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Chapter 1

Notices

1.1 Notices

1.1.1 CIH Trading LLC – Notice of Correction

CIH Trading LLC, dated October 23, 2018, was published on November 1, 2018 at (2018), 41 OSCB 8668. An incorrect version of Appendix A and Appendix B appeared in print. Appendix A and Appendix B were corrected online on November 6, 2018.

1.4 Notices from the Office of the Secretary

1.4.1 Siu Mui “Debbie” Wong et al.

FOR IMMEDIATE RELEASE
November 7, 2018

**SIU MUI “DEBBIE” WONG,
SIU KON “BONNIE” SOO,
1300302 ALBERTA INC. and
D&E ARCTIC INVESTMENTS INC.,
File No. 2018-50**

TORONTO – The Commission issued its Reasons and Decision and an Order pursuant to Subsections 127(1) and 127(10) of the *Securities Act* in the above noted matter.

A copy of the Reasons and Decision and the Order dated November 6, 2018 are available at <http://www.osc.gov.on.ca>.

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1.4.2 Dennis L. Meharchand and Valt.X Holdings Inc.

FOR IMMEDIATE RELEASE
November 9, 2018

DENNIS L. MEHARCHAND and
VALT.X HOLDINGS INC.

TORONTO – The Commission issued two Orders in the above named matter.

A copy of the Order dated November 9, 2018 pursuant to Subsection 127(1) of the *Securities Act* and Order dated November 9, 2018 are available at www.osc.gov.on.ca.

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Professionals' Financial – Mutual Funds 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, FundGrade Ratings, Lipper Awards and Lipper Leader Ratings in sales communications – Relief subject to conditions requiring specified disclosure and the requirement that the FundGrade A+ Awards and Lipper Awards being referenced not have been awarded more than 365 days before the date of the sales communication.

Applicable Legislative Provisions

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

[Translation]

October 23, 2018

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
PROFESSIONALS' FINANCIAL – MUTUAL FUNDS INC.
(the Filer)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (**Decision Maker**) has received an application from the Filer on behalf of existing mutual funds and future mutual funds of which the Filer is, or in the future will be, the investment fund manager (or which an affiliate of the Filer becomes the investment fund manager) and to which *Regulation 81-102 respecting Investment Funds* (CQLR, c. V-1.1, r.39) (**Regulation 81-102**) applies (each, a **Fund** and collectively, the **Funds**) for a decision under the securities legislation of the Jurisdictions (the **Legislation**) for an exemption from the requirements set out in paragraphs 15.3(4)(c) (in respect of the FundGrade A+ Awards, FundGrade Ratings, Lipper Awards and Lipper Leader Ratings) and 15.3(4)(f) (in respect of the FundGrade A+ Awards and Lipper Awards only) of Regulation 81-102, which provide that a sales communication must not refer to a performance rating or ranking of a mutual fund or asset allocation service unless:

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**), to permit the FundGrade A+ Awards, FundGrade Ratings, Lipper Awards and Lipper Leader Ratings to be referenced in sales communications relating to the Funds.

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

- a) the *Autorité des marchés financiers* is the principal regulator for this application;
- b) the Filer has provided notice that section 4.7(1) of *Regulation 11-102 respecting Passport System* (CQLR, c. V-1.1, r.1) (**Regulation 11-102**) is intended to be relied upon in New Brunswick (together with Québec and Ontario, the **Filing Jurisdictions**), and
- c) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

Terms defined in *Regulation 14-101 respecting Definitions* (CQLR, c. V-1.1, r.3), *Regulation 11-102* and *Regulation 81-102* have the same meanings if used in this decision, unless otherwise defined.

Representations

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

The Filer and the Funds

1. The Filer is registered as an investment fund manager in Québec and Ontario, and as a mutual fund dealer, a portfolio manager and a derivatives portfolio manager in Québec. The head office of the Filer is in Montreal, Québec.
2. The Filer manages the Funds, which are retail mutual funds, the securities of which are, or will be, qualified for distribution to investors in each of the Filing Jurisdictions pursuant to one or more simplified prospectuses, as the same may be amended or renewed from time to time.
3. Each of the Funds is, or will be, a reporting issuer in each of the Filing Jurisdictions and each of the Funds is or will be subject to Regulation 81-102.
4. Neither the Filer nor any of the Funds are in default of securities legislation in any of the Filing Jurisdictions.

FundGrade Ratings and FundGrade A+ Awards

5. The Filer wishes to include in sales communications of the Funds references to the FundGrade Ratings and references to the FundGrade A+ Awards where such Funds have been awarded a FundGrade A+ Award.
6. FundGrade A+ Awards and FundGrade Ratings are awarded by Fundata Canada Inc. (**Fundata**) a "mutual fund rating entity" as that term is defined in Regulation 81-102. Fundata is a supplier of mutual fund information, analytical tools and commentary.
7. 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.
8. 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 ratios: the Sharpe Ratio, the Information Ratio and the Sortino Ratio. These 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 ranking.

Decisions, Orders and Rulings

9. The FundGrade Ratings are letter grades that are determined each month and released on the seventh business day of the following month. 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.
10. 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.
11. At the end of each calendar year, Fundata calculates a Fund “grade point average” or “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. Any fund earning a GPA of 3.5 or greater earns a FundGrade A+ Award.

Lipper Leader Ratings and Lipper Awards

12. The Filer also wishes to include in sales communications of the Funds references to Lipper Leader Ratings and Lipper Awards where such Funds have been awarded a Lipper Award.
13. Lipper, Inc. (**Lipper**) is a “mutual fund rating entity” as that term is defined in Regulation 81-102. Lipper is part of the Thomson Reuters group of companies and is a supplier of mutual fund information, analytical tools and commentary.
14. One of Lipper’s programs is the Thomson Reuters Lipper Fund Awards program (the **Lipper Awards**). This program recognizes funds that have excelled in delivering consistently strong risk-adjusted performance relative to peers and also recognizes fund families with high average scores for all funds within a particular asset class or overall.
15. The Lipper Awards are based on a proprietary rating methodology prepared by Lipper, the Lipper Leader Rating System. The Lipper Leader Rating System includes Lipper Ratings for Consistent Return, Lipper Ratings for Total Return, Lipper Ratings for Preservation and Lipper Ratings for Expense. Lipper Ratings provide an instant measure of a fund’s success against a specific set of key metrics and can be used by investors to identify funds that meet particular characteristics. In each case, the categories for fund classification used by Lipper for the Lipper Leader Ratings are those maintained by CIFSC (or a successor to CIFSC), a Canadian organization that is independent of Lipper. Lipper Leader Ratings are measured monthly over 36, 60 and 120 month periods, and an overall rating is also measured, which is an unweighted average of the previous three periods. The highest 20% of funds in each category are named Lipper Leaders for that particular rating.
16. The Lipper Awards, awarded annually, are based on the Lipper Ratings for Consistent Return measure, which is a risk-adjusted mutual fund return performance measure used by Lipper that takes into account both short- and long-term risk-adjusted performance relative to fund classification, together with a measure of a fund’s consistency. In respect of the Lipper Awards, the Lipper Ratings for Consistent Return are measured over the 36, 60 and 120 month periods ending at the end of July of each year. The highest Lipper Leader for Consistent Return in each applicable fund classification over these periods wins a Lipper Award.

Relief from paragraph 15.3(4)(c) of Regulation 81-102

17. The FundGrade Ratings and Lipper Leader Ratings fall within the definition of “performance data” under Regulation 81-102 as they constitute “a rating, ranking, quotation, discussion or analysis regarding an aspect of the investment performance of an investment fund”. The FundGrade A+ Awards and Lipper Awards may be considered to be “overall ratings or rankings”, given that the awards are based on the FundGrade Ratings and Lipper Leader Ratings, respectively as described above. Therefore, references to FundGrade Ratings, FundGrade A+ Awards, Lipper Leader Ratings and Lipper Awards in sales communications relating to the Funds need to meet the applicable requirements in Part 15 of Regulation 81-102.
18. Paragraph 15.3(4)(c) of Regulation 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).
19. 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 Regulation 81-102. Relief from paragraph 15.3(4)(c) of Regulation 81-102 is, therefore, required in order for a Fund to use FundGrade Ratings in sales communications.

Decisions, Orders and Rulings

20. Lipper Leader Ratings are calculated only for 36, 60 and 120 month periods and are not calculated for a one year period. This means that a sales communication referencing a Lipper Leader Rating cannot comply with the “matching” requirement contained in paragraph 15.3(4)(c) of Regulation 81-102 because a rating is not available for the one year period. Relief from paragraph 15.3(4)(c) of Regulation 81-102 is, therefore, required in order for Funds to reference Lipper Leader Ratings in sales communications.
21. The exemption in subsection 15.3(4.1) of Regulation 81-102 for references to overall ratings or rankings of funds cannot be relied upon to reference the FundGrade A+ Awards and Lipper 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) of Regulation 81-102. As noted above, sales communications referencing the FundGrade A+ Awards and Lipper Awards cannot comply with the “matching” requirement in paragraph 15.3(4)(c) of Regulation 81-102 given that the awards are based on the FundGrade Ratings and Lipper Leader Ratings, respectively, rendering the exemption in subsection 15.3(4.1) of Regulation 81-102 unavailable. Relief from paragraph 15.3(4)(c) of Regulation 81-102 is, therefore, also required in order for the Funds to reference the FundGrade A+ Awards and Lipper Awards in sales communications.

Relief from paragraph 15.3(4)(f) of Regulation 81-102

22. Paragraph 15.3(4)(f) of Regulation 81-102 provides that in order for a rating or ranking such as a FundGrade A+ Awards and Lipper Awards 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 communications, the rating or ranking must be published within three months of the calendar month end to which the rating or ranking applies.
23. 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 Regulation 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.
24. Because the evaluation of funds for the Lipper Awards will be based on data aggregated until the end of July in any given year and the results will be published in November of that year, by the time a fund receives an award in November, paragraph 15.3(4)(f) of Regulation 81-102 will prohibit it from publishing news of the award altogether.

Reasons for the Exemption Sought

25. The Filer submits that the FundGrade A+ Awards, FundGrade Ratings, Lipper Awards and Lipper Leader Ratings provide investors with context when evaluating investment choices. They also provide an objective, transparent and quantitative measure of performance in fund analysis that alleviates any concern that references to them may be misleading and therefore, contrary to paragraph 15.2(1)(a) of Regulation 81-102.
26. The Filer further submits that the Exemption Sought is not detrimental to the protection of investors.

Decision

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

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

1. the sales communication complies with Part 15 of Regulation 81-102, other than as set out herein, and contains the following disclosure in at least 10 point type:
 - a) the name of the category 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 or Lipper;
 - 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+ Award, FundGrade Rating, Lipper Award or Lipper Leader Rating is based;

Decisions, Orders and Rulings

- e) a statement that FundGrade Ratings or Lipper Leader Ratings are subject to change every month;
 - f) in the case of a FundGrade A+ Award or Lipper Award, a brief overview of the FundGrade A+ Award or Lipper Award, as applicable;
 - g) in the case of a FundGrade Rating (other than FundGrade Ratings referenced in connection with a FundGrade A+ Award) or a Lipper Leader Rating (other than Lipper Leader Ratings referenced in connection with a Lipper Award), a brief overview of the FundGrade Rating or Lipper Leader Rating, as applicable;
 - h) where Lipper Awards are referenced, the corresponding Lipper Leader Rating that the Lipper Award is derived from is presented for each period for which standard performance data is required other than the one year and since inception periods;
 - i) where a Lipper Leader Rating is referenced, the Lipper Leader Ratings are presented for each period for which standard performance data is required other than the one year and since inception periods;
 - j) disclosure of the meaning of the FundGrade Ratings from A to E (e.g., rating of A indicates a fund is in the top 10% of its category) or Lipper Leader Ratings from 1 to 5 (e.g., rating of 5 indicates a fund is in the top 20% of its category), as applicable;
 - k) reference to Funddata's website (www.fundata.com) for greater detail on the FundGrade A+ Awards and the FundGrade Ratings or reference to Lipper's website (www.lipperweb.com) for greater detail on the Lipper Awards and Lipper Leader Ratings, which includes the rating methodology prepared by Funddata or Lipper, as applicable;
2. the FundGrade A+ Awards and Lipper Awards being referenced must not have been awarded more than 365 days before the date of the sales communication; and
3. the FundGrade A+ Awards, FundGrade Ratings, Lipper Awards and Lipper Leader Ratings being referenced are calculated based on comparisons of performance of mutual funds within a specified category established by CIFSC (or a successor to CIFSC).

"Lucie J. Roy"
Senior Director, Corporate Finance

2.1.2 Xanthic Biopharma Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Issuer granted relief from certain restricted security requirements under National Instrument 41-101 General Prospectus Requirements, National Instrument 44-101 Short Form Prospectus Distributions, and National Instrument 51-102 Continuous Disclosure Obligations – relief granted subject to conditions.

OSC Rule 56-501 Restricted Shares – Issuer granted relief from certain restricted share requirements under OSC Rule 56-501 – relief granted subject to conditions.

Applicable Legislative Provisions

National Instrument 41-101 General Prospectus Requirements, ss. 12.2, 12.3, 19.1.

Form 41-101F1 Information Required in a Prospectus, ss. 1.13, 10.6.

National Instrument 44-101 Short Form Prospectus Distributions, s. 8.1.

Form 44-101F1 Short Form Prospectus, ss. 1.12, 7.7.

National Instrument 51-102 Continuous Disclosure Obligations, Part 10, and s. 13.1.

OSC Rule 56-501 Restricted Shares, Parts 2 and 3, and s. 4.2.

November 1, 2018

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
XANTHIC BIOPHARMA INC.
(the Filer)

DECISION

Background

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

- a) section 12.2 of National Instrument 41-101 *General Prospectus Requirements* (**NI 41-101**), relating to the use of restricted security terms, sections 1.13 and 10.6 of Form 41-101F1 *Information Required in a Prospectus* (**Form 41-101F1**) and sections 1.12 and 7.7 of Form 44-101F1 *Short Form Prospectus* (**Form 44-101F1**) relating to restricted security disclosure shall not apply to the common shares in the capital of the Filer (the **Common Shares**) (the **Prospectus Disclosure Exemption**) in connection with prospectuses (**Prospectuses**) that may be filed by the Filer under NI 41-101 or National Instrument 44-101 *Short Form Prospectus Distributions* (**NI 44-101**), including a prospectus filed under National Instrument 44-102 *Shelf Distributions*;
- b) section 12.3 of NI 41-101 relating to prospectus filing eligibility for distributions of restricted securities shall not apply to distributions of Common Shares (the **Prospectus Eligibility Exemption**) in connection with Prospectuses;
- c) Part 2 of OSC Rule 56-501 *Restricted Shares* (**OSC Rule 501**) relating to the use of restricted share terms and restricted share disclosure shall not apply to the Common Shares (the **OSC Rule 56-501 Disclosure Exemption**) in connection with dealer and adviser documentation, rights offering circulars and offering memoranda (**OSC Rule 56-501 Documents**) of the Filer;

- d) Part 3 of OSC Rule 56-501 relating to the withdrawal of prospectus exemptions for distributions of restricted shares shall not apply to the distribution of the Common Shares (the **OSC Rule 56-501 Withdrawal Exemption**) in connection with stock distributions (as defined in OSC Rule 56-501) of the Filer; and
- e) Part 10 of National Instrument 51-102 *Continuous Disclosure Obligations (NI 51-102)* relating to the use of restricted security terms and restricted security disclosure shall not apply to the Common Shares (the **CD Disclosure Exemption**) in connection with continuous disclosure documents (the **CD Documents**) that may be filed by the Filer under NI 51-102.

The aforementioned requirements are collectively referred to as the **Restricted Security Rules**. The Prospectus Disclosure Exemption, the Prospectus Eligibility Exemption, the OSC Rule 56-501 Disclosure Exemption, the OSC Rule 56-501 Withdrawal Exemption and the CD Disclosure Exemption are collectively referred to as the **Exemption Sought**.

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

- a) the Ontario Securities Commission is the principal regulator for this Application; and
- b) the Filer has provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System (MI 11-102)* is intended to be relied upon in British Columbia and Alberta (other than with respect to the OSC Rule 56-501 Disclosure Exemption and the OSC Rule 56-501 Withdrawal Exemption), which, pursuant to subsection 8.2(2) of National Policy 11-202 *Process for Prospectus Reviews in Multiple Jurisdictions (NP 11-202)* and subsection 5.2(6) of National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions (NP 11-203)*, also satisfies the notice requirement of Section 4.7(1)(c) of MI 11-102.

