who were denied such status or access to **360T** during the quarter, together with the reasons for each such denial;
 - (f) a list of all additions, deletions, or changes to the products available for trading since the prior quarter;
 - (g) for each product,
 - (i) the total trading volume and value originating from Ontario Users, and, to the extent known by **360T**, from Other Ontario Participants, presented on a per Ontario User or per Other Ontario Participant basis; and
 - (ii) the proportion of worldwide trading volume and value on **360T** conducted by Ontario Users, and, to the extent known by **360T**, by Other Ontario Participants, presented in the aggregate for such Ontario Users and Other Ontario Participants;provided in the required format; and
 - (h) a list outlining each material incident of a security breach, systems failure, malfunction, or delay (including cyber security breaches, systems failures, malfunctions or delays reported under section 15(j) of this Schedule) that occurred at any time during the quarter for any system relating to trading activity, including trading, routing or data, specifically identifying the date, duration and reason, to the extent known or ascertainable by **360T**, for the failure, malfunction or delay, and noting any corrective action taken.

Annual Reporting

18. **360T** will file with the Commission any annual financial report or financial statements (audited or unaudited) of **360T** provided to or filed with BaFin promptly after filing with BaFin.

Information Sharing

19. **360T** will provide such information as may be requested from time to time by, and otherwise cooperate with, the Commission or its staff, subject to any applicable privacy or other laws (including solicitor-client privilege) governing the sharing of information and the protection of personal information.

APPENDIX 1

CRITERIA FOR EXEMPTION OF A FOREIGN EXCHANGE TRADING OTC DERIVATIVES FROM RECOGNITION AS AN EXCHANGE

PART 1 REGULATION OF THE EXCHANGE

1.1 Regulation of the Exchange

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

1.2 Authority of the Foreign Regulator

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

PART 2 GOVERNANCE

2.1 Governance

The governance structure and governance arrangements of the exchange ensure:

- (a) effective oversight of the exchange,
- (b) that business and regulatory decisions are in keeping with its public interest mandate,
- (c) fair, meaningful and diverse representation on the board of directors (**Board**) and any committees of the Board, including:
 - (i) appropriate representation of independent directors, and
 - (ii) a proper balance among the interests of the different persons or companies using the services and facilities of the exchange,
- (d) the exchange has policies and procedures to appropriately identify and manage conflicts of interest for all officers, directors and employees, and
- (e) there are appropriate qualifications, remuneration, limitation of liability and indemnity provisions for directors, officers and employees of the exchange.

2.2 Fitness

The exchange has policies and procedures under which it will take reasonable steps, and has taken such reasonable steps, to ensure that each director and officer is a fit and proper person and past conduct of each officer or director affords reasonable grounds for belief that the officer or director will perform his or her duties with integrity.

PART 3 REGULATION OF PRODUCTS

3.1 Review and Approval of Products

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

3.2 Product Specifications

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

3.3 Risks Associated with Trading Products

The exchange maintains adequate provisions to measure, manage and mitigate the risks associated with trading products on the exchange that may include, but are not limited to, daily trading limits, price limits, position limits, and internal controls.

PART 4 ACCESS

4.1 Fair Access

- (a) The exchange has established appropriate written standards for access to its services including requirements to ensure
 - (i) participants are appropriately registered as applicable under Ontario securities laws, or exempted from these requirements,
 - (ii) the competence, integrity and authority of systems users, and
 - (iii) systems users are adequately supervised.
- (b) The access standards and the process for obtaining, limiting and denying access are fair, transparent and applied reasonably.
- (c) The exchange does not unreasonably prohibit, condition or limit access by a person or company to services offered by it.
- (d) The exchange does not
 - (i) permit unreasonable discrimination among participants, or
 - (ii) impose any burden on competition that is not reasonably necessary and appropriate.
- (e) The exchange keeps records of each grant and each denial or limitation of access, including reasons for granting, denying or limiting access.

PART 5 REGULATION OF PARTICIPANTS ON THE EXCHANGE

5.1 Regulation

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

PART 6 RULEMAKING

6.1 Purpose of Rules

- (a) The exchange has rules, policies and other similar instruments (**Rules**) that are designed to appropriately govern the operations and activities of participants and do not permit unreasonable discrimination among participants or impose any burden on competition that is not reasonably necessary or appropriate.
- (b) The Rules are not contrary to the public interest and are designed to
 - (i) ensure compliance with applicable legislation,
 - (ii) prevent fraudulent and manipulative acts and practices,
 - (iii) promote just and equitable principles of trade,
 - (iv) foster co-operation and co-ordination with persons or companies engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in the products traded on the exchange,
 - (v) provide a framework for disciplinary and enforcement actions, and
 - (vi) ensure a fair and orderly market.