Interpretation

Terms defined in National Instrument 14-101 *Definitions*, MI 11-102, NP 11-202, NP 11-203, NI 41-101, NI 44-101, NI 51-102 and OSC Rule 56-501 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 under the *Business Corporations Act* (Ontario) (the **OBCA**) and is a reporting issuer in British Columbia, Alberta, Ontario, Quebec and Nova Scotia.
2. The registered and head office of the Filer is located in Toronto, Ontario.
3. The authorized share capital of the Filer consists of an unlimited number of Common Shares (**Common Shares**).
4. The Common Shares are currently listed on the Canadian Securities Exchange (the **CSE**) under the symbol "XTHC".
5. As part of a business combination transaction (the **Business Combination**) pursuant to which the Filer and Green Growth Brands Ltd. (**GGB**) will amalgamate, the articles of the Filer will be amended to authorize the issuance of an unlimited number of a new class of proportionate voting shares (the **PV Shares**).
6. Upon completion of the Business Combination, the PV Shares will constitute subject securities (as defined in NI 41-101, NI 51-102 and OSC Rule 56-501) and the Filer's only issued and outstanding subject securities will be the PV Shares.
7. Immediately upon completion of the Business Combination, the Filer's authorized share capital will consist of (i) an unlimited number of Common Shares; and (ii) an unlimited number of PV Shares (collectively, **Shares**).
8. Following completion of the Business Combination:
 - a) The Common Shares may at any time, at the option of the holder thereof, be converted into PV Shares on the basis of five hundred (500) Common Shares for one PV Share.
 - b) The PV Shares may at any time, at the option of the holder thereof, be converted into Common Shares on the basis of five hundred (500) Common Shares for one PV Share.

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- c) Each PV Share is entitled to dividends if, as and when dividends are declared by the board of directors, with each PV Share being entitled to five hundred (500) times the amount paid or distributed per Common Share.
 - d) In the event of the liquidation, dissolution or winding-up of the Filer, the holders of PV Shares are entitled to participate in the distribution of the remaining property and assets of the Filer, with each PV Share being entitled to five hundred (500) times the amount distributed per Common Share, and otherwise without preference or distinction among or between the shares.
 - e) The holders of the Common Shares and PV Shares are entitled to receive notice of, attend and vote at any meeting of shareholders of the Filer, except those meetings at which holders of a specific class of shares are entitled to vote separately as a class under the OBCA.
 - f) The Common Shares will carry one vote per share and the PV Shares will carry five hundred (500) votes per share.
9. The rights, privileges, conditions and restrictions attaching to the Shares may be modified if the amendment is authorized by not less than 66⅔% of the votes cast at a meeting of holders of the Shares duly held for that purpose. However, if the holders of PV Shares, as a class, or the holders of Common Shares, as a class, are to be affected in a manner materially different from such other class of Shares, the amendment must, in addition, be authorized by not less than 66⅔% of the votes cast at a meeting of the holders of the class of Shares which is affected differently.
10. No subdivision or consolidation of the Common Shares or PV Shares may be carried out unless, at the same time, the Common Shares or PV Shares, as the case may be, are subdivided or consolidated in the same manner and on the same basis, so as to preserve the relative rights of the holders of each class of Shares.
11. The Filer is seeking the Exemption Sought in respect of, among other things, references to the Common Shares in Prospectuses and CD Documents.
12. Section 12.2 of NI 41-101 requires that an issuer must not refer to a security in a prospectus by a term or a defined term that includes the word “common” unless the security is an equity security to which are attached voting rights exercisable in all circumstances, irrespective of the number or percentage of securities owned, that are not less, per security, than the voting rights attached to any other outstanding security of the issuer.
13. Section 12.3 of NI 41-101 requires that an issuer must not file a prospectus under which restricted securities, subject securities or securities that are, directly or indirectly, convertible into, or exercisable or exchangeable for, restricted securities or subject securities, are distributed unless:
- a) the distribution has received prior majority approval of the securityholders of the issuer in accordance with applicable law, including approval on a class basis if required and excluding any votes attaching at the time to securities held, directly or indirectly, by affiliates of the issuer or control persons of the issuer, or
 - b) at the time of any restricted security reorganization related to the securities to be distributed:
 - i) the restricted security reorganization received prior majority approval of the securityholders of the issuer in accordance with applicable law, including approval on a class basis if required and excluding any votes attaching at the time to securities held, directly or indirectly, by affiliates of the issuer or control persons of the issuer,
 - ii) the issuer was a reporting issuer in at least one jurisdiction, and
 - iii) no purposes or business reasons for the creation of restricted securities were disclosed that are inconsistent with the purpose of the distribution.
14. Sections 1.13 and 10.6 of Form 41-101F1 and sections 1.12 and 7.7 of Form 44-101F1 require that an issuer provide certain restricted security disclosure.
15. Section 2.2 of OSC Rule 56-501 requires dealer and adviser documentation to include the appropriate restricted share term if restricted shares and the appropriate restricted share term or a code reference to restricted shares or the appropriate restricted share term are included in a trading record published by the CSE or other exchange listed in OSC Rule 56-501.
16. Section 2.3 of OSC Rule 56-501 requires that a rights offering circular or offering memorandum for a stock distribution prepared for a reporting issuer comply with certain requirements including, among others, the restricted shares may not

be referred to by a term or a defined term that includes “common”, “preference” or “preferred” and that such shares shall be referred to using a term or a defined term that includes the appropriate restricted share term.

17. Section 3.2 of OSC Rule 56-501 provides that the prospectus exemptions under Ontario securities law are not available for a stock distribution of securities of a reporting issuer or an issuer if the issuer will become a reporting issuer as a result of the stock distribution unless either the stock distribution received minority approval of shareholders or all the conditions set out in subsection 3.2(2) are satisfied and the information circular relating to the shareholders’ meeting held to obtain such minority approval for the stock distribution included prescribed disclosure.
18. Section 10.1 of NI 51-102 requires a reporting issuer that has outstanding restricted securities, or securities that are directly or indirectly convertible into or exercisable or exchangeable for restricted securities or securities that will, when issued, result in an existing class of outstanding securities being considered restricted securities, to provide specific disclosure with respect to such securities in its information circular, a document required by NI 51-102 to be delivered upon request by a reporting issuer to any of its securityholders (except for specific exceptions prescribed by NI 51-102), an annual information form prepared by the reporting issuer as well as any other documents that it sends to its securityholders.
19. Section 10.2 of NI 51-102 sets out the procedure to be followed with respect to the dissemination of disclosure documents to holders of restricted securities.
20. Pursuant to the Restricted Security Rules, a “restricted security” means an equity security of a reporting issuer if any of the following apply:
 - a) there is another class of securities of the reporting issuer that, to a reasonable person, appears to carry a greater number of votes per security relative to the equity security,
 - b) the conditions of the class of equity securities, the conditions attached to another class of securities of the reporting issuer, or the reporting issuer’s constating documents have provisions that nullify or, to a reasonable person appear to significantly restrict the voting rights of the equity securities, or
 - c) the reporting issuer has issued another class of equity securities that, to a reasonable person, appears to entitle the owners of securities of that other class to participate in the earnings or assets of the reporting issuer to a greater extent, on a per security basis, than the owners of the first class of equity securities.
21. The multiple votes attaching to the PV Shares would, absent the Exemption Sought, have the following consequences in respect of the technical status of the Common Shares:
 - a) pursuant to NI 41-101 and NI 44-101, the Filer would be unable to use the word “common” to refer to the Common Shares in Prospectuses and the Filer would be required to provide the specific disclosure required by NI 41-101 and NI 44-101 because the PV Shares would represent a security to which are attached voting rights exercisable in all circumstances, irrespective of the number or percentage of securities owned, that are more, per security, than the voting rights attached to the Common Shares,
 - b) the Common Shares would be considered “restricted shares” pursuant to OSC Rule 56-501 and the Filer would be subject to the dealer and advisor documentary disclosure obligations and distribution restrictions in OSC Rule 56-501 because the PV Shares would represent a security to which is attached voting rights exercisable in all circumstances, irrespective of the number or percentage of shares owned, that are more, on a per share basis, than the voting rights attaching to the Common Shares of the Filer and the Filer would be unable to use the word “common” to refer to the Common Shares in a rights offering circular or offering memorandum for a stock distribution, and
 - c) the Common Shares could be considered “restricted securities” pursuant to para. (a) of the definition of the term in NI 51-102 and the Filer would be required to provide the specific disclosure required by NI 51-102 in respect of the Common Shares because the PV Shares would represent another class of securities of the Filer that, to a reasonable person, appears to carry a greater number of votes per security relative to the Common Shares.
22. The CSE advised the Filer on October 29, 2018 that it will permit the Filer to designate the Common Shares as common shares, provided that the Exemption Sought is granted.

Decision

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

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

- a) in connection with the Prospectus Disclosure Exemption and the Prospectus Eligibility Exemption as they apply to Prospectuses, at the time the Filer relies on the Exemption Sought;
 - i) the representations in paragraphs 6 to 10, above, continue to apply;
 - ii) the Filer has no restricted securities (as defined in section 1.1 of NI 41-101) issued and outstanding other than the Common Shares; and
 - iii) the Prospectuses include disclosure consistent with the representations in paragraphs 6 to 10 above;
- b) in connection with the OSC Rule 56-501 Disclosure Exemption as it applies to the OSC Rule 56-501 Documents, at the time the Filer relies on the Exemption Sought:
 - i) the representations in paragraphs 6 to 10, above, continue to apply; and
 - ii) the Filer has no restricted shares (as defined in section 1.1 of OSC Rule 56-501) issued and outstanding other than the Common Shares;
- c) in connection with the OSC Rule 56-501 Withdrawal Exemption, at the time the Filer relies on the Exemption Sought:
 - i) the representations in paragraphs 6 to 10, above, continue to apply; and
 - ii) the Filer has no restricted shares (as defined in section 1.1 of OSC Rule 56-501) issued and outstanding other than the Common Shares;
- d) in connection with the CD Disclosure Exemption as it applies to the CD Documents, at the time the Filer relies on the Exemption Sought:
 - i) the representations in paragraphs 6 to 10, above, continue to apply; and
 - ii) the Filer has no restricted securities (as defined in subsection 1.1(1) of NI 51-102) issued and outstanding, other than the Common Shares.

“Jo-Anne Matear”
Manager, Corporate Finance
Ontario Securities Commission

2.1.3 Sumtra Diversified Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Issuer granted relief from certain restricted security requirements under National Instrument 41-101 General Prospectus Requirements, National Instrument 44-101 Short Form Prospectus Distributions, and National Instrument 51-102 Continuous Disclosure Obligations – relief granted subject to conditions.

OSC Rule 56-501 Restricted Shares – Issuer granted relief from certain restricted share requirements under OSC Rule 56-501 – relief granted subject to conditions.

Applicable Legislative Provisions

National Instrument 41-101 General Prospectus Requirements, ss. 12.2, 12.3, 19.1.

Form 41-101F1 Information Required in a Prospectus, ss. 1.13, 10.6.

National Instrument 44-101 Short Form Prospectus Distributions, s. 8.1.

Form 44-101F1 Short Form Prospectus, ss. 1.12, 7.7.

National Instrument 51-102 Continuous Disclosure Obligations, Part 10, and s. 13.1.

OSC Rule 56-501 Restricted Shares, Parts 2 and 3, and s. 4.2.

November 7, 2018

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
SUMTRA DIVERSIFIED INC.
(THE FILER)

DECISION

Background

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

- a) section 12.2 of National Instrument 41-101 *General Prospectus Requirements* (“**NI 41-101**”), relating to the use of restricted security terms, sections 1.13 and 10.6 of Form 41-101F1 *Information Required in a Prospectus* (“**Form 41-101F1**”) and sections 1.12 and 7.7 of Form 44-101F1 *Short Form Prospectus* (“**Form 44-101F1**”) relating to restricted security disclosure shall not apply to the common shares in the capital of the Filer (the “**Common Shares**”) (the “**Prospectus Disclosure Exemption**”) in connection with prospectuses (“**Prospectuses**”) that may be filed by the Filer under NI 41-101 or National Instrument 44-101 *Short Form Prospectus Distributions* (“**NI 44-101**”), including a prospectus filed under National Instrument 44-102 *Shelf Distributions*;
- b) section 12.3 of NI 41-101 relating to prospectus filing eligibility for distributions of restricted securities shall not apply to distributions of Common Shares (the “**Prospectus Eligibility Exemption**”) in connection with Prospectuses;
- c) Part 2 of OSC Rule 56-501 *Restricted Shares* (“**OSC Rule 56-501**”) relating to the use of restricted share terms and restricted share disclosure shall not apply to the Common Shares (the “**OSC Rule 56-501 Disclosure Exemption**”) in connection with dealer and adviser documentation, rights offering circulars and offering memoranda (“**OSC Rule 56-501 Documents**”) of the Filer;

- d) Part 3 of OSC Rule 56-501 relating to the withdrawal of prospectus exemptions for distributions of restricted shares shall not apply to the distribution of the Common Shares (the "**OSC Rule 56-501 Withdrawal Exemption**") in connection with stock distributions (as defined in OSC Rule 56-501) of the Filer; and
- e) Part 10 of National Instrument 51-102 *Continuous Disclosure Obligations* ("**NI 51-102**") relating to the use of restricted security terms and restricted security disclosure shall not apply to the Common Shares (the "**CD Disclosure Exemption**") in connection with continuous disclosure documents (the **CD Documents**) that may be filed by the Filer under NI 51-102.

The aforementioned requirements are collectively referred to as the "**Restricted Security Rules**". The Prospectus Disclosure Exemption, the Prospectus Eligibility Exemption, the OSC Rule 56-501 Disclosure Exemption, the OSC Rule 56-501 Withdrawal Exemption and the CD Disclosure Exemption are collectively referred to as the "**Exemption Sought**".

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

- (a) the Ontario Securities Commission is the principal regulator for this Application; and
- (b) the Filer has provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* ("**MI 11-102**") is intended to be relied upon in British Columbia, Alberta and Nova Scotia (other than with respect to the OSC Rule 56-501 Disclosure Exemption and the OSC Rule 56-501 Withdrawal Exemption), which, pursuant to subsection 8.2(2) of National Policy 11-202 *Process for Prospectus Reviews in Multiple Jurisdictions* ("**NP 11-202**") and subsection 5.2(6) of National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* ("**NP 11-203**"), also satisfies the notice requirement of Section 4.7(1)(c) of MI 11-102.

Interpretation

Terms defined in National Instrument 14-101 *Definitions*, MI 11-102, NP 11-202, NP 11-203, NI 41-101, NI 44-101, NI 51-102 and OSC Rule 56-501 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 under the *Business Corporations Act* (Ontario) and is a reporting issuer in British Columbia, Alberta, Ontario and Nova Scotia.
2. The registered and head office of the Filer is located at Suite 800 – 181 University Avenue, Toronto, Ontario M5H 2X7.
3. The Filer filed a draft listing statement, dated October 22, 2018 with the Canadian Securities Exchange in connection with its business combination with MJAR Holdings Corp (the "**Business Combination**").
4. Following the passing of a certain shareholder's resolution (the "**Shareholder Resolution**") at the Filer's shareholder meeting to be held on November 8, 2018 (the "**Shareholder Meeting**") in connection with the Business Combination, the Filer's authorized share capital will consist of an unlimited number of Common Shares, an unlimited number of proportionate voting shares ("**PV Shares**") and an unlimited number of preferred shares, issuable in series (the "**Preferred Shares**" and collectively with the Common Shares and the PV Shares, the "**Shares**").
5. Upon passing of the Shareholder Resolution, the PV Shares will constitute subject securities (as defined in NI 41-101, NI 51-102 and OSC Rule 56-501) and the Filer's only issued and outstanding subject securities will be the PV Shares.
6. Immediately upon completion of the Shareholder Meeting and the satisfaction of certain other conditions, the Filer's authorized share capital will consist of (i) an unlimited number of Common Shares, (ii) an unlimited number of PV Shares, and (iii) an unlimited number of Preferred Shares, issuable in series.
7. The Preferred Shares will be issuable in series at the discretion of the board of directors of the Filer and each such series will have the terms and conditions determined by the Filer's board of directors. No Preferred Shares will be issued and outstanding immediately following the Shareholder Meeting.
8. The Filer is seeking the Exemption Sought in respect of, among other things, references to the Common Shares in Prospectuses and CD Documents.
9. The PV Shares may at any time, at the option of the holder thereof, be converted into Common Shares on the basis of one thousand (1,000) Common Shares for one PV Share.

Decisions, Orders and Rulings

10. Each PV Share is entitled to dividends if, as and when dividends are declared by the board of directors, on the following basis, and otherwise without preference or distinction among or between the Common Shares and the PV Shares: each PV Share will be entitled to one thousand (1,000) times the amount paid or distributed per Common Share.
11. In the event of the liquidation, dissolution or winding-up of the Filer, the holders of Shares are entitled to participate in the distribution of the remaining property and assets of the Filer on the following basis, and otherwise without preference or distinction among or between the Common Shares and the PV Shares: each PV Share will be entitled to one thousand (1,000) times the amount distributed per Common Share.
12. The holders of the Common Shares and PV Shares are entitled to receive notice of, attend and vote at any meeting of shareholders of the Filer, except those meetings at which holders of a specific class of shares are entitled to vote separately as a class under the OBCA.
13. The Common Shares carry one vote per share for all matters coming before the shareholders of the Filer and the PV Shares carry one thousand (1,000) votes per share for all matters coming before shareholders of the Filer.
14. The rights, privileges, conditions and restrictions attaching to the Shares may be modified if the amendment is authorized by not less than 66 $\frac{2}{3}$ % of the votes cast at a meeting of holders of the Shares duly held for that purpose. However, if the holders of PV Shares, as a class, or the holders of Common Shares, as a class, are to be affected in a manner materially different from such other class of Shares, the amendment must, in addition, be authorized by not less than 66 $\frac{2}{3}$ % of the votes cast at a meeting of the holders of the class of shares which is affected differently.
15. No subdivision or consolidation of the Common Shares or PV Shares may be carried out unless, at the same time, the Common Shares or PV Shares, as the case may be, are subdivided or consolidated in the same manner and on the same basis, so as to preserve the relative rights of the holders of each class of Shares.
16. Section 12.2 of NI 41-101 requires that an issuer must not refer to a security in a prospectus by a term or a defined term that includes the word "common" unless the security is an equity security to which are attached voting rights exercisable in all circumstances, irrespective of the number or percentage of securities owned, that are not less, per security, than the voting rights attached to any other outstanding security of the issuer.
17. Section 12.3 of NI 41-101 requires that an issuer must not file a prospectus under which restricted securities, subject securities or securities that are, directly or indirectly, convertible into, or exercisable or exchangeable for, restricted securities or subject securities, are distributed unless:
 - a. the distribution has received prior majority approval of the securityholders of the issuer in accordance with applicable law, including approval on a class basis if required and excluding any votes attaching at the time to securities held, directly or indirectly, by affiliates of the issuer or control persons of the issuer, or
 - b. at the time of any restricted security reorganization related to the securities to be distributed:
 - i. the restricted security reorganization received prior majority approval of the securityholders of the issuer in accordance with applicable law, including approval on a class basis if required and excluding any votes attaching at the time to securities held, directly or indirectly, by affiliates of the issuer or control persons of the issuer,
 - ii. the issuer was a reporting issuer in at least one jurisdiction, and
 - iii. no purposes or business reasons for the creation of restricted securities were disclosed that are inconsistent with the purpose of the distribution.
18. Sections 1.13 and 10.6 of Form 41-101F1 and sections 1.12 and 7.7 of Form 44-101F1 require that an issuer provide certain restricted security disclosure.
19. Section 2.2 of OSC Rule 56-501 requires dealer and adviser documentation to include the appropriate restricted share term if restricted shares and the appropriate restricted share term or a code reference to restricted shares or the appropriate restricted share term are included in a trading record published by the Canadian Securities Exchange or other exchange listed in OSC Rule 56-501.
20. Section 2.3 of OSC Rule 56-501 requires that a rights offering circular or offering memorandum for a stock distribution prepared for a reporting issuer comply with certain requirements including, among others, the restricted shares may not be referred to by a term or a defined term that includes "common", "preference" or "preferred" and that such shares shall be referred to using a term or a defined term that includes the appropriate restricted share term.

21. Section 3.2 of OSC Rule 56-501 provides that the prospectus exemptions under Ontario securities law are not available for a stock distribution of securities of a reporting issuer or an issuer if the issuer will become a reporting issuer as a result of the stock distribution unless either the stock distribution received minority approval of shareholders or all the conditions set out in subsection 3.2(2) are satisfied and the information circular relating to the shareholders' meeting held to obtain such minority approval for the stock distribution included prescribed disclosure.
22. Section 10.1 of NI 51-102 requires a reporting issuer that has outstanding restricted securities, or securities that are directly or indirectly convertible into or exercisable or exchangeable for restricted securities or securities that will, when issued, result in an existing class of outstanding securities being considered restricted securities, to provide specific disclosure with respect to such securities in its information circular, a document required by NI 51-102 to be delivered upon request by a reporting issuer to any of its securityholders, an annual information form prepared by the reporting issuer as well as any other documents that it sends to its securityholders.
23. Section 10.2 of NI 51-102 sets out the procedure to be followed with respect to the dissemination of disclosure documents to holders of restricted securities.
24. Pursuant to the Restricted Security Rules, a "restricted security" means an equity security of a reporting issuer if any of the following apply:
 - a. there is another class of securities of the reporting issuer that, to a reasonable person, appears to carry a greater number of votes per security relative to the equity security,
 - b. the conditions of the class of equity securities, the conditions attached to another class of securities of the reporting issuer, or the reporting issuer's constating documents have provisions that nullify or, to a reasonable person appear to significantly restrict the voting rights of the equity securities, or
 - c. the reporting issuer has issued another class of equity securities that, to a reasonable person, appears to entitle the owners of securities of that other class to participate in the earnings or assets of the reporting issuer to a greater extent, on a per security basis, than the owners of the first class of equity securities.
25. The multiple votes attaching to the PV Shares would, absent the Exemption Sought, have the following consequences in respect of the technical status of the Common Shares:
 - a. pursuant to NI 41-101 and NI 44-101, the Filer would be unable to use the word "common" to refer to the Common Shares in Prospectuses and the Filer would be required to provide the specific disclosure required by NI 41-101 and NI 44-101 because the PV Shares would represent a security to which are attached voting rights exercisable in all circumstances, irrespective of the number or percentage of securities owned, that are more, per security, than the voting rights attached to the Common Shares,
 - b. the Common Shares would be considered "restricted shares" pursuant to OSC Rule 56-501 and the Filer would be subject to the dealer and advisor documentary disclosure obligations and distribution restrictions in OSC Rule 56-501 because the PV Shares would represent a security to which is attached voting rights exercisable in all circumstances, irrespective of the number or percentage of shares owned, that are more, on a per share basis, than the voting rights attaching to the Common Shares of the Filer and the Filer would be unable to use the word "common" to refer to the Common Shares in a rights offering circular or offering memorandum for a stock distribution, and
 - c. the Common Shares could be considered "restricted securities" pursuant to para. (a) of the definition of the term in NI 51-102 and the Filer would be required to provide the specific disclosure required by NI 51-102 in respect of the Common Shares because the PV Shares would represent another class of securities of the Filer that, to a reasonable person, appears to carry a greater number of votes per security relative to the Common Shares.
26. The CSE advised the Filer on October 31, 2018 that it will permit the Filer to designate the Common Shares as common shares, provided that the Exemption Sought is granted.

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.

Decisions, Orders and Rulings

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

- a) in connection with the Prospectus Disclosure Exemption and the Prospectus Eligibility Exemption as they apply to Prospectuses, at the time the Filer relies on the Exemption Sought:
 - i. the representations in paragraphs 5 to 15, above, continue to apply;
 - ii. the Filer has no restricted securities (as defined in section 1.1 of NI 41-101) issued and outstanding other than the Common Shares; and
 - iii. the Prospectuses include disclosure consistent with the representations in paragraphs 5 to 15 above
- b) in connection with the OSC Rule 56-501 Disclosure Exemption as it applies to the OSC Rule 56-501 Documents, at the time the Filer relies on the Exemption Sought:
 - i. the representations in paragraphs 5 to 15, above, continue to apply; and
 - ii. the Filer has no restricted shares (as defined in section 1.1 of OSC Rule 56-501) issued and outstanding other than the Common Shares;
- c) in connection with the OSC Rule 56-501 Withdrawal Exemption, at the time the Filer relies on the Exemption Sought:
 - i. the representations in paragraphs 5 to 15, above, continue to apply; and
 - ii. the Filer has no restricted shares (as defined in section 1.1 of OSC Rule 56-501) issued and outstanding other than the Common Shares;
- d) in connection with the CD Disclosure Exemption as it applies to the CD Documents, at the time the Filer relies on the Exemption Sought:
 - i. the representations in paragraphs 5 to 15, above, continue to apply; and
 - ii. the Filer has no restricted securities (as defined in subsection 1.1(1) of NI 51-102) issued and outstanding other than the Common Shares.

“Michael Balter”
Manager, Corporate Finance
Ontario Securities Commission

2.2 Orders

2.2.1 Siu Mui “Debbie” Wong et al. – ss. 127(1), 127(10)

FILE NO.: 2018-50

IN THE MATTER OF
SIU MUI “DEBBIE” WONG,
SIU KON “BONNIE” SOO,
1300302 ALBERTA INC. and
D&E ARCTIC INVESTMENTS INC.

Timothy Moseley, Vice-Chair and Chair of the Panel

November 6, 2018

ORDER
(Subsections 127(1) and 127(10) of the
Securities Act, RSO 1990, c S.5)

WHEREAS the Ontario Securities Commission held a hearing in writing, to consider a request by staff of the Ontario Securities Commission (**Staff**) for an order imposing sanctions against Siu Mui “Debbie” Wong (**Wong**), Siu Kon “Bonnie” Soo (**Soo**), 1300302 Alberta Inc. (1300302) and D&E Arctic Investments Inc. (**D&E Arctic**) pursuant to subsections 127(1) and 127(10) of the *Securities Act*, RSO 1990, c S.5 (the **Act**);

ON READING the decision of the British Columbia Securities Commission (the **BCSC**) dated June 16, 2016 and the sanctions decision of the BCSC dated February 20, 2018 with respect to Wong, Soo, 1300302, and D&E Arctic, and on reading the materials filed by Staff;

IT IS ORDERED:

1. against Wong that:

- (a) pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities or derivatives by Wong shall cease permanently, except trades that are made for her own account through a registered dealer or advisor in Ontario if she gives that dealer or advisor a copy of the BCSC Sanctions Decision, and a copy of this order;
- (b) pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Wong shall cease permanently, except purchases that are made for her own account through a registered dealer or advisor in Ontario if she gives that dealer or advisor a copy of the BCSC Sanctions Decision, and a copy of this order;
- (c) pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law shall not apply to Wong permanently, except for those exemptions necessary to allow Wong to trade securities or derivatives or purchase securities for her own account;
- (d) pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act, Wong shall resign any positions that she holds as a director or officer of any issuer or registrant;
- (e) pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the Act, Wong is prohibited permanently from becoming or acting as a director or officer of any issuer or registrant, except that she may act as a director or officer of an issuer whose securities are solely owned by her or by her and her immediate family members (being: Wong's spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, or brother or sister-in-law); and
- (f) pursuant to paragraph 8.5 of subsection 127(1) of the Act, Wong is prohibited permanently from becoming or acting as a registrant or promoter;

2. against Soo that:

- (a) pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities or derivatives by Soo shall cease permanently, except trades that are made for her own account through a registered dealer or advisor in Ontario if she gives that dealer or advisor a copy of the BCSC Sanctions Decision, and a copy of this order;

- (b) pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Soo shall cease permanently, except purchases that are made for her own account through a registered dealer or advisor in Ontario if she gives that dealer or advisor a copy of the BCSC Sanctions Decision, and a copy of this order;
 - (c) pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law shall not apply to Soo permanently, except for those exemptions necessary to allow Soo to trade securities or derivatives or purchase securities for her own account;
 - (d) pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act, Soo shall resign any positions that she holds as a director or officer of any issuer or registrant;
 - (e) pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the Act, Soo is prohibited permanently from becoming or acting as a director or officer of any issuer or registrant, except that she may act as a director or officer of an issuer whose securities are solely owned by her or by her and her immediate family members (being: Soo's spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, or brother or sister-in-law); and
 - (f) pursuant to paragraph 8.5 of subsection 127(1) of the Act, Soo is prohibited permanently from becoming or acting as a registrant or promoter;
3. against 1300302 that:
- (a) pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities or derivatives by 1300302 shall cease permanently;
 - (b) pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by 1300302 shall cease permanently;
 - (c) pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law shall not apply to 1300302 permanently; and
 - (d) pursuant to paragraph 8.5 of subsection 127(1) of the Act, 1300302 is prohibited permanently from becoming or acting as a registrant or promoter; and
4. against D&E Arctic that:
- (a) pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities or derivatives by D&E Arctic shall cease permanently;
 - (b) pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by D&E Arctic shall cease permanently;
 - (c) pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law shall not apply to D&E Arctic permanently; and
 - (d) pursuant to paragraph 8.5 of subsection 127(1) of the Act, D&E Arctic is prohibited permanently from becoming or acting as a registrant or promoter.

“Timothy Moseley”

2.2.2 Redhawk Resources, Inc.

Headnote

National Policy 11-206 Process for Cease to be a Reporting Issuer Applications – Application for an order that the issuer is not a reporting issuer under applicable securities laws – The issuer is not an OTC reporting issuer; the securities of the issuer are beneficially owned by fewer than 15 securityholders in each of the jurisdictions of Canada and fewer than 51 securityholders worldwide; no securities of the issuer are traded on a market in Canada or another country; the issuer is not in default of securities legislation except it has not filed certain continuous disclosure documents – relief granted.

Applicable Legislative Provisions

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

October 30, 2018

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

AND

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

AND

**IN THE MATTER OF
REDHAWK RESOURCES, INC.
(the Filer)**

ORDER

Background

1 The securities regulatory authority or regulator in each of the Jurisdictions (Decision Maker) has received an application from the Filer for an order under the securities legislation of the Jurisdictions (the Legislation) that the Filer has ceased to be a reporting issuer in all jurisdictions of Canada in which it is a reporting issuer (the Order Sought).

Under the Process for Cease to be a Reporting Issuer Applications (for a dual application):

- (a) the British Columbia Securities Commission is the principal regulator for this application,
- (b) the Filer has provided notice that subsection 4C.5(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in Alberta, and
- (c) this order is the order of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

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

Representations

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

1. the Filer is incorporated under the *Business Corporations Act* (British Columbia) (the BCBCA);
2. the Filer's head office is located in Vancouver, British Columbia;

Decisions, Orders and Rulings

3. the Filer's authorized share capital consists of an unlimited number of common shares (Common Shares);
4. on August 31, 2018, all of the Common Shares were acquired by CopperBank Resources Corp. by way of a plan of arrangement under the BCBCA;
5. the Common Shares were delisted from the NEX Board of the TSX Venture Exchange on September 4, 2018;
6. the Filer is not an OTC reporting issuer under Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*;
7. the outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 securityholders in each of the jurisdictions of Canada and fewer than 51 securityholders in total worldwide;
8. no securities of the Filer, including debt securities, are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported;
9. the Filer is applying for an order that the Filer has ceased to be a reporting issuer in all of the jurisdictions of Canada in which it is a reporting issuer;
10. the Filer is not in default of securities legislation in any jurisdiction, other than the obligation of the Filer to file on or before August 29, 2018 its interim financial statements and related management's discussion and analysis for the interim period ended June 30, 2018 as required under National Instrument 51-102 *Continuous Disclosure Obligations* and the related certificates as required under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (collectively, the Filings); and
11. the Filer is not eligible to use the simplified procedure under National Policy 11-206 *Process for Cease to be a Reporting Issuer Applications* as it is in default for failure to file the Filings.

Order

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

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

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

2.2.3 Dennis L. Meharchand and Valt.X Holdings Inc.

FILE NO.: 2017-4

IN THE MATTER OF
DENNIS L. MEHARCHAND and
VALT.X HOLDINGS INC.

Timothy Moseley, Vice-Chair and Chair of the Panel
Robert P. Hutchison, Commissioner
Deborah Leckman, Commissioner

November 9, 2018

ORDER

WHEREAS on November 9, 2018, the Ontario Securities Commission (the **Commission**) held a hearing at the offices of the Commission, located at 20 Queen Street West, 17th Floor, Toronto, Ontario, to schedule a hearing with respect to sanctions and costs;

ON HEARING the submissions of the representative for staff of the Commission (**Staff**), and Dennis L. Meharchand appearing on his own behalf and on behalf of Valt.X Holdings Inc. (the **Respondents**);

IT IS ORDERED THAT:

1. The hearing with respect to sanctions and costs will commence on December 18, 2018 at the offices of the Commission, located at 20 Queen Street West, 17th Floor, Toronto, Ontario, beginning at 10:00 a.m.;
2. Staff shall serve and file any materials and written submissions on sanctions and costs by November 23, 2018; and
3. The Respondents shall serve and file any materials and written submissions on sanctions and costs by December 7, 2018.

"Timothy Moseley"

"Robert P. Hutchison"

"Deborah Leckman"

2.2.4 Dennis L. Meharchand and Valt.X Holdings Inc.
– s. 127(1)

FILE NO.: 2017-4

IN THE MATTER OF
DENNIS L. MEHARCHAND and
VALT.X HOLDINGS INC.

Timothy Moseley, Vice-Chair and Chair of the Panel
Robert P. Hutchison, Commissioner
Deborah Leckman, Commissioner

November 9, 2018

ORDER

(Subsection 127(1) of the
Securities Act, RSO 1990, c S.5)

WHEREAS on November 9, 2018, the Ontario Securities Commission held a hearing at the offices of the Commission, located at 20 Queen Street West, 17th Floor, Toronto, Ontario, with respect to a motion by Staff of the Commission (**Staff**) for a temporary order in respect of Dennis L. Meharchand (**Meharchand**) and Valt.X Holdings Inc. (**Valt.X Holdings**);

ON READING the Motion Record of Staff and on hearing the submissions of the representative for Staff, and Meharchand appearing on his own behalf and on behalf of Valt.X Holdings;

IT IS ORDERED THAT:

1. Pursuant to paragraphs 2 and 2.1 of subsection 127(1) of the *Securities Act*, RSO 1990, c S.5, (the **Act**) Meharchand and Valt.X Holdings are prohibited from trading in or acquiring any securities pending the release of the sanctions decision in this matter; and
2. Pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Meharchand and Valt.X Holdings pending the release of the sanctions decision in this matter.