PART 7 DUE PROCESS

7.1 Due Process

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

- (a) parties are given an opportunity to be heard or make representations, and
- (b) it keeps a record of, gives reasons for, and provides for appeals or reviews of its decisions.

PART 8 CLEARING AND SETTLEMENT

8.1 Clearing Arrangements

The exchange has or requires its participants to have appropriate arrangements for the clearing and settlement of transactions for which clearing is mandatory through a clearing house.¹

8.2 Risk Management of Clearing House

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

PART 9 SYSTEMS AND TECHNOLOGY

9.1 Systems and Technology

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

- (a) order entry,
- (b) order routing,
- (c) execution,
- (d) trade reporting,
- (e) trade comparison,
- (f) data feeds,
- (g) market surveillance,
- (h) trade clearing, and
- (i) financial reporting.

9.2 System Capability/Scalability

Without limiting the generality of section 9.1, for each of its systems supporting order entry, order routing, execution, data feeds, trade reporting and trade comparison, the exchange:

- (a) makes reasonable current and future capacity estimates;
- (b) conducts capacity stress tests to determine the ability of those systems to process transactions in an accurate, timely and efficient manner;
- (c) reviews the vulnerability of those systems and data centre computer operations to internal and external threats, including physical hazards and natural disasters;

¹ For the purposes of these criteria, "clearing house" also means a "clearing agency".

- (d) ensures that safeguards that protect a system against unauthorized access, internal failures, human errors, attacks and natural catastrophes that might cause improper disclosures, modification, destruction or denial of service are subject to an independent and ongoing audit which should include the physical environment, system capacity, operating system testing, documentation, internal controls and contingency plans;
- (e) ensures that the configuration of the system has been reviewed to identify potential points of failure, lack of back-up and redundant capabilities;
- (f) maintains reasonable procedures to review and keep current the development and testing methodology of those systems; and
- (g) maintains reasonable back-up, contingency and business continuity plans, disaster recovery plans and internal controls.

9.3 Information Technology Risk Management Procedures

The exchange has appropriate risk management procedures in place including those that handle trading errors, trading halts and respond to market disruptions and disorderly trading.

PART 10 FINANCIAL VIABILITY

10.1 Financial Viability

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

PART 11 TRADING PRACTICES

11.1 Trading Practices

Trading practices are fair, properly supervised and not contrary to the public interest.

11.2 Orders

Rules pertaining to order size and limits are fair and equitable to all market participants and the system for accepting and distinguishing between and executing different types of orders is fair, equitable and transparent.

11.3 Transparency

The exchange has adequate arrangements to record and publish accurate and timely information as required by applicable law or the Foreign Regulator. This information is also provided to all participants on an equitable basis.

PART 12 COMPLIANCE, SURVEILLANCE AND ENFORCEMENT

12.1 Jurisdiction

The exchange or the Foreign Regulator has the jurisdiction to perform member and market regulation, including the ability to set rules, conduct compliance reviews and perform surveillance and enforcement.

12.2 Member and Market Regulation

The exchange or the Foreign Regulator maintains appropriate systems, resources and procedures for evaluating compliance with exchange and legislative requirements and for disciplining participants.

12.3 Availability of Information to Regulators

The exchange has mechanisms in place to ensure that the information necessary to conduct adequate surveillance of the system for supervisory or enforcement purposes is available to the relevant regulatory authorities, including the Commission, on a timely basis.

PART 13 RECORD KEEPING

13.1 Record Keeping

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

PART 14 OUTSOURCING

14.1 Outsourcing

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

PART 15 FEES

15.1 Fees

- (a) All fees imposed by the exchange are reasonable and equitably allocated and do not have the effect of creating an unreasonable condition or limit on access by participants to the services offered by the exchange.
- (b) The process for setting fees is fair and appropriate, and the fee model is transparent.

PART 16 INFORMATION SHARING AND OVERSIGHT ARRANGEMENTS

16.1 Information Sharing and Regulatory Cooperation

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

16.2 Oversight Arrangements

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

PART 17 IOSCO PRINCIPLES

17.1 IOSCO Principles

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

13.2.2 NEO Exchange Inc. – Listing Manual and Listing Forms Amendments – Notice of Approval

NEO EXCHANGE INC.

NOTICE OF APPROVAL

LISTING MANUAL AND LISTING FORMS AMENDMENTS

(April 11, 2019)

In accordance with the *Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits Thereto*, Neo Exchange Inc. (“**NEO Exchange**”) has adopted and the Ontario Securities Commission has approved amendments to NEO Exchange’s Listing Manual (the “**Listing Manual**”) and Listing Forms (together, the “**Amendments**”). The Amendments comprise the following changes:

1. Revisions Stemming from the Codification of Waivers
 - Addition of a new exemption to the minimum price standard in subsection 2.02(2) for Listed Issuers resulting from a transaction involving an Other Listed Issuer, such as in a reverse take-over transaction.
 - Removal of the minimum distribution requirement applicable to ETFs in section 2.04(1).
 - Addition of subsection 2.08(2) to describe requirements for listing on NEO Exchange in a halted state.
 - Reduction of the net asset value in subsection 3.02(2) for CEFs to \$3,000,000 from \$5,000,000.
 - Removal of the distribution requirement for ETFs under subsection 3.03(1).
 - Revisions to section 7.13 to specify that an ETF does not have to file a Notice of Creation or Redemption (Form 15) on a monthly basis if the issuer’s creation and redemption transactions are reported to the Exchange on a more frequent basis.
 - Changes in sections 7.14, 7.15, 7.16 and 7.17 to (i) replace “certificate of amendment” and similarly specific terms with more the general term “constating document”, and (ii) state that certain documents (e.g. specimen certificates) do not have to be filed with the Exchange.
2. Revisions Intended to Streamline the Listing Process for Issuers and Promote Environmental, Social and Governance Initiatives (ESG)
 - Addition of new Commentary below paragraph 2.02(3)(a) to provide alternatives in cases where two-years’ operating history is not available.
 - Removal of the wording regarding research coverage from the Investor Relations requirements in subsection 2.02(5) and corresponding Commentary and inclusion of references to an investor relations strategy.
 - Revisions to re-numbered subsection 2.02(6) (previously 2.02(7) but moved to appear before the provision relating to SPACs), and addition of Commentary, relating to supplemental listing requirements.
 - A number of changes to section 2.13 –
 - Addition of Commentary below paragraph 2.13(1)(c) relating to document requirements.
 - Amendments to the Commentary below paragraph 2.13(1)(d), including to specify that PIFs do not need to be filed in connection with supplemental listings by Listed Issuers nor where the Insider of an exchange-traded product has provided a PIF to NEO Exchange within the past 24 months, subject to there being no changes to the responses to certain questions.
 - Deletion of subsections 2.13(2), (3) and (4) relating to required documents for Other Listed Issuers.
 - Amendments to the Commentary that follows new subsection 2.13(2) to include transactions and/or filing documents other than a prospectus.

- Non-material changes to subsection 3.01(4) relating to ongoing standards for supplemental listings.
- Similar changes to those in subsection 2.02(5) in the Investor Relations requirements in subsection 3.01(5).
- Addition of Commentary following subsection 3.03(3) to provide examples of the factors that would be taken into account by the Exchange when considering whether to suspend or delist the securities of an ETF.
- General updates to the process and procedures set out in section 4.01 for notifying the Exchange of changes to insiders, including new Commentary.
- Amendments to section 4.08 to add the list of documents that the Exchange will expect Listed Issuers to post on their website, and new requirements associated with those documents.
- Revisions to the list of events that would be likely to require immediate disclosure under subsection 5.02(3), to add “Significant climate change-related events and financial impacts”.
- Revisions to subsection 6.01(1) regarding dividends and other distributions to reflect changes to the Exchange’s Forms and to reduce the notification requirements to the Exchange from 7 to 5 trading days.
- Revisions to subsection 7.15(2) to replace “two trading days” with “one trading day”.
- An amendment to subsection 9.03(2) to shorten the number of days (from 20 to 10 trading days) NEO requires to be provided with a draft of the information circular prepared in connection with a reverse take-over transaction.
- An amendment to paragraph 10.05(1)(b) to list specific diversity criteria to be considered by Listed Issuers when filling board or executive officer positions.

3. Revisions Relating to Special Purpose Acquisition Corporation (“SPAC”) Requirements

- Section 1.01 – Definitions
 - Adjustment to “Founding Securities” to add securities purchased by Founding Security Holders concurrently with the IPO prospectus, on the same terms, to the list of excluded securities.
 - Replacement of the term “security holder” in the definition of “Liquidation Distribution” with the word “shareholder”.
 - Slight revisions to “Permitted Investments” to include the words “call loans to or”.
 - Modification of “Specified SPAC Securities” with the addition of the words “concurrently with the IPO prospectus on the same terms”.
- Reduction of the initial distribution requirements for SPACs under subsection 2.02(7) (renumbered from subsection 2.02(6)), from 300 to 150 board lot holders.
- Minor drafting updates, and the additions of “and Qualifying Transaction” after “initial public offering” and “or provide an alternative escrow arrangement that is satisfactory to the Exchange” at the end to the escrow provisions in subsection 2.12(2).
- Addition of Commentary in section 4.08 to specify that, although exempted from the website requirement, it is recommended that a SPAC have a website and post the documents listed in subsection 4.08(1), as applicable.