"Timothy Moseley"

"Robert P. Hutchison"

"Deborah Leckman"

2.2.5 Besra Gold Inc. – s. 144

Headnote

Application by an issuer for a revocation of a 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.

Applicable Legislative Provisions

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

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

AND

IN THE MATTER OF
BESRA GOLD INC.

ORDER
(Section 144 of the Act)

WHEREAS the securities of Besra Gold Inc. (the **Applicant**) are subject to a temporary cease trade order made by the Director of the Ontario Securities Commission (the **Commission**) dated December 17, 2014 pursuant to paragraph 2 of subsection 127(1) and subsection 127(5) of the Act and a further cease trade order issued by the Director of the Commission on December 29, 2014 pursuant to paragraph 2 of subsection 127(1) of the Act (together, the **Ontario Cease Trade Order**) directing that trading in securities of the Applicant cease until further order by the Director;

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

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

AND UPON the Applicant having represented to the Commission that:

1. The Applicant is a corporation existing under the *Canada Business Corporations Act*.
2. The head office of the Applicant is located at Level 1, 63 Fort Street, Auckland, New Zealand, 1010.
3. The Applicant is a reporting issuer in Ontario, British Columbia, Alberta and Quebec (collectively, the **Jurisdictions**). The Commission is the principal regulator for the Applicant.
4. The Applicant's authorized capital consists of an unlimited number of common shares (**Common Shares**) of which 2,618,450,593 Common Shares were issued and outstanding as of September 30, 2018.
5. The Ontario Cease Trade Order was issued as a result of the Applicant failing to file its audited annual financial statements and management's discussion and analysis (**MD&A**) for the year ended June 30, 2014, its annual information form for the year ended June 30, 2014, and its interim financial statements and MD&A for the three-month period ended September 30, 2014 within the timeframes as required under National Instrument 51-102 (**NI 51-102**) and related certifications (the **NI 52-109 Certificates**) as required by National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings (NI 52-109)*.

Decisions, Orders and Rulings

6. The Applicant also is subject to cease trade orders (together with the Ontario Cease Trade Order, the **Cease Trade Orders**) issued by the British Columbia Securities Commission, by the Autorité des marchés financiers and by the Alberta Securities Commission.
7. The Applicant subsequently failed to file other continuous disclosure documents within the prescribed timeframe in accordance with the requirements of Ontario securities law, including the following:
 - (a) all audited financial statements, together with the corresponding MD&As, as required under NI 51-102 and NI 52-109 Certificates for the years ended June 30, 2015 to June 30, 2017; and
 - (b) all unaudited interim financial statements, together with the corresponding MD&As, as required under NI 51-102 and NI 52-109 Certificates for the periods ended September 30, 2014 to March 31, 2018.
8. The Applicant's Common Shares were traded on the Toronto Stock Exchange (**TSX**) under the symbol "BEZ". However, the TSX delisted the Applicant's Common Shares effective October 17, 2014 for failure to maintain the TSX's minimum listing requirements.
9. In addition to its listing on the TSX, The Applicant was also listed on the Australian Securities Exchange (the **ASX**) under the symbol BEZ and traded on the OTCQX Bulletin Board (**OTCQX**), an over-the-counter market in the United States, under the symbol BSR AF. The ASX removed the Applicant from its official list as of the close of trading on August 31, 2015 and, accordingly, its securities are no longer traded on the ASX. The Applicant was downgraded from the OTCQX to the OTCQB Bulletin Board effective October 20, 2014 for failure to comply with OTCQX eligibility standards.
10. On January 29, 2016, the Applicant filed a proposal (the **Proposal**), as amended, on March 13, 2016, under the *Bankruptcy and Insolvency Act* (the **BIA**). The Proposal was approved by the creditors of the Applicant on April 7, 2016 and the Court on May 17, 2016 as required under the BIA.
11. To facilitate the trades contemplated by the Proposal, the Commission granted a partial revocation order of the Cease Trade Order on October 14, 2016, as amended November 16, 2016. The trades were completed on or about November 17, 2017.
12. Since the issuance of the Ontario Cease Trade Order, the Applicant has filed the following continuous disclosure documents with the Jurisdictions:
 - (a) audited annual consolidated financial statements for the years ended June 30, 2018 together with comparative information for the financial year ended June 30, 2017;
 - (b) MD&A relating to the above annual financial statements;
 - (c) NI 52-109 Certificates relating to the above financial statements, as required by NI 52-109;
 - (d) a statement of executive compensation for the years ended June 30, 2018 and 2017; and
 - (e) audit committee and corporate governance disclosure for the year ended June 30, 2018.
13. The Applicant has not filed the following:
 - (a) the audited financial statements, together with the corresponding MD&As, as required under NI 51-102 and NI 52-109 Certificates for the years ended June 30, 2014 to June 30, 2016;
 - (b) the unaudited interim financial statements, together with the corresponding MD&As, as required under NI 51-102 and NI 52-109 Certificates for the periods ended September 30, 2014 to March 31, 2018;
 - (c) the annual information form for the year ended June 30, 2014;
 - (d) the statements of executive compensation for the years ended June 30, 2014 to June 30, 2016; and
 - (e) audit committee and corporate governance disclosure for the years ended June 30, 2014 to June 30, 2016,(collectively, the **Outstanding Filings**).

Decisions, Orders and Rulings

14. The Applicant has requested that the Commission exercise its discretion in accordance with sections 6 and 7 of National Policy 12-202 *Revocation of a Compliance-related Cease Trade Order (NP 12-202)* and elect not to require the Applicant to file the Outstanding Filings.
15. The Applicant has filed with the Commission all continuous disclosure that it is required to file under the Act, except for the Outstanding Filings and any other continuous disclosure that the Commission elected not to require as contemplated in sections 3.1(2) and (3) of NP 12-202, and has paid all activity, participation and late filing fees that it is required to pay to the Commission.
16. 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) is not in default of any of its obligations under the Cease Trade Orders; and (iii) is not in default of any requirements under the Act or the rules and regulations made pursuant thereto.
17. As of the date hereof, the Applicant's profiles on the System for Electronic document Analysis and Retrieval (**SEDAR**) and the System for Electronic Disclosure by Insiders are current and accurate.
18. The Applicant is not considering nor is it involved in any discussions related to, a reverse take-over, merger, amalgamation or other form of combination or transaction similar to any of the foregoing.
19. The Applicant has given the Commission a written undertaking that:
 - (a) the Applicant will hold an annual meeting of shareholders within three months after the date on which the Ontario Cease Trade Order is revoked; and
 - (b) the Applicant will 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 and 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).
20. Upon the revocation of the Ontario Cease Trade Order, the Applicant will issue a news release and concurrently file a material change report on SEDAR announcing the revocation of the Ontario Cease Trade Order and outlining the Applicant's future plans.

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

AND WHEREAS the Director being satisfied that to do so would not be prejudicial to the public interest;

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

DATED at Toronto, Ontario on this 8th day of November, 2018.

"Winnie Sanjoto"
Manager, Corporate Finance

2.2.6 Iron Bridge Resources Inc.

Headnote

National Policy 11-206 Process for Cease to be a Reporting Issuer Applications – The issuer ceased to be a reporting issuer under securities legislation.

Applicable Legislative Provisions

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

Citation: Re Iron Bridge Resources Inc., 2018 ABASC 176

November 8, 2018

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

AND

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

AND

**IN THE MATTER OF
IRON BRIDGE RESOURCES INC.
(the Filer)**

ORDER

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Maker**) has received an application from the Filer for an order under the securities legislation of the Jurisdictions (the **Legislation**) that the Filer has ceased to be a reporting issuer in all jurisdictions of Canada in which it is a reporting issuer (the **Order Sought**).

Under the Process for Cease to be a Reporting Issuer Applications (for a dual application):

- (a) the Alberta Securities Commission is the principal regulator for this application;
- (b) the Filer has provided notice that subsection 4C.5(1) of Multilateral Instrument 11-102 *Passport System (MI 11-102)* is intended to be relied upon in British Columbia, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador; and
- (c) this order is the order of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

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

Representations

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

1. the Filer is not an OTC reporting issuer under Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*;
2. the outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 securityholders in each of the jurisdictions of Canada and fewer than 51 securityholders in total worldwide;
3. no securities of the Filer, including debt securities, are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported;
4. the Filer is applying for an order that the Filer has ceased to be a reporting issuer in all of the jurisdictions of Canada in which it is a reporting issuer; and
5. the Filer is not in default of securities legislation in any jurisdiction.

Order

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

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

“Timothy Robson”
Manager, Legal
Corporate Finance

2.2.7 Avidian Gold Corp. (formerly Marching Moose Capital Corporation) – s. 1(11)(b)

Headnote

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

Statutes Cited

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

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

AND

**IN THE MATTER OF
AVIDIAN GOLD CORP.
(formerly Marching Moose Capital Corporation)**

ORDER (Clause 1(11)(b))

UPON the application of Avidian Gold Corp. (the "Applicant") to the Ontario Securities Commission (the "Commission") for an order pursuant to Section 1(11)(b) of the Act that, for the purposes of Ontario securities law, the Applicant is a reporting issuer in Ontario;

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

AND UPON the Applicant having represented to the Commission as follows:

1. The Applicant was incorporated on September 24, 2013, pursuant to the provisions of the *Business Corporations Act* (British Columbia) under the name "Marching Moose Capital Corp." The registered and records office of the Corporation is located at Suite 2300-1066 W. Hastings Street, Vancouver, British Columbia V6E 3X2.
2. The Applicant is a reporting issuer under the *Securities Act* (British Columbia) (the "BC Act"), the *Securities Act* (Alberta) (the "AB Act"), and the *Securities Act* (Saskatchewan) (the "SK Act"). The Applicant became a reporting issuer in British Columbia and Alberta on September 16, 2014, and in Saskatchewan on November 3, 2014, as a capital pool company under the name Marching Moose Capital Corporation (the "CPC").
3. On November 28, 2017 the CPC completed a qualifying transaction by way of a three-cornered

amalgamation between MMCC Amalco Ltd., a wholly owned subsidiary of the CPC incorporated under the *Business Corporations Act* (Ontario) (the "OBCA") and Avidian Gold Inc., a corporation incorporated under the OBCA on June 22, 2011.

4. Subsequent to the completion of the qualifying transaction, pursuant to the policies of the TSX Venture Exchange (the "TSX-V"), and upon receipt of approval of TSX-V, the CPC now carries on the business of Avidian Gold Inc. and has been renamed Avidian Gold Corp. as of December 4, 2017.
5. The Applicant is not a reporting issuer or the equivalent in any jurisdiction in Canada other than British Columbia, Alberta and Saskatchewan.
6. The Applicant's authorized share capital consists solely of an unlimited number of common shares. As of the date hereof there are 49,358,058 common shares issued and outstanding.
7. Prior to the completion of the CPC's qualifying transaction, the CPC traded on the TSX-V and on the NEX board of the TSX-V under symbol the "MMC" Following the completion of the qualifying transaction on November 28, 2017, the common shares of the Applicant were listed for trading on the TSX-V under the symbol "AVG" on December 4, 2017.
8. The common shares of the Applicant are not listed or posted for trading, and are not anticipated to be listed or posted for trading, on any other stock exchange in Canada.
9. The continuous disclosure requirements under the BC Act, the Alberta Act, and the SK Act are substantially similar to the disclosure requirements under the Act.
10. As of the date hereof, the Applicant is not on the default list of the securities regulatory authority in any jurisdiction in Canada in which it is a reporting issuer and the Applicant is not in default of any requirement of the Act, the BC Act, the Alberta Act, or the SK Act.
11. The continuous disclosure materials filed by the Applicant as a reporting issuer in British Columbia, Alberta, and Saskatchewan are available on the System for Electronic Document Analysis and Retrieval (SEDAR).
12. The Applicant is not in default of any of the rules, regulations or policies of the TSX-V.
13. Pursuant to the policies of the TSX-V, a listed-issuer, which is not otherwise a reporting issuer in Ontario, must assess whether it has a "significant connection to Ontario" (as defined in the policies of the TSX-V) and, upon becoming aware that it has

a significant connection to Ontario, promptly make a bona fide application to the Commission to be deemed a reporting issuer in Ontario.

14. The Applicant has determined that it has a significant connection to Ontario. The Applicant's head office is located in Ontario. Its Chief Executive Officer/President and Vice President of Exploration resides in Ontario. In addition, shareholders holding securities of the Applicant carrying more than 20% of the voting rights attached to the outstanding securities of the Applicant are resident in Ontario.
15. Neither the Applicant nor any of its officers, directors, nor, to the knowledge of the Applicant or its officers and directors, any shareholder holding sufficient securities of the Applicant to affect materially the control of the Applicant has: (i) been the subject of any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority; (ii) entered into a settlement agreement with a Canadian securities regulatory authority; or (iii) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.
16. Neither the Applicant nor any of its officers, directors, nor, to the knowledge of the Applicant or its directors or officers, any shareholder holding sufficient securities of the Applicant to affect materially the control of the Applicant, is or has been subject to: (i) any known ongoing or concluded investigations by (a) a Canadian securities regulatory authority, or (b) a court or regulatory body, other than a Canadian securities regulatory authority, that would be likely to be considered important to a reasonable investor making an investment decision; or (ii) any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver-manager or trustee, within the preceding 10 years.
17. Neither any of the officers or directors of the Applicant, nor, to the knowledge of the Applicant or its officers or directors, any shareholder holding sufficient securities of the Applicant to affect materially the control of the Applicant, is or has been at the time of such event an officer or director of any other issuer which is or has been subject to: (i) any cease trade order or similar order, or order that denied access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days, within the past 10 years; or (ii) any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver-manager

2.4 Rulings

or trustee, within the past 10 years other than the following:

- a. Dino Titaro ("**Titaro**"), a director of the Applicant, resigned as director of Royal Coal Corp. on May 9, 2012. On May 17, 2012, Royal Coal Corp. announced it received notice that the TSX-V had suspended trading its securities because the Commission had imposed a cease trade order for failure to file financial statements. The cease trade order is still in effect.
 - b. On April 16, 2014, the Commission issued a management cease trade order against the Interim Chief Executive Officer and the Chief Financial Officer of Carpathian Gold Inc. ("**Carpathian**") in connection with Carpathian's failure to file its audited annual financial statements (and related management's discussion and analysis and certifications) for the period ended December 31, 2013. Titaro was a former director of Carpathian (did not stand for re-election and was no longer a director by August 12, 2014) but was a director of Carpathian during the period of the management cease trade order. The management cease trade order was lifted on June 19, 2014 following the filing by Carpathian of the required continuous disclosure documents.
18. The Commission will be the principal regulator for the Applicant once it has obtained reporting issuer status in Ontario. Upon the granting of this Order, the Applicant will amend its SEDAR profile to indicate that the Commission is its principal regulator.

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

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

DATED at Toronto this November 9th, 2018.

"Winnie Sanjoto"
Manager, Corporate Finance
Ontario Securities Commission

2.4.1 Tullett Prebon Financial Services LLC – s. 38 of the CFA and s. 6.1 of Rule 91-502 Trades in Recognized Options

Headnote

Application to the Commission pursuant to section 38 of the Commodity Futures Act (Ontario) (CFA) for a ruling that the Applicant be exempted from the dealer registration requirement in paragraph 22(1)(a) and the prohibition against trading on non-recognized exchanges in section 33 of the CFA. As an introducing broker, the Applicant will offer the ability to trade in commodity futures contracts and commodity futures options that trade on exchanges located outside of Canada and that are cleared through clearing corporations located outside of Canada, including block trades, to certain of its clients in Ontario who meet the definition of “permitted client” in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations.

Application to the Director for an exemption, pursuant to section 6.1 of OSC Rule 91-502 Trades in Recognized Option (OSC Rule 91-502) exempting the Applicant and its Representatives from the proficiency requirements in sections 3.1 of OSC Rule 91-502 for trades in commodity futures options on exchanges located outside of Canada.

Applicable Legislative Provisions

Commodity Futures Act, R.S.O. 1990, c. C.20, as am., ss. 22, 33, 38.

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

Ontario Securities Commission Rule 91-502 Trades in Recognized Options, ss. 3.1, 6.1.

National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, s. 8.18.

**IN THE MATTER OF
THE COMMODITY FUTURES ACT,
R.S.O. 1990, c. C. 20, AS AMENDED
(the CFA)**

AND

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

AND

**IN THE MATTER OF
ONTARIO SECURITIES COMMISSION RULE 91-502
TRADES IN RECOGNIZED OPTIONS
(Rule 91-502)**

AND

**IN THE MATTER OF
TULLETT PREBON FINANCIAL SERVICES LLC**

**RULING & EXEMPTION
(Section 38 of the CFA and Section 6.1 of Rule 91-502)**

UPON the application (the **Application**) of Tullett Prebon Financial Services LLC (the **Applicant**) to the Ontario Securities Commission (the **Commission**) for:

- (a) a ruling of the Commission, pursuant to section 38 of the CFA, that the Applicant is not subject to the dealer registration requirements in the CFA (as defined below) or the trading restrictions in the CFA in connection with trades (**Futures Trades**) in Exchange-Traded Futures (as defined below), including Block Trades (as defined below) on exchanges located outside Canada (**Non-Canadian Exchanges**) where the Applicant is acting as agent in such trades to, from or on behalf of Permitted Clients (as defined below);
- (b) a ruling of the Commission, pursuant to section 38 of the CFA, that a Permitted Client (as defined below) is not subject to the dealer registration requirements in the CFA or the trading restrictions in the CFA in connection with Futures Trades on Non-Canadian Exchanges, where the Applicant acts in respect of the Futures Trades on behalf of the Permitted Client pursuant to the above ruling; and

- (c) a decision of the Director, pursuant to section 6.1 of Rule 91-502, exempting the Applicant and its salespersons, directors, officers and employees (the **Representatives**) from section 3.1 of Rule 91-502 in connection with Futures Trades.

AND WHEREAS for the purposes of this ruling and exemption (collectively, the **Decision**):

- (i) **Block Trade** means a trade in a large quantity of Exchange-Traded Futures entered into between ECPs (in this case, via an introducing broker) pursuant to a privately negotiated transaction that, pursuant to the applicable rules of a Non-Canadian Exchange, are permitted to be executed on the Non-Canadian Exchange apart from the public auction market established by the Non-Canadian Exchange subject to meeting specified quantity thresholds (which are different large amounts depending on the particular Non-Canadian Exchange) and provided that the price of the trade is entered and reported on the Non-Canadian Exchange within a specified time period following the trade;

CFTC means the United States Commodity Futures Trading Commission;

dealer registration requirements in the CFA means the provisions of section 22 of the CFA that prohibit a person or company from trading in Exchange-Traded Futures unless the person or company satisfies the applicable provisions of section 22 of the CFA;

ECP means eligible contract participant as that term is defined in the United States *Commodity Exchange Act*;

Exchange-Traded Futures means a commodity futures contract or a commodity futures option that trades on one or more organized exchanges located outside of Canada and that is cleared through one or more clearing corporations located outside of Canada;

FINRA means the Financial Industry Regulatory Authority in the United States;

NI 31-103 means National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*;

NFA means the National Futures Association in the United States;

Permitted Client means a client in Ontario that is a "permitted client" as that term is defined in section 1.1. of NI 31-103;

SEC means the United States Securities and Exchange Commission;

specified affiliate has the meaning ascribed to that term in Form 33-109F6 to National Instrument 33-109 *Registration Information*; and

trading restrictions in the CFA means the provisions of section 33 of the CFA that prohibit a person or company from trading in Exchange-Traded Futures unless the person or company satisfies the applicable provisions of section 33 of the CFA; and

- (ii) terms used in the Decision that are defined in the OSA, and not otherwise defined in the Decision or in the CFA, shall have the same meaning as in the OSA, unless the context otherwise requires.

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

AND UPON the Applicant having represented to the Commission and the Director as follows:

- 1 The Applicant is a limited liability company organized under the laws of the State of Delaware. Its head office is located in Jersey City, New Jersey, United States of America.
- 2 The Applicant provides introducing services for ECPs. In order to provide these services, the Applicant is an approved member of the NFA and is registered as an introducing broker with the CFTC. The Applicant is also a broker-dealer registered with the SEC and a member of FINRA.

Decisions, Orders and Rulings

- 3 Tullett Prebon Canada Limited (**TPCL**) is an affiliate of the Applicant. TPCL is registered as an exempt market dealer in Ontario, Quebec and Nova Scotia.
- 4 Pursuant to its registrations and memberships, the Applicant is authorized to handle customer orders, to effect Block Trades, and introduce customers to an executing broker registered as a futures commission merchant, and otherwise act as an introducing broker in the United States. Rules of the CFTC and NFA require the Applicant to maintain adequate capital levels, make and keep specified types of records relating to customer accounts and transactions, and comply with other forms of customer protection rules, including rules respecting: know-your-customer obligations, client identification and account-opening requirements, anti-money laundering checks, dealing and handling customer orders obligations including managing conflicts of interest and best execution rules. These rules require the Applicant to treat Permitted Clients consistently with the Applicant's United States customers with respect to transactions made on exchanges in the United States. In respect of Exchange-Traded Futures, the Applicant does not provide direct execution, except for effecting Block Trades, or clearing services and is not authorised to receive or hold client money in any jurisdiction.
- 5 The Applicant requires the Decision in order to offer certain of its Permitted Clients in Ontario the ability to trade in Exchange-Traded Futures, including Block Trades, and in connection with such trades the Applicant would act as an introducing broker and effect trades in Exchange-Traded Futures, including Block Trades, on Non-Canadian Exchanges.
- 6 The Applicant relies on the international dealer exemption under section 8.18 of NI 31-103 in Ontario and is not registered under the *Securities Act* (Ontario) or the CFA.
- 7 The Applicant is not in default of securities legislation in any jurisdiction of Canada or under the CFA. The Applicant is in compliance in all material respects with U.S. securities and commodity futures laws.
- 8 The Applicant will not maintain an office, sales force or physical place of business in Ontario.
- 9 The Applicant will introduce Futures Trades on behalf of Permitted Clients in Ontario in the same manner that it introduces trades on behalf of its United States clients which are ECPs. The Applicant will follow the same know-your-customer and order handling procedures that it follows in respect of its United States clients. Permitted Clients will be afforded the benefits of compliance by the Applicant with statutory and other requirements of the regulators, self-regulatory organizations and exchanges located in the United States. Permitted Clients in Ontario will have the same contractual rights against the Applicant as United States clients of the Applicant.
- 10 In transacting Block Trades for its customers, the Applicant, as the introducing broker, will match a buyer and a seller (both ECPs) in a privately negotiated trade for a large quantity of Exchange-Traded Futures. Pursuant to the rules of the applicable Non-Canadian Exchange, the trade is permitted to be executed apart from the public auction market established by the Non-Canadian Exchange. Once the terms of the trade are agreed upon between the buyer and the seller, the trade is submitted by the Applicant to the Exchange to be publicly reported within the required time period for Block Trades. Once submitted to the Non-Canadian Exchange, the clearing and settlement process by and through the customer's futures commission merchant will commence independent of the Applicant's involvement in the transaction.
- 11 The Applicant will solicit Futures Trades in Ontario only from persons who qualify as Permitted Clients.
- 12 Permitted Clients of the Applicant will only be offered the ability to effect Futures Trades on Non-Canadian Exchanges.
- 13 The Exchange-Traded Futures to be traded by Permitted Clients will include, but will not be limited to, Exchange-Traded Futures for energy and other commodity products.
- 14 Permitted Clients of the Applicant will be able to execute Exchange-Traded Futures orders by contacting the Applicant's client order handling desk.
- 15 In the case of a trade in Exchange-Traded Futures that is a Block Trade involving a Permitted Client as a buyer or a seller, the Applicant, as the introducing broker, will match the Permitted Client in a privately negotiated trade, which will be executed apart from the public auction market established by the applicable Non-Canadian Exchange and submitted for public reporting to the Non-Canadian Exchange within the required time period applicable for Block Trades. Once submitted to the Non-Canadian Exchange, the clearing and settlement process by and through the Permitted Client's futures commission merchant in accordance with the rules and customary practices of the exchange will commence independent of the Applicant's involvement in the transaction. In no case will the Applicant enter into a give-up agreement with any executing broker registered as a futures commission merchant or clearing broker unless such firm is registered with the applicable regulatory bodies in the jurisdiction in which it executes the trades in Exchange-Traded Futures, and as with any executing broker registered as a futures commission merchant or clearing broker located in the U.S., unless such firm is registered with the SEC and/or CFTC, as applicable.

Decisions, Orders and Rulings

- 16 In the case of a trade in Exchange-Traded Futures that is not a Block Trade involving a Permitted Client, the Applicant may perform introducing (as introducing broker) functions for Futures Trades. The executing broker will act to "give-up" the transacted trades to the Permitted Client's clearing broker.
- 17 The clearing brokers and executing broker will also be required to comply with the rules of the exchanges of which each is a member and any relevant regulatory requirements, including requirements under the CFA, as applicable. Where applicable, the Permitted Client, the executing broker and the Permitted Client's clearing broker will represent to the Applicant, in an industry-standard give-up agreement, that each will perform its obligations in accordance with applicable laws, governmental, regulatory, self-regulatory, exchange and clearing house rules and the customs and usages of the exchange or clearing house on which the relevant Permitted Client's Exchange-Traded Futures order will be executed and cleared. The Applicant will not enter into a give-up agreement with any executing broker registered as a futures commission merchant or clearing broker unless such firm is registered with the applicable regulatory bodies in the jurisdiction in which it executes Futures Trades.
- 18 As is customary for all Futures Trades, a clearing corporation appointed by the exchange or clearing division of the exchange is substituted as a universal counterparty on all trades in Exchange-Traded Futures and Permitted Client orders that are submitted to the exchange in the name of the recognized exchange member and clearing broker. The Permitted Client of the Applicant is responsible to its clearing broker for payment of daily mark-to-market variation margin and/or proper margin to carry open positions and the Permitted Client's clearing broker is in turn responsible to the clearing corporation/division for payment.
- 19 Permitted Clients will pay commissions for trades introduced by the Applicant.
- 20 Absent this Decision, the trading restrictions in the CFA apply unless, among other things, an Exchange-Traded Future is traded on a recognized or registered commodity futures exchange and the form of the contract is approved by the Director. To date, no Non-Canadian Exchanges have been recognized or registered under the CFA.
- 21 If the Applicant was registered under the CFA as a "futures commission merchant", it could rely upon certain exemptions from the trading restrictions in the CFA to effect trades of Exchange-Traded Futures to be entered into on certain Non-Canadian Exchanges.
- 22 Section 3.1 of Rule 91-502 states that any person who trades as agent in, or gives advice in respect of, a recognized option, as defined in section 1.1 of Rule 91-502 is required to successfully complete the Canadian Options Course (which has been replaced by the Derivatives Fundamentals Course and the Options Licensing Course).
- 23 All Representatives of the Applicant who would trade futures or options for Permitted Clients have passed the National Commodity Futures Examination (Series 3), being the relevant futures and options proficiency examination administered by FINRA.

AND UPON the Commission and Director being satisfied that it would not be prejudicial to the public interest to grant the order requested;

IT IS RULED, pursuant to section 38 of the CFA, that the Applicant is not subject to the dealer registration requirements set out in the CFA and the trading restrictions in the CFA in connection with Futures Trades where the Applicant is acting as agent in such trades to, from or on behalf of Permitted Clients provided that:

- (a) each client effecting Futures Trades is a Permitted Client;
- (b) the executing broker and clearing broker each represent and covenant to the Applicant that it is or will be appropriately registered or exempt from registration under the CFA, in connection with the Permitted Client effecting trades in Exchange-Traded Futures; provided that these requirements will not apply in the context of a Block Trade if the Applicant does not know and cannot reasonably determine the identity of the executing broker or the clearing broker at the time of the trade and would not have an opportunity to obtain such representations or take such steps;
- (c) the Applicant only introduces Futures Trades for Permitted Clients on Non-Canadian Exchanges;

- (d) at the time trading activity is engaged in, the Applicant:
 - (i) has its head office or principal place of business in the United States;
 - (ii) is registered as an introducing broker with the CFTC;
 - (iii) is a member firm of the NFA; and
 - (iv) engages in the business of an introducing broker in Exchange-Traded Futures in the United States;
- (e) the Applicant has provided to the Permitted Client the following disclosure in writing:
 - (i) a statement that the Applicant is not registered in Ontario to trade in Exchange-Traded Futures as principal or agent;
 - (ii) a statement that the Applicant's head office or principal place of business is located in New York, New York, United States of America;
 - (iii) a statement that all or substantially all of the Applicant's assets may be situated outside of Canada;
 - (iv) a statement that there may be difficulty enforcing legal rights against the Applicant because of the above; and
 - (v) the name and address of the Applicant's agent for service of process in Ontario.
- (f) the Applicant has submitted to the Commission a completed *Submission to Jurisdiction and Appointment of Agent for Service* in the form attached as Appendix "A" hereto;
- (g) the Applicant notifies the Commission of any regulatory action initiated after the date of this decision in respect of the Applicant, or any predecessors or specified affiliates of the Applicant, by completing and filing with the Commission Appendix "B" hereto within ten days of the commencement of any such action; provided that the Applicant may satisfy this condition by filing with the Commission within ten days of the date of this decision a notice making reference to and incorporating by reference the disclosure made by the Applicant pursuant to U.S. federal securities laws that is identified in the FINRA BrokerCheck system, and any updates to such disclosure that may be made from time to time and by providing notification, in a manner reasonably acceptable to the Director, of any filing of a Form BD "Regulatory Action Disclosure Reporting Page" required by FINRA;
- (h) if the Applicant does not rely on the international dealer exemption in section 8.18 of NI 31-103 (the **IDE**), by December 31st of each year, the Applicant pays a participation fee based on its specified Ontario revenues for its previous financial year in compliance with the requirements of Part 3 and section 6.4 of OSC Rule 13-502 Fees as if the Applicant relied on the IDE;
- (i) by December 1st of each year, the Applicant notifies the Commission of its continued reliance on the exemption from the dealer registration requirement granted pursuant to this Decision by filing Form 13-502F4 *Capital Markets Participation Fee Calculation*; and
- (j) this Decision will terminate on the earliest of:
 - (i) the expiry of any transition period as may be provided by law, after the effective date of the repeal of the CFA;
 - (ii) six months, or such other transition period as may be provided by law, after the coming into force of any amendment to Ontario commodity futures law (as defined in the CFA) or Ontario securities law (as defined in the OSA) that affects the dealer registration requirements in the CFA or the trading restrictions in the CFA; and
- (ii) five years after the date of this Decision.

AND IT IS FURTHER RULED, pursuant to section 38 of the CFA, that a Permitted Client is not subject to the dealer registration requirements in the CFA or the trading restrictions in the CFA in connection with Futures Trades on Non-Canadian Exchanges where the Applicant acts in connection with Futures Trades on behalf of the Permitted Clients pursuant to the above ruling.

November 6, 2018

“Garnet Fenn”
Commissioner
Ontario Securities Commission

“Robert P. Hutchison”
Commissioner
Ontario Securities Commission

IT IS THE DECISION of the Director, pursuant to section 6.1 of Rule 91-502, that section 3.1 of Rule 91-502 does not apply to the Applicant and its Representatives in respect of Futures Trades, provided that:

- (a) the Applicant and its Representatives maintain their respective registrations with the CFTC and NFA which permit them to trade in commodity futures options in the United States; and
- (b) this Decision will terminate on the earliest of:
 - (i) the expiry of any transition period as may be provided by law, after the effective date of the repeal of the CFA;
 - (ii) six months, or such other transition period as may be provided by law, after the coming into force of any amendment to Ontario commodity futures law (as defined in the CFA) or Ontario securities law (as defined in the OSA) that affects the dealer registration requirements in the CFA or the trading restrictions in the CFA; and
 - (ii) five years after the date of this Decision.

November 9, 2018

“Elizabeth King”
Deputy Director
Ontario Securities Commission

APPENDIX "A"

SUBMISSION TO JURISDICTION AND APPOINTMENT OF AGENT FOR SERVICE
INTERNATIONAL DEALER OR INTERNATIONAL ADVISER EXEMPTED FROM
REGISTRATION UNDER THE COMMODITY FUTURES ACT, ONTARIO

1. Name of person or company ("International Firm"):
2. If the International Firm was previously assigned an NRD number as a registered firm or an unregistered exempt international firm, provide the NRD number of the firm:
3. Jurisdiction of incorporation of the International Firm:
4. Head office address of the International Firm:
5. The name, e-mail address, phone number and fax number of the International Firm's individual(s) responsible for the supervisory procedure of the International Firm, its chief compliance officer, or equivalent.