The following references are to “new” section 10.16, which has been renumbered from 10.17.

- Amendments to paragraph 10.16(6)(a) to (i) remove references to “conversion”, (ii) add the words “or substantially similar feature” after “redemption feature”, (iii) replace the words “then on deposit in the escrow account” with “of the Escrowed Funds”, and (iv) remove the words “and other than warrants”.

- Amendments to paragraph 10.16(6)(b) to (i) replace the words “which may be via a redemption feature” with “or substantially similar feature”, (ii) remove the words “and other than warrant holders”, and (iii) replace the words “then on deposit in the escrow account” with “of the Escrowed Funds”.
- Amendments to subsection 10.16(7) to remove subparagraph (c) and add that a SPAC may establish a limit with respect to the maximum number of shares that can be redeemed provided (i) the limit is not set at lower than 15% of the shares sold in the IPO, and (ii) the limit is disclosed in the IPO prospectus.
- An amendment to paragraph 10.16(8)(b) to remove the word “fixed”.
- An amendment to subsection 10.16(12) to state that Shareholders exercising their redemption rights under paragraph 6(a) will be entitled to their pro rata portion of the Escrowed Funds, including all deferred underwriters’ commissions.
- Deletion of subsection 10.16(15).
- Updates to subsection 10.16(16) (previously subsection 10.17(17)), with some information moved to subsection 10.16(17), and an amendment to remove the shareholder approval requirement for a Qualifying Transaction, provided that 100% of the gross proceeds raised in the SPAC’s IPO are placed in escrow.
- Addition of subsection 10.16(17) to capture information removed from the previous section and to require disclosure in the SPAC’s IPO prospectus if shareholder approval is a condition of the Qualifying Transaction.
- Updates to subsection 10.16(18), with the addition of wording to require that a SPAC mail a notice of redemption to shareholders and make the final prospectus for the Resulting Issuer publicly available at least 21 days prior to the redemption deadline, and delivery of the prospectus to shareholders at least two business days prior to the redemption deadline. This new section also would permit SPACs to deliver prospectuses to shareholders electronically in compliance with National Policy 11-201 – *Electronic Delivery of Documents*.
- Amendments to subsection 10.16(19) to clarify that redemption rights apply whether or not a shareholder vote on a Qualifying Transaction is held and to remove references to conversion rights.
- An amendment to subsection 10.16(20) to provide a Resulting Issuer with up to 180 days from completion of the Qualifying Transaction to provide evidence that it meets the initial listing requirements of the Exchange.
- An amendment to subsection 10.16(23) to clarify the restrictions on SPACs in relation to raising additional capital.
- An amendment to paragraph 10.16(24)(b) to permit a SPAC to obtain unsecured loans from its founders or their affiliates for amounts up to 10% of the funds held in escrow under subsection 10.16(9) instead of \$1 million, provided that this limit is disclosed in the IPO prospectus.
- Addition of new Commentary after subsection 10.16(24) to clarify that the restrictions under subsections (23) and (24) do not apply where additional capital is raised contemporaneously with or after the completion of a SPAC’s Qualifying Transaction.
- Addition of new subsection 10.16(29) to state that, prior to the completion of the Qualifying Transaction, a SPAC is not required to hold an annual general meeting of shareholders provided that an annual update is disseminated via press release and available on the SPAC’s website.
- Addition of new subsection 10.16(30) to exempt SPACs from certain continuous listing and governance requirements prior to the completion of a SPAC’s Qualifying Transaction.

4. Revisions to Clarify Provisions

- Section 1.01 - Definitions:
 - Addition of “Independent Director” in place of “Unrelated Director” (see below), removing additional criteria and referencing only National Instrument 52-110 *Audit Committees*.