Name:
E-mail address:
Phone:
Fax:
6. The International Firm is relying on an exemption order under section 38 or section 80 of the *Commodity Futures Act* (Ontario) that is similar to the following exemption in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (the "Relief Order"):

 Section 8.18 [*international dealer*]
 Section 8.26 [*international adviser*]
 Other [specify]:
7. Name of agent for service of process (the "Agent for Service"):
8. Address for service of process on the Agent for Service:
9. The International Firm designates and appoints the Agent for Service at the address stated above as its agent upon whom may be served a notice, pleading, subpoena, summons or other process in any action, investigation or administrative, criminal, quasi-criminal or other proceeding (a "Proceeding") arising out of or relating to or concerning the International Firm's activities in the local jurisdiction and irrevocably waives any right to raise as a defence in any such proceeding any alleged lack of jurisdiction to bring such Proceeding.
10. The International Firm irrevocably and unconditionally submits to the non-exclusive jurisdiction of the judicial, quasi-judicial and administrative tribunals of the local jurisdiction in any Proceeding arising out of or related to or concerning the International Firm's activities in the local jurisdiction.
11. Until 6 years after the International Firm ceases to rely on the Relief Order, the International Firm must submit to the regulator
 - a. a new Submission to Jurisdiction and Appointment of Agent for Service in this form no later than the 30th day before the date this Submission to Jurisdiction and Appointment of Agent for Service is terminated;
 - b. an amended Submission to Jurisdiction and Appointment of Agent for Service no later than the 30th day before any change in the name or above address of the Agent for Service;
 - c. a notice detailing a change to any information submitted in this form, other than the name or above address of the Agent for Service, no later than the 30th day after the change.
12. This Submission to Jurisdiction and Appointment of Agent for Service is governed by and construed in accordance with the laws of the local jurisdiction.

Decisions, Orders and Rulings

Dated: _____

(Signature of the International Firm or authorized signatory)

(Name of signatory)

(Title of signatory)

Acceptance

The undersigned accepts the appointment as Agent for Service of _____ [*Insert name of International Firm*] under the terms and conditions of the foregoing Submission to Jurisdiction and Appointment of Agent for Service.

Dated: _____

(Signature of the Agent for Service or authorized signatory)

(Name of signatory)

(Title of signatory)

This form, and notice of a change to any information submitted in this form, is to be submitted through the Ontario Securities Commission's Electronic Filing Portal:

<https://www.osc.gov.on.ca/filings>

APPENDIX "B"

NOTICE OF REGULATORY ACTION

1. Has the firm, or any predecessors or specified affiliates¹ of the firm entered into a settlement agreement with any financial services regulator, securities or derivatives exchange, SRO or similar agreement with any financial services regulator, securities or derivatives exchange, SRO or similar organization?

Yes _____ No _____

If yes, provide the following information for each settlement agreement:

Name of entity
Regulator/organization
Date of settlement (yyyy/mm/dd)
Details of settlement
Jurisdiction

2. Has any financial services regulator, securities or derivatives exchange, SRO or similar organization:

	Yes	No
(a) Determined that the firm, or any predecessors or specified affiliates of the firm violated any securities regulations or any rules of a securities or derivatives exchange, SRO or similar organization?	___	___
(b) Determined that the firm, or any predecessors or specified affiliates of the firm made a false statement or omission?	___	___
(c) Issued a warning or requested an undertaking by the firm, or any predecessors or specified affiliates of the firm?	___	___
(d) Suspended or terminated any registration, licensing or membership of the firm, or any predecessors or specified affiliates of the firm?	___	___
(e) Imposed terms or conditions on any registration or membership of the firm, or predecessors or specified affiliates of the firm?	___	___
(f) Conducted a proceeding or investigation involving the firm, or any predecessors or specified affiliates of the firm?	___	___
(g) Issued an order (other than an exemption order) or a sanction to the firm, or any predecessors or specified affiliates of the firm for securities or derivatives-related activity (e.g. cease trade order)?	___	___

If yes, provide the following information for each action:

Name of entity	
Type of action	
Regulator/organization	
Date of action (yyyy/mm/dd)	Reason for action
Jurisdiction	

¹ In this Appendix, the term "specified affiliate" has the meaning ascribed to that term in Form 33-109F6 to National Instrument 33-109 *Registration Information*.

Decisions, Orders and Rulings

3. Is the firm aware of any ongoing investigation of which the firm or any of its specified affiliates is the subject?

Yes _____ No _____

If yes, provide the following information for each investigation:

Name of entity
Reason or purpose of investigation
Regulator/organization
Date investigation commenced (yyyy/mm/dd)
Jurisdiction

Name of firm:
Name of firm's authorized signing officer or partner
Title of firm's authorized signing officer or partner
Signature
Date (yyyy/mm/dd)

Witness

The witness must be a lawyer, notary public or commissioner of oaths.

Name of witness
Title of witness
Signature
Date (yyyy/mm/dd)

This form, and notice of a change to any information submitted in this form, is to be submitted through the Ontario Securities Commission's Electronic Filing Portal:

<https://www.osc.gov.on.ca/filings>

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Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions

3.1.1 Siu Mui “Debbie” Wong et al. – ss. 127(1), 127(10)

IN THE MATTER OF
SIU MUI “DEBBIE” WONG,
SIU KON “BONNIE” SOO,
1300302 ALBERTA INC. and
D&E ARCTIC INVESTMENTS INC.

REASONS AND DECISION
(Subsections 127(1) and 127(10) of the
Securities Act, RSO 1990, c S.5)

Citation: *Wong (Re)*, 2018 ONSEC 54

Date: 2018-11-06

File No.: 2018-50

Hearing: In Writing

Decision: November 6, 2018

Panel: Timothy Moseley Vice-Chair and Chair of the Panel

Appearances: Kai Olson For Staff of the Commission

No submissions made by or on behalf of Siu Mui “Debbie” Wong, Siu Kon “Bonnie” Soo, 1300302 Alberta Inc. and D&E Arctic Investments Inc.

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 - (b) Wheatland Joint Venture
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REASONS AND DECISION

I. INTRODUCTION AND BACKGROUND

- [1] In a decision issued by the British Columbia Securities Commission (the **BCSC**) on June 16, 2016,¹ the BCSC Hearing Panel (the **BCSC Panel**) found that Siu Mui “Debbie” Wong (**Wong**), Siu Kon “Bonnie” Soo (**Soo**), 1300302 Alberta Inc. (**1300302**) and D&E Arctic Investments Inc. (**D&E Arctic**) (collectively, the **Respondents**) engaged in an illegal distribution of securities, contrary to section 61 of the British Columbia *Securities Act* (the **BC Act**).² The BCSC Panel also found that Wong and Soo perpetrated multiple acts of fraud, contrary to section 57(b) of the BC Act.
- [2] In a second decision, dated February 20, 2017 (the **BCSC Sanctions Decision**),³ the BCSC Panel imposed various sanctions on the Respondents. The BCSC Panel ordered that, among other things:
- a. Wong and Soo be permanently prohibited from trading in securities, subject to a limited exception;
 - b. Wong and Soo be permanently prohibited from becoming or acting as a director or officer of any issuer or registrant, subject to a limited exception;
 - c. Wong and Soo disgorge funds and pay administrative penalties; and
 - d. 1300302 and D&E Arctic disgorge funds and be permanently prohibited from trading in securities.
- [3] Staff of the Ontario Securities Commission (**Staff** or the **Commission**) relies on the inter-jurisdictional enforcement provisions found in subsection 127(10) of the Ontario *Securities Act* (the **Act**)⁴ and requests that the Commission issue an order that, for the most part, replicates the non-monetary sanctions imposed by the BCSC Panel.
- [4] For the reasons that follow, I find that it is in the public interest to issue an order substantially in the form requested by Staff.

II. BRITISH COLUMBIA PROCEEDINGS AND FINDINGS

A. BCSC Proceeding and Findings

1. Findings – Breach of sections 57(b) and 61 of the BC Act

(a) *The Respondents*

- [5] Between 2007 and 2008 (the **Material Time**) Wong and Soo, who are sisters, facilitated investments in two parcels of undeveloped land in Alberta: the Wheatland lands and the Rocky View lands.⁵
- [6] Wheatland Industrial Park Inc. (**Wheatland**) is an Alberta corporation and the registered owner of the Wheatland lands.⁶ Both Wong and Soo were the directors of Wheatland during the Material Time.⁷
- [7] 1300302 and D&E Arctic were the registered owners of the Rocky View lands.⁸ During the Material Time, Soo and one of Wong’s sons were the directors of 1300302, and Wong and one of Soo’s daughters were the directors of D&E Arctic.⁹
- [8] None of Wheatland, 1300302, or D&E Arctic ever filed a prospectus under the BC Act.¹⁰

¹ *Re Wong*, 2016 BCSECCOM 208 (**BC Merits Decision**).

² RSBC 1996, c 418.

³ *Re Wong*, 2017 BCSECCOM 57 (**BC Sanctions Decision**).

⁴ RSO 1990 c S.5.

⁵ BC Merits Decision at paras 55 and 115.

⁶ BC Merits Decision at para 54.

⁷ BC Merits Decision at para 14.

⁸ BC Merits Decision at para 114.

⁹ BC Merits Decision at para 16.

¹⁰ BC Merits Decision at paras 13, 15.

(b) Wheatland Joint Venture

- [9] Beginning in May 2007, Wong and Soo promoted and sold Wheatland joint venture units to at least 78 investors, who paid approximately \$85,000 per unit.¹¹ Wong and Soo planned to develop the Wheatland lands into saleable, subdivided lots that could be sold at a profit.¹²
- [10] The BCSC Panel found that Wong, Soo and Wheatland (which was under the control and direction of Wong and Soo) raised \$2,000,000 through an illegal distribution of securities to 25 investors.¹³
- [11] The BCSC Panel also found that Wong and Soo defrauded investors by:
- a. transferring 33.5 Wheatland joint venture units to the benefit of their family members, without consideration and without the knowledge and permission of investors;¹⁴ and
 - b. misappropriating \$1,208,000 from the Wheatland investors' subscription proceeds to fund two loans to related companies, all of which was done without obtaining approval from investors.¹⁵

(c) Rocky View Joint Venture

- [12] Between June 2007 and January 2008, Wong and Soo promoted and sold joint venture units in 1300302 and D&E Arctic (the registered owners of the Rocky View lands) to 63 investors at approximately \$65,000 per unit.¹⁶ Like the Wheatland joint venture, Wong and Soo planned to develop the Rocky View lands. Wong and Soo were retained under the Rocky View joint venture agreement to manage the Rocky View project.¹⁷
- [13] The BCSC Panel found that Wong, Soo and 1300302 raised \$2,785,000 through an illegal distribution of securities to 44 of the 63 investors. The BCSC Panel also found that Wong, Soo and D&E Arctic raised \$1,105,000 through an illegal distribution of securities to the other 19 investors.¹⁸
- [14] The BCSC Panel found that Wong and Soo perpetrated fraud through 1300302 and D&E Arctic by:
- a. inflating the purchase price of the Rocky View lands by completing an artificial transaction through a related company and then selling joint venture units to investors based on the inflated price, not the initial purchase price;¹⁹ and
 - b. withholding information about potential delays in the development of the Rocky View lands from an investor.²⁰

2. BCSC Sanctions Decision

- [15] In the BCSC Sanctions Decision, the BCSC Panel imposed monetary sanctions against the Respondents. Staff does not seek an order replicating those sanctions.
- [16] The BCSC Panel also imposed the following non-monetary sanctions:²¹
1. Wong
 - (a) subject to the exception in subparagraph (b)(ii) below, Wong resign any position she holds as a director or officer of an issuer or registrant;
 - (b) Wong be permanently prohibited:

¹¹ BC Merits Decision at paras 9, 55-56

¹² BC Merits Decision at para 54

¹³ BC Merits Decision at paras 195, 378

¹⁴ BC Merits Decision at paras 317, 378

¹⁵ BC Merits Decision at paras 339, 378

¹⁶ BC Merits Decision at paras 115-116, 248.

¹⁷ BC Merits Decision at para 129.

¹⁸ BC Merits Decision at para 244.

¹⁹ BC Merits Decision at paras 345, 351.

²⁰ BC Merits Decision at para 377.

²¹ BC Sanctions Decision at para 133.

- i. from trading in or purchasing any securities or exchange contracts, except that she may trade and purchase them for her own account through one registered dealer or advisor if she gives that dealer or advisor a copy of the BCSC Sanctions Decision;
 - ii. from becoming or acting as a director or officer of any issuer or registrant, except that she may act as a director or officer of an issuer whose securities are solely owned by her or by her and her immediate family members (being: Wong's spouse, parent, child, sibling, mother- or father-in-law, son- or daughter-in-law, or brother- or sister-in-law);
 - iii. from becoming or acting as a promoter;
 - iv. from acting in a management or consultative capacity in connection with activities in the securities market; and
 - v. from engaging in investor relations activities; and
- (c) except for those exemptions necessary to allow Wong to trade or purchase securities and exchange contracts for her own account, none of the exemptions set out in the BC Act, the regulations or decisions (as those terms are defined by the BC Act), will apply to Wong, on a permanent basis;

2. Soo

- (a) subject to the exception in subparagraph (b)(ii) below, Soo resign any position she holds as a director or officer of an issuer or registrant;
- (b) Soo be permanently prohibited:
- i. from trading in or purchasing any securities or exchange contracts, except that she may trade and purchase them for her own account through one registered dealer or advisor if she gives that dealer or advisor a copy of the BCSC Sanctions Decision;
 - ii. from becoming or acting as a director or officer of any issuer or registrant, except that she may act as a director or officer of an issuer whose securities are solely owned by her or by her and her immediate family members (being: Soo's spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, or brother or sister-in-law);
 - iii. from becoming or acting as a promoter;
 - iv. from acting in a management or consultative capacity in connection with activities in the securities market; and
 - v. from engaging in investor relations activities; and
- (c) except for those exemptions necessary to allow Soo to trade or purchase securities and exchange contracts for her own account, none of the exemptions set out in the BC Act, the regulations or decisions (as those terms are defined by the BC Act), will apply to Soo, on a permanent basis;

3. 1300302

- (a) 1300302 permanently cease trading in, and be permanently prohibited from purchasing, any securities or exchange contracts;
- (b) on a permanent basis, none of the exemptions set out in the BC Act, the regulations or decisions (as those terms are defined by the BC Act), will apply to 1300302; and
- (c) 1300302 is permanently prohibited from engaging in investor relations activities;

4. D&E Arctic

- (a) D&E Arctic permanently cease trading in, and be permanently prohibited from purchasing, any securities or exchange contracts;

- (b) on a permanent basis, none of the exemptions set out in the BC Act, the regulations or decisions (as those terms are defined by the BC Act), will apply to D&E Arctic; and
- (c) D&E Arctic is permanently prohibited from engaging in investor relations activities.

[17] The BCSC Panel made no orders against Wheatland.²²

B. Leave to Appeal to British Columbia Court of Appeal

[18] Wong and Soo applied to the British Columbia Court of Appeal (**BCCA**) for leave to appeal both the BCSC Merits Decision and the BCSC Sanctions Decision. On April 19, 2018, the BCCA dismissed the application for leave.²³

III. SERVICE AND PARTICIPATION

[19] In this proceeding, the Respondents were served via courier on September 10, 2018, with the Notice of Hearing, Statement of Allegations, Staff's written submissions, and hearing brief.²⁴ Wong and Soo were served at their home address, and the corporate respondents were served at their registered offices.²⁵ I find that service was properly effected on all Respondents.

[20] Pursuant to Rule 11(3) of the Ontario Securities Commission *Rules of Procedure and Forms (OSC Rules of Procedure)*²⁶ the deadline for the Respondents to serve and file written submissions was October 9, 2018. No materials were filed on behalf of the Respondents.

[21] I am satisfied that the Respondents were provided with adequate notice of this proceeding. Pursuant to the *Statutory Powers Procedure Act* and the *OSC Rules of Procedure*, the Commission may proceed in the absence of a party where that party has been given notice of the hearing.²⁷

IV. ANALYSIS

1. Introduction

[22] The BCSC is a securities regulatory authority. In the BCSC Sanctions Decision, the BCSC made the orders set out in paragraph [16] above, imposing sanctions on the Respondents. The test under paragraph 4 of subsection 127(10) of the Act is therefore satisfied.

[23] I must therefore consider whether it is in the public interest for the Commission to make an order against the Respondents, and if so, what that order should be.

2. Statutory authority to make public interest orders

[24] Subsection 127(10) of the Act facilitates the inter-jurisdictional enforcement of orders imposed following breaches of securities law. The subsection does not itself empower the Commission to make an order; rather it provides a basis for an order under subsection 127(1).

[25] Orders made under subsection 127(1) of the Act are "protective and preventative" and are made to restrain potential conduct that could be detrimental to the integrity of the capital markets and therefore prejudicial to the public interest.²⁸

[26] In exercising its jurisdiction to make an order in reliance on subsection 127(10) of the Act, the Commission does not require that the underlying conduct have a connection to Ontario.²⁹

²² BC Sanctions Decision at para 134.

²³ *Wong v British Columbia Securities Commission*, 2018 BCCA 192.

²⁴ Hearing Brief marked as Exhibit 1.

²⁵ Affidavit of Service of Lee Crann, sworn September 13, 2018, marked as Exhibit 2.

²⁶ *Ontario Securities Commission Rules of Procedure and Forms* (2017), 40 OSCB 8988, r 11(3)(g).

²⁷ *Statutory Powers Procedure Act*, RSO 1990, c S.22, s 7(2); *OSC Rules of Procedure*, r 21(3).