- Revisions to “Insider” to include any officer or director of an investment fund (in addition to officers and directors of the fund manager) and to exclude portfolio managers and promoters of an investment fund.
- Replacement of “Offering Document” with “Listing Document”, and clarification of the term, with such change applied throughout the Listing Manual.
- Replacement of “Unrelated Director” with “Independent Director” (see above), with such change applied throughout the Listing Manual.
- Amendments to the Commentary below section 2.12 relating to Escrow.
- A number of changes to section 2.14 –
 - Revisions to paragraph 2.14(1)(b) to include non-prospectus Listing Documents and to paragraph 2.14(1)(d) to specifically refer to a prospectus that is being used as a Listing Document.
 - Deletion of the Commentary below paragraph 2.14(1)(b).
 - Consolidation of paragraph 2.14(1)(f) and subsection 2.14(2) into one provision that applies to both corporate issuers and exchange-traded products.
 - Deletion of subsections 2.14(4) and (5).
- Updates to Section 4.05 relating to confidentiality of filings and to section 4.06 relating to general dissemination of material information and selective disclosure.
- Revisions to subsections 5.04(2) and 5.05(3) to clarify the existing requirements applicable to Listed Issuers under the sections relating to “Timing of Disclosure and Pre-Notification of the Market Regulator” and “Dissemination of Material Information”, and addition of Commentary following subsection 5.05(3) to relating to the Exchange’s process for reviewing a press release.
- Revisions to the notification requirements set out in section 7.01 (in subsections (1) and (2) and the Commentary) relating to changes to an Issuer’s business, operations or capital structure and proposed securities issuances (including under private placements and grant of awards).
- Non-material revisions to section 7.04 (in subsections (1) and (7) and the Commentary) to private placement filing and process requirements, including the movement of and slight adjustment to some of the text, and an update to explicitly state that the Exchange must provide notice of acceptance prior to a Listed Issuer proceeding with a private placement.
- Amendments to section 7.07 with respect to the filing requirements and approval process applicable to an acquisition by a Listed Issuer.
- Updates to section 7.08 to require that: under subsection 7.08(7) a Listed Issuer must notify the Exchange upon instituting a security based compensation arrangement; under subsection 7.08(8) a Listed Issuer must file a notice with the Exchange within five days of the end of the month in which an award is granted (rather than immediately); and under paragraph 7.08(10)(c) the amendments referred to therein relate to an increase of the number or kind of securities issuable under the security based compensation arrangement.
- Addition of new paragraph 7.09(5)(c) to require a notice from the Clearing Corporation relating to the listed rights.
- Amendments to subsection 9.03(1) to indicate that the standards to follow for a reverse take-over transaction are those of an initial listing and that a Listed Issuer must comply with applicable securities law.
- Revisions to subsection 10.11(1), in paragraph (a) to state that shareholder approval is required for acquisitions where the total number of securities (calculated on a fully diluted basis) issuable to Related Persons of a Listed Issuer for the acquisition, together with any other acquisitions over the preceding six months, is more than 10% of the total number of securities of the Listed Issuer outstanding (calculated on a non-diluted basis), and in paragraph (c) to add “prospectus offering” in subparagraph (iii).
- Removal of subsections 10.11(2) and section 10.12.

5. Revisions to Forms

- Consolidation of Forms 3, 3A and 3B into a new Form 3.
 - Deletion of the requirement to notarize the form and any of the attachments.
 - Replacement of the consent to criminal check with a requirement that individuals submitting a personal information form complete an electronic criminal check.
 - Revisions to require all individuals to provide certain biographical information, previously contained in Form 3, questions 1 through 4, with minor formatting changes throughout this section, and deletion of the fields requiring an individual to provide gender information, Canadian social insurance number and U.S. Social Security number.
 - Revisions to provide the option of completing the questions contained in Appendix A or submitting a TSX, TSX-V, CSE or OSC personal information form instead.
 - Addition of a checklist to assist individuals submitting the form.
 - Deletion of certain rarely used types of identification from the list of acceptable identification.
 - Deletion of Exhibit 3 of the former Forms 3, 3A, 3B, as it does not apply to the collection of personal information by the Exchange.
 - Edits to instructions to assist individuals with completing the form, throughout.
- Deletion of Form 5.
- Consolidation of Forms 7 and Form 7A into a new Form 7.
- Removal of the certificate from Form 7 and Form 15.

We have also made Housekeeping Rule Amendments, including to reflect the Exchange's recent legal name change to "Neo Exchange Inc.", the addition of certain defined terms and the deletion of redundant wording or statements that did not provide any useful guidance.

For additional details, please refer to the Notice of the Amendments and Request for Comments published on February 21, 2019 at <https://www.aequitasneo.com/en/exchange/notices>. No comments were received, and no further changes have been made to the Listing Manual or the Listing Forms.

The Listing Manual and Listing Forms can be viewed at:
<https://www.aequitasneo.com/en/exchange/resources>

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