²⁸ *Committee for Equal Treatment of Asbestos Minority Shareholders v. Ontario (Securities Commission)*, 2001 SCC 26, [2001] 2 SCR 132 (SCC) at paras 42-43.

²⁹ *Wong Sang Shen Cho (Craig Cho)*, 2014 ONSEC 20, (2014) 37 OSCB 7285 at para 48.

3. Appropriate sanctions

- [27] Staff submits that the Respondents' conduct warrants an order designed to protect Ontario investors from the Respondents, by limiting the Respondents' participation in Ontario's capital markets. I agree that such an order would be in the public interest.
- [28] In determining specific sanctions, the Commission may consider the seriousness of the misconduct, the harm suffered by investors, specific and general deterrence and any aggravating or mitigating factors.³⁰
- [29] In this case, the misconduct was very serious. As this Commission has repeatedly held, fraud is one of the most egregious violations of securities law. It causes direct and immediate harm to its investors, and it significantly undermines confidence in the capital markets.³¹
- [30] The BCSC Panel came to the same conclusion, noting that "fraud is the most serious misconduct prohibited by the [BC] Act."³² The BCSC Panel went on to find that Wong and Soo:
- committed multiple acts of fraud totalling around \$12 million against a large number of investors. Their misconduct is very serious. We view as most significant, their inflating the purchase price of the Rocky View lands, through the use of a nominee company, and lying about it to investors.³³
- [31] The illegal distributions of Wheatland and Rocky View joint venture units totalling \$5.9 million to 88 investors also constituted serious misconduct.³⁴ As the BCSC Panel stated:
- Contraventions of section 61 of the [BC] Act are also inherently serious. It is one of the [BC] Act's foundational requirements for protecting investors and preserving the integrity of the capital markets.³⁵
- [32] The harm suffered by investors was significant. Investors testified at the BCSC hearing that they have suffered financially and emotionally due to their investments in the joint ventures. The BCSC Panel noted that as of the time of the hearing, investors had not yet received any returns on their investments.³⁶
- [33] In contrast, Wong and Soo were personally enriched when they inflated the purchase price of the Rocky View lands and lied about it to investors. The BCSC Panel found that the amount of the enrichment was \$2,317,850.³⁷
- [34] The BCSC Panel found no mitigating factors, and no aggravating factors beyond the seriousness of the misconduct as described above.³⁸ I agree.
- [35] It is important that this Commission impose sanctions that will protect Ontario investors by specifically deterring the Respondents from engaging in similar or other misconduct in Ontario, and by acting as a general deterrent to other like-minded persons. I accept Staff's submission that the sanctions imposed by the BCSC Panel are proportionate to the Respondents' misconduct and that it would be appropriate for me to issue a substantially similar order.

4. Differences between BC and Ontario sanctions

- [36] However, due to differences between the Act and the BC statute, some of the sanctions I impose cannot be identical to those imposed by the BCSC Panel. This is true with respect to two aspects of the sanctions.
- [37] First, the BCSC Panel prohibited the Respondents from trading in or purchasing "exchange contracts". Subsection 127(1) of the Act does not expressly refer to exchange contracts. The BC Act defines "exchange contract" to mean a futures contract or option that meets certain specified requirements. As a result, Staff seeks an order permanently prohibiting the Respondents from trading in derivatives. In my view, when considering the factors described above that support the making of orders prohibiting trading, there is no reason to distinguish between securities and derivatives. In the

³⁰ *Belteco Holdings Inc. (Re)* (1998), 21 OSCB 7743 at 7746-7747; *MCJC Holdings* (2002), 25 OSCB 1133 at 1136.

³¹ *Black Panther (Re)*, 2017 ONSEC 8, (2017) 40 OSCB 3727 at para 48.

³² BCSC Sanctions Decision at para 38.

³³ BCSC Sanctions Decision at para 39.

³⁴ BCSC Sanctions Decision at para 42.

³⁵ BCSC Sanctions Decision at para 40.

³⁶ BCSC Sanctions Decision at paras 43-44 and 49.

³⁷ BCSC Sanctions Decision at paras 50, 54 and 57.

³⁸ BCSC Sanctions Decision at paras 60-61.

circumstances of this case, it is equally in the public interest to protect Ontario investors and the capital markets by prohibiting the Respondents from trading in derivatives. I will therefore make the order requested by Staff.

[38] Second, the BCSC Sanctions Decision prohibits all of the Respondents from engaging in “investor relations activities” and the individual respondents from “acting in a management or consultative capacity in connection with activities in the securities market”. In Ontario, the Act does not use those terms. Instead, as Staff submits, such activities would largely be covered by the prohibitions already requested, against individuals acting as a director or officer of an issuer, or against any respondent acting as a registrant or promoter. I find that it is in the public interest to make the order as requested by Staff, and that such an order effectively mirrors the relevant provisions of the BCSC Sanctions Decision.

[39] Before concluding, I note Staff’s submissions that its requested order would refer explicitly to both “registrants” and to “investment fund managers”. Staff bases that request on the Commission’s reasons in *Lim (Re)*.³⁹ I prefer and adopt the Commission’s reasons in *Inverlake Property Investment Group Inc (Re)*⁴⁰ and *Vantooen (Re)*,⁴¹ in which the Commission found such a distinction unnecessary, given that the definition of “registrant” in subsection 1(1) of the Act includes an investment fund manager, by virtue of subsection 25(4) of the Act. As a result, the order I shall issue refers to registrants, which term includes investment fund managers.

V. CONCLUSION

[40] For the reasons set out above, I find that it is in the public interest to impose the sanctions requested by Staff. I will therefore order:

- a. against Wong that:
 - i. pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities or derivatives by Wong shall cease permanently, except trades that are made for her own account through a registered dealer or advisor in Ontario if she gives that dealer or advisor a copy of the BCSC Sanctions Decision, and a copy of the order in this proceeding;
 - ii. pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Wong shall cease permanently, except purchases that are made for her own account through a registered dealer or advisor in Ontario if she gives that dealer or advisor a copy of the BCSC Sanctions Decision, and a copy of the order in this proceeding;
 - iii. pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law shall not apply to Wong permanently, except for those exemptions necessary to allow Wong to trade securities or derivatives or purchase securities for her own account;
 - iv. pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act, Wong shall resign any positions that she holds as a director or officer of any issuer or registrant;
 - v. pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the Act, Wong is prohibited permanently from becoming or acting as a director or officer of any issuer or registrant, except that she may act as a director or officer of an issuer whose securities are solely owned by her or by her and her immediate family members (being: Wong’s spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, or brother or sister-in-law); and
 - vi. pursuant to paragraph 8.5 of subsection 127(1) of the Act, Wong is prohibited permanently from becoming or acting as a registrant or promoter;
- b. against Soo that:
 - i. pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities or derivatives by Soo shall cease permanently, except trades that are made for her own account through a registered dealer or advisor in Ontario if she gives that dealer or advisor a copy of the BCSC Sanctions Decision, and a copy of the order in this proceeding;
 - ii. pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Soo shall cease permanently, except purchases that are made for her own account through a registered dealer

³⁹ 2018 ONSEC 39, (2018) 41 OSCB 6045 at para 23.

⁴⁰ 2018 ONSEC 35, (2018) 41 OSCB 5309 at para 39.

⁴¹ 2018 ONSEC 36, (2018) 41 OSCB 5603 at para 30.

- or advisor in Ontario if she gives that dealer or advisor a copy of the BCSC Sanctions Decision, and a copy of the order in this proceeding;
- iii. pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law shall not apply to Soo permanently, except for those exemptions necessary to allow Soo to trade securities or derivatives or purchase securities for her own account;
 - iv. pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act, Soo shall resign any positions that she holds as a director or officer of any issuer or registrant;
 - v. pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the Act, Soo is prohibited permanently from becoming or acting as a director or officer of any issuer or registrant, except that she may act as a director or officer of an issuer whose securities are solely owned by her or by her and her immediate family members (being: Soo's spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, or brother or sister-in-law); and
 - vi. pursuant to paragraph 8.5 of subsection 127(1) of the Act, Soo is prohibited permanently from becoming or acting as a registrant or promoter;
- c. against 1300302 that:
- i. pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities or derivatives by 1300302 shall cease permanently;
 - ii. pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by 1300302 shall cease permanently;
 - iii. pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law shall not apply to 1300302 permanently; and
 - iv. pursuant to paragraph 8.5 of subsection 127(1) of the Act, 1300302 is prohibited permanently from becoming or acting as a registrant or promoter; and
- d. against D&E Arctic that:
- i. pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities or derivatives by D&E Arctic shall cease permanently;
 - ii. pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by D&E Arctic shall cease permanently;
 - iii. pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law shall not apply to D&E Arctic permanently; and
 - iv. pursuant to paragraph 8.5 of subsection 127(1) of the Act, D&E Arctic is prohibited permanently from becoming or acting as a registrant or promoter.

Dated at Toronto this 6th day of November, 2018.

"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
Besra Gold Inc.	17 December 2014	29 December 2014	29 December 2014	08 November 2018

Failure to File Cease Trade Orders

Company Name	Date of Order	Date of Revocation
Knick Exploration Inc.	26 July 2018	12 November 2018
KuuHubb Inc.	02 November 2018	09 November 2018
Martina Minerals Corp.	02 November 2018	06 November 2018

4.2.1 Temporary, Permanent & Rescinding Management Cease Trading Orders

Company Name	Date of Order	Date of Lapse
THERE IS NOTHING TO REPORT THIS WEEK.		

4.2.2 Outstanding Management & Insider Cease Trading Orders

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

Company Name	Date of Order	Date of Lapse
Katanga Mining Limited	15 August 2017	

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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:

CC&L Alternative Canadian Equity Fund
CC&L Alternative Global Equity Fund
CC&L Alternative Income Fund
Principal Regulator – Ontario

Type and Date:

Preliminary Simplified Prospectus dated November 9, 2018
NP 11-202 Preliminary Receipt dated November 12, 2018

Offering Price and Description:

Series A, Series F and Series I Units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

Connor, Clark & Lunn Funds Inc.

Project #2840931

Issuer Name:

EdgePoint Canadian Portfolio
EdgePoint Global Portfolio
EdgePoint Canadian Growth & Income Portfolio
EdgePoint Global Growth & Income Portfolio
Principal Regulator – Ontario

Type and Date:

Amended and Restated to Final Simplified Prospectus
dated November 5, 2018

Received on November 8, 2018

Offering Price and Description:

–

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

EdgePoint Wealth Management Inc.

Project #2742445

Issuer Name:

Fidelity Active Equity Class
Fidelity Active Equity Currency Neutral Class
Fidelity Active Equity Investment Trust
Fidelity Canadian High Quality Index ETF Fund
Fidelity Canadian Low Volatility Index ETF Fund
Fidelity International High Quality Index ETF Fund
Fidelity International Low Volatility Index ETF Fund
Fidelity U.S. High Quality Currency Neutral Index ETF Fund
Fidelity U.S. High Quality Index ETF Fund
Fidelity U.S. Low Volatility Currency Neutral Index ETF
Fund
Fidelity U.S. Low Volatility Index ETF Fund
Principal Regulator – Ontario

Type and Date:

Preliminary Simplified Prospectus dated November 9, 2018
NP 11-202 Preliminary Receipt dated November 12, 2018

Offering Price and Description:

Series A, B, E1, E1T5, E2, E2T5, E3, E3T5, E4, E4T5, E5,
E5T5, F, F5, F8, P1, P1T5, P2, P2T5, P3, P3T5, P4, P4T5,
P5, P5T5, S5, S8, T5 and T8 shares

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

Fidelity Investments Canada ULC

Project #2841252

Issuer Name:

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

Type and Date:

Preliminary Long Form Prospectus dated November 9,
2018

NP 11-202 Preliminary Receipt dated November 12, 2018

Offering Price and Description:

Units

Underwriter(s) or Distributor(s):

Fidelity Investments Canada ULC

Promoter(s):

Fidelity Investments Canada ULC

Project #2841201

Issuer Name:

PIMCO Global Short Maturity Fund (Canada)
PIMCO Low Duration Monthly Income Fund (Canada)
Principal Regulator – Ontario

Type and Date:

Preliminary Simplified Prospectus dated November 5, 2018
NP 11-202 Preliminary Receipt dated November 7, 2018

Offering Price and Description:

Series A, Series F and ETF Series, Series A(US\$), Series F(US\$), Series I, Series I(US\$), Series M, Series M(US\$), Series O and Series O(US\$) units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

PIMCO Canada Corp.

Project #2838624

Issuer Name:

Sectorwise Balanced Portfolio
Sectorwise Conservative Portfolio
Sectorwise Growth Portfolio
Principal Regulator – Quebec

Type and Date:

Preliminary Simplified Prospectus dated November 5, 2018
NP 11-202 Preliminary Receipt dated November 8, 2018

Offering Price and Description:

Class A, F and P Units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #2840003

Issuer Name:

Cambridge American Equity Fund
Cambridge American Equity Corporate Class
CI Pacific Fund
CI Pacific Corporate Class
Signature Tactical Bond Pool
Principal Regulator – Ontario

Type and Date:

Amendment #2 to Final Simplified Prospectus dated November 1, 2018
NP 11-202 Receipt dated November 7, 2018

Offering Price and Description:

–

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

CI Investments Inc.

Project #2777804

Issuer Name:

Evolve Active US Core Equity ETF
Principal Regulator – Ontario

Type and Date:

Amendment #1 to Final Long Form Prospectus dated November 2, 2018
NP 11-202 Receipt dated November 8, 2018

Offering Price and Description:

USD Unhedged Units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

Evolve Funds Group Inc.

Project #2794934

Issuer Name:

Invesco S&P International Developed Low Volatility Index ETF
Principal Regulator – Ontario

Type and Date:

Amendment #3 to Final Long Form Prospectus dated November 7, 2018
NP 11-202 Receipt dated November 12, 2018

Offering Price and Description:

–

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

Invesco Canada Ltd.

Project #2703193

Issuer Name:

Next Edge Bio-Tech Plus Fund
Principal Regulator – Ontario

Type and Date:

Final Simplified Prospectus dated November 5, 2018
NP 11-202 Receipt dated November 6, 2018

Offering Price and Description:

Class A and F Units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

Next Edge Capital Corp.

Project #2828882

Issuer Name:

Pinnacle Balanced Portfolio (formerly Pinnacle Conservative Balanced Growth Portfolio)
Pinnacle Growth Portfolio (formerly Pinnacle Conservative Growth Portfolio)
Pinnacle Income Portfolio (formerly Pinnacle Balanced Income Portfolio)
Scotia Aria Conservative Build Portfolio
Scotia Aria Conservative Defend Portfolio (formerly Scotia Aria Conservative Core Portfolio)
Scotia Aria Conservative Pay Portfolio
Scotia Aria Moderate Build Portfolio
Scotia Aria Moderate Defend Portfolio (formerly Scotia Aria Moderate Core Portfolio)
Scotia Aria Moderate Pay Portfolio
Scotia Aria Progressive Build Portfolio
Scotia Aria Progressive Defend Portfolio (formerly Scotia Aria Progressive Core Portfolio)
Scotia Aria Progressive Pay Portfolio
Scotia Balanced Opportunities Fund (formerly Scotia Canadian Tactical Asset Allocation Fund)
Scotia Bond Fund
Scotia Canadian Balanced Fund
Scotia Canadian Blue Chip Fund
Scotia Canadian Bond Index Fund
Scotia Canadian Dividend Fund
Scotia Canadian Growth Fund
Scotia Canadian Income Fund
Scotia Canadian Index Fund
Scotia Canadian Small Cap Fund
Scotia Conservative Fixed Income Portfolio (formerly Scotia Conservative Income Fund)
Scotia Diversified Monthly Income Fund
Scotia Dividend Balanced Fund (formerly Scotia Canadian Dividend Income Fund)
Scotia European Fund
Scotia Floating Rate Income Fund
Scotia Global Balanced Fund
Scotia Global Bond Fund
Scotia Global Dividend Fund
Scotia Global Growth Fund
Scotia Global Opportunities Fund
Scotia Global Small Cap Fund
Scotia Income Advantage Fund
Scotia INNOVA Balanced Growth Portfolio
Scotia INNOVA Balanced Income Portfolio
Scotia INNOVA Growth Portfolio
Scotia INNOVA Income Portfolio
Scotia INNOVA Maximum Growth Portfolio
Scotia International Index Fund
Scotia International Value Fund
Scotia Latin American Fund
Scotia Money Market Fund
Scotia Mortgage Income Fund
Scotia Nasdaq Index Fund
Scotia Pacific Rim Fund
Scotia Partners Balanced Growth Portfolio (formerly Scotia Partners Balanced Income & Growth Portfolio)
Scotia Partners Balanced Income Portfolio (formerly Scotia Partners Income & Modest Growth Portfolio)
Scotia Partners Growth Portfolio (formerly Scotia Partners Moderate Growth Portfolio)

Scotia Partners Income Portfolio (formerly Scotia Partners Diversified Income Portfolio)
Scotia Partners Maximum Growth Portfolio (formerly Scotia Partners Aggressive Growth Portfolio)
Scotia Private American Core-Plus Bond Pool
Scotia Private Canadian All Cap Equity Pool
Scotia Private Canadian Corporate Bond Pool
Scotia Private Canadian Equity Pool
Scotia Private Canadian Growth Pool
Scotia Private Canadian Mid Cap Pool
Scotia Private Canadian Preferred Share Pool
Scotia Private Canadian Small Cap Pool
Scotia Private Canadian Value Pool
Scotia Private Emerging Markets Pool
Scotia Private Fundamental Canadian Equity Pool
Scotia Private Global Credit Pool
Scotia Private Global Equity Pool
Scotia Private Global High Yield Pool
Scotia Private Global Infrastructure Pool
Scotia Private Global Low Volatility Equity Pool
Scotia Private Global Real Estate Pool
Scotia Private High Yield Income Pool
Scotia Private Income Pool
Scotia Private International Core Equity Pool
Scotia Private International Equity Pool
Scotia Private International Small to Mid Cap Value Pool
Scotia Private North American Dividend Pool (formerly Scotia Private North American Equity Pool)
Scotia Private Options Income Pool
Scotia Private Real Estate Income Pool
Scotia Private Short Term Income Pool
Scotia Private Short-Mid Government Bond Pool
Scotia Private Strategic Balanced Pool
Scotia Private Total Return Bond Pool
Scotia Private U.S. Dividend Pool
Scotia Private U.S. Large Cap Growth Pool
Scotia Private U.S. Mid Cap Value Pool
Scotia Private U.S. Value Pool
Scotia Resource Fund
Scotia Selected Balanced Growth Portfolio (formerly Scotia Selected Balanced Income & Growth Portfolio)
Scotia Selected Balanced Income Portfolio (formerly Scotia Selected Income & Modest Growth Portfolio)
Scotia Selected Growth Portfolio (formerly Scotia Selected Moderate Growth Portfolio)
Scotia Selected Income Portfolio
Scotia Selected Maximum Growth Portfolio (formerly Scotia Selected Aggressive Growth Portfolio)
Scotia Short Term Bond Fund
Scotia T-Bill Fund
Scotia U.S. \$ Balanced Fund
Scotia U.S. \$ Bond Fund
Scotia U.S. \$ Money Market Fund
Scotia U.S. Blue Chip Fund
Scotia U.S. Dividend Fund
Scotia U.S. Index Fund
Scotia U.S. Opportunities Fund (formerly Scotia U.S. Value Fund)
Principal Regulator – Ontario
Type and Date:
Final Simplified Prospectus dated November 9, 2018
NP 11-202 Receipt dated November 12, 2018

Offering Price and Description:

Series A, Series I, Series K, Series M, Pinnacle Series, Series F, Series D, Series T, Premium Series, Premium TL Series, Premium T Series, and Premium TH Series units

Underwriter(s) or Distributor(s):

Scotia Capital Inc.
Scotia Securities Inc.
1832 Asset Management L.P.

Promoter(s):

1832 Asset Management L.P.

Project #2829063

Issuer Name:

Vanguard FTSE Canada Index ETF
Vanguard FTSE Canada All Cap Index ETF
Vanguard FTSE Canadian High Dividend Yield Index ETF
Vanguard FTSE Canadian Capped REIT Index ETF
Vanguard Canadian Aggregate Bond Index ETF
Vanguard Canadian Government Bond Index ETF
Vanguard Canadian Corporate Bond Index ETF
Vanguard Canadian Short-Term Bond Index ETF
Vanguard Canadian Short-Term Government Bond Index ETF
Vanguard Canadian Short-Term Corporate Bond Index ETF
Vanguard Canadian Long-Term Bond Index ETF
Vanguard S&P 500 Index ETF
Vanguard S&P 500 Index ETF (CAD-hedged)
Vanguard U.S. Total Market Index ETF
Vanguard U.S. Total Market Index ETF (CAD-hedged)
Vanguard U.S. Dividend Appreciation Index ETF
Vanguard U.S. Dividend Appreciation Index ETF (CAD-hedged)
Vanguard FTSE Global All Cap ex Canada Index ETF
Vanguard FTSE Developed All Cap ex U.S. Index ETF
Vanguard FTSE Developed All Cap ex U.S. Index ETF (CAD-hedged)
Vanguard FTSE Developed All Cap ex North America Index ETF
Vanguard FTSE Developed All Cap ex North America Index ETF (CAD-hedged)
Vanguard FTSE Developed ex North America High Dividend Yield Index ETF
Vanguard FTSE Developed Europe All Cap Index ETF
Vanguard FTSE Developed Europe All Cap Index ETF (CAD-hedged)
Vanguard FTSE Developed Asia Pacific All Cap Index ETF
Vanguard FTSE Developed Asia Pacific All Cap Index ETF (CAD-hedged)
Vanguard FTSE Emerging Markets All Cap Index ETF
Vanguard U.S. Aggregate Bond Index ETF (CAD-hedged)
Vanguard Global ex-U.S. Aggregate Bond Index ETF (CAD-hedged)
Principal Regulator – Ontario

Type and Date:

Amendment #1 to Final Long Form Prospectus dated November 1, 2018

NP 11-202 Receipt dated November 8, 2018

Offering Price and Description:

–

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

Vanguard Investments Canada Inc.

Project #2778608

NON-INVESTMENT FUNDS

Issuer Name:

AltaGas Canada Inc.
Principal Regulator – Alberta (ASC)

Type and Date:

Preliminary Shelf Prospectus dated November 6, 2018
NP 11-202 Preliminary Receipt dated November 6, 2018

Offering Price and Description:

\$1,000,000,000.00
Common Shares
Preferred Shares
Subscription Receipts
Warrants
Debt Securities
Units

Underwriter(s) or Distributor(s):

–

Promoter(s):

–

Project #2838361

Issuer Name:

Auston Capital Corp.
Principal Regulator – British Columbia

Type and Date:

Preliminary CPC Prospectus (TSX-V) dated November 9, 2018
NP 11-202 Preliminary Receipt dated November 9, 2018

Offering Price and Description:

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

Underwriter(s) or Distributor(s):

Foster & Associates Financial Services Inc.

Promoter(s):

Zachery Dingsdale

Project #2840809

Issuer Name:

BARRIAN MINING CORP.
Principal Regulator – British Columbia

Type and Date:

Preliminary Long Form Prospectus dated November 7, 2018
NP 11-202 Preliminary Receipt dated November 8, 2018

Offering Price and Description:

Minimum Offering to raise gross proceeds of \$3,000,000.00 through the issuance of 15,000,000 Shares at a price of \$0.20 per Share
Maximum Offering to raise gross proceeds of \$4,000,000.00 through the issuance of 20,000,000 Share at a price of \$0.20 per Share

Underwriter(s) or Distributor(s):

Haywood Securities Inc.

Promoter(s):

Max Sali

Project #2839319

Issuer Name:

Bitfarms Ltd.

Type and Date:

Preliminary Long Form Prospectus dated November 8, 2018
(Preliminary) Received on November 12, 2018

Offering Price and Description:

No securities are being offered pursuant to this Prospectus

Underwriter(s) or Distributor(s):

–

Promoter(s):

Pierre-Luc Quimper
Emiliano Joel Grodzki
Mathieu Vachon
Nicolas Bonta
Project #2841117

Issuer Name:

Cardiol Therapeutics Inc.
Principal Regulator – Ontario

Type and Date:

Amendment #2 dated November 9, 2018 to Preliminary Long Form Prospectus dated October 1, 2018
NP 11-202 Preliminary Receipt dated November 12, 2018

Offering Price and Description:

4,000,000 UNITS (CDN \$20,000,000.00 MILLION)
CDN \$5.00 Per Unit

Underwriter(s) or Distributor(s):

ALTACORP CAPITAL INC.
RAYMOND JAMES LTD.
MACKIE RESEARCH CAPITAL CORPORATION
ECHELON WEALTH PARTNERS INC.
PARADIGM CAPITAL INC.

Promoter(s):

David Elsley
Anthony Bolton
Eldon Smith
Project #2822718

Issuer Name:

GB Sciences, Inc.

Type and Date:

Preliminary Long Form Prospectus dated November 8, 2018
(Preliminary) Received on November 12, 2018

Offering Price and Description:

No securities are being offered pursuant to this prospectus

Underwriter(s) or Distributor(s):

–

Promoter(s):

–

Project #2840935

Issuer Name:

HEXO Corp.
Principal Regulator – Quebec

Type and Date:

Preliminary Shelf Prospectus dated November 9, 2018
NP 11-202 Preliminary Receipt dated November 9, 2018

Offering Price and Description:

\$800,000,000.00
COMMON SHARES
WARRANTS
SUBSCRIPTION RECEIPTS
UNITS

Underwriter(s) or Distributor(s):

–

Promoter(s):

–

Project #2840680

Issuer Name:

J. Bond Capital Corporation
Principal Regulator – British Columbia

Type and Date:

Preliminary Long Form Prospectus dated November 7, 2018
NP 11-202 Preliminary Receipt dated November 8, 2018

Offering Price and Description:

Offering of \$350,000.00
1,750,000 Shares at \$0.20 per Share

Underwriter(s) or Distributor(s):

Mackie Research Capital Corporation

Promoter(s):

Robert Eadie
Gary Arca

Project #2839457

Issuer Name:

Karam Minerals Inc.
Principal Regulator – British Columbia

Type and Date:

Preliminary Long Form Prospectus dated November 5, 2018
NP 11-202 Preliminary Receipt dated November 6, 2018

Offering Price and Description:

3,000,000 Common Shares
\$0.10 per Common Share
Public Offering of \$300,000.00

Underwriter(s) or Distributor(s):

Mackie Research Capital Corporation

Promoter(s):

Michael Sadhra

Project #2838358

Issuer Name:

Lumina Gold Corp.
Principal Regulator – British Columbia

Type and Date:

Amendment dated November 7, 2018 to Preliminary Short Form Prospectus (NI 44-101) dated November 5, 2018
NP 11-202 Preliminary Receipt dated November 8, 2018

Offering Price and Description:

Maximum Offering: \$10,819,200.00 or 19,320,000
Common Shares

Price: \$0.56 per Common Share

Underwriter(s) or Distributor(s):

HAYWOOD SECURITIES INC.

Promoter(s):

–

Project #2837828

Issuer Name:

Medicenna Therapeutics Corp.
Principal Regulator – Ontario

Type and Date:

Preliminary Short Form Prospectus (NI 44-101) dated
November 8, 2018
NP 11-202 Preliminary Receipt dated November 8, 2018

Offering Price and Description:

Minimum: \$* (* Units)

Maximum: \$* (* Units)

Price: \$ * per Unit

Underwriter(s) or Distributor(s):

Bloom Burton Securities Inc.
Mackie Research Capital Corporation
Richardson GMP Limited

Promoter(s):

–

Project #2839948

Issuer Name:

Power Corporation of Canada
Principal Regulator – Quebec

Type and Date:

Preliminary Shelf Prospectus dated November 9, 2018
NP 11-202 Preliminary Receipt dated November 9, 2018

Offering Price and Description:

\$2,000,000,000.00
Debt Securities (unsecured)
Subordinate Voting Shares
First Preferred Shares
Subscription Receipts

Underwriter(s) or Distributor(s):

–

Promoter(s):

–

Project #2840715

Issuer Name:

Power Financial Corporation
Principal Regulator – Quebec

Type and Date:

Preliminary Shelf Prospectus dated November 9, 2018
NP 11-202 Preliminary Receipt dated November 9, 2018

Offering Price and Description:

\$3,000,000,000.00
Debt Securities (unsecured)
Common Shares
First Preferred Shares
Subscription Receipts

Underwriter(s) or Distributor(s):

–

Promoter(s):

–

Project #2840707

Issuer Name:

Prophecy Development Corp.
Principal Regulator – British Columbia

Type and Date:

Preliminary Short Form Prospectus (NI 44-101) dated
November 7, 2018
NP 11-202 Preliminary Receipt dated November 7, 2018

Offering Price and Description:

C\$5,520,000.00
12,000,000 Common Shares
Price: C\$0.46 per Offered Share

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.

Promoter(s):

–

Project #2838281

Issuer Name:

Rubicon Minerals Corporation
Principal Regulator – Ontario

Type and Date:

Preliminary Shelf Prospectus dated November 8, 2018
NP 11-202 Preliminary Receipt dated November 8, 2018

Offering Price and Description:

\$100,000,000.00
Common Shares
Debt Securities
Subscription Receipts
Warrants

Units

Underwriter(s) or Distributor(s):

–

Promoter(s):

–

Project #2839641

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Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Voluntary Surrender	Rigel Mercantile Limited	Commodity Trading Manager	November 6, 2018

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Chapter 25

Other Information

25.1 Consents

25.1.1 Applied Inventions Management Corp. – s. 4(b) of Ont. Reg. 289/00 under the OBCA

Headnote

Consent given to an offering corporation under the Business Corporations Act (Ontario) to continue under British Columbia Business Corporations Act.

Statutes Cited

Business Corporations Act, R.S.O. 1990, c. B.16, as am., s. 181.
Securities Act, R.S.O. 1990, c. S.5, as am.

Regulations Cited

Regulation made under the Business Corporations Act, Ont. Reg. 289/00, as am., s. 4(b).

**IN THE MATTER OF
R.R.O 1990, REGULATION 289/00, AS AMENDED
(the REGULATION) MADE UNDER
THE BUSINESS CORPORATIONS ACT (ONTARIO),
R.S.O. 1990, c.B.16, AS AMENDED
(the OBCA)**

AND

**IN THE MATTER OF
APPLIED INVENTIONS MANAGEMENT CORP.**

**CONSENT
(Subsection 4(b) of the Regulation)**

UPON the application of Applied Inventions Management Corp. (the **Applicant**) to the Ontario Securities Commission (the **Commission**) requesting the Commission's consent to the Applicant continuing in another jurisdiction pursuant to section 181 of the OBCA (the **Continuance**);

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

AND UPON the Applicant having represented to the Commission that:

1. The Applicant is an offering corporation under the OBCA. The Applicant was incorporated under the OBCA pursuant to a Certificate of Incorporation dated July 12, 1989.
2. The Applicant does not have any securities listed on any stock exchange. As of October 5, 2018, the Applicant had 1,138,435 Subordinate Voting Shares, 7,839,599 Class B Multiple Voting Shares, and no Preference Shares issued and outstanding.
3. The Applicant intends to apply to the Director pursuant to section 181 of the OBCA (the **Application for Continuance**) for authorization to continue under the *Business Corporations Act* (British Columbia), S.B.C. 2002. C.57 (the **BCBCA**).
4. The Application for Continuance is being made in connection with a proposed business combination structured as a "three cornered" amalgamation (the **Proposed Transaction**) involving the Applicant, Acreage Finco B.C. Ltd., a corporation incorporated under the laws of British Columbia (**Finco**) and HSCP Merger Corp., a wholly-owned subsidiary of the Applicant (**Subco**) incorporated under the laws of British Columbia, pursuant to which Finco and Subco will amalgamate and the amalgamated company will become a wholly owned subsidiary of the Applicant and the Finco

Other Information

shareholders will receive shares of the Applicant. Pursuant to the Proposed Transaction, the name of the Applicant will be changed to "Acreage Holdings, Inc."

5. The material rights, duties and obligations of a corporation governed by the BCBCA are substantially similar to those of a corporation governed by the OBCA.
6. The Applicant is a reporting issuer under the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the **Act**). The Applicant is not a reporting issuer in any jurisdiction other than Ontario and will remain a reporting issuer in Ontario following the proposed Continuance.
7. The Applicant is not in default of any of the provisions of the OBCA or the Act, including the regulations made thereunder.
8. The Applicant is not subject to any proceeding under the OBCA or the Act.
9. The Commission is the principal regulator of the Applicant and will continue to be its principal regulator after the proposed Continuance.
10. The Applicant's registered office and head office is currently in Ontario. Following the proposed Continuance, the Applicant's registered office will be moved to British Columbia and its head office will be moved to New York.
11. The Applicant's management information circular dated October 5, 2018, as amended, for its annual general and special meeting of shareholders, held on November 6, 2018 (the **Shareholders Meeting**) described the proposed Continuance, disclosed the reasons for, and the implications of, the proposed Continuance. It also disclosed full particulars of the dissent rights of the Applicant's shareholders under section 185 of the OBCA.
12. The Applicant's shareholders approved the proposed Continuance at the Shareholders Meeting by a special resolution that was approved by 99.992% of the votes cast (99.356% excluding persons who were precluded from voting); no shareholder exercised dissent rights pursuant to section 185 of the OBCA.
13. Subsection 4(b) of the Regulation requires the Application for Continuance to be accompanied by a consent from the Commission.

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

THE COMMISSION CONSENTS to the continuance of the Applicant under the BCBCA.

DATED at Toronto, Ontario this 6th day of November 2018.

"Garnet Fenn"
Commissioner
Ontario Securities Commission

"Robert P. Hutchison"
Commissioner
Ontario Securities Commission

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