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Chapter 1

Notices

1.1 Notices

1.1.1 Notice of Ministerial Approval of National Instrument 45-110 Start-Up Crowdfunding Registration and Prospectus Exemptions and Consequential Amendments

**NOTICE OF MINISTERIAL APPROVAL OF
NATIONAL INSTRUMENT 45-110 START-UP CROWDFUNDING
REGISTRATION AND PROSPECTUS EXEMPTIONS
AND CONSEQUENTIAL AMENDMENTS**

September 23, 2021

The Ontario Minister of Finance recently approved National Instrument 45-110 *Start-Up Crowdfunding Registration and Prospectus Exemptions* (**NI 45-110**) and consequential amendments to other instruments (the **Consequential Amendments**). The Consequential Amendments include consequential amendments to the following instruments:

- National Instrument 45-102 *Resale of Securities*,
- Ontario Securities Commission Rule 11-501 *Electronic Delivery of Documents to the Ontario Securities Commission*,
- Ontario Securities Rule 45-501 *Ontario Prospectus and Registration Exemptions*, and
- Ontario Securities Commission Rule 13-502 *Fees*.

NI 45-110 provides harmonized national registration and prospectus exemptions to facilitate securities crowdfunding for start-ups and early stage issuers.

NI 45-110 and the Consequential Amendments (the **Rules**), together with corresponding changes to Companion Policy 45-501CP *Ontario Prospectus and Registration Exemptions* (the **CP Change**), were published on the OSC website at <http://www.osc.gov.on.ca> and in Chapter 1 of the Bulletin on June 24, 2021. The same material is being published today in Chapter 5 of this Bulletin.

The Rules and the CP Change came into force in Ontario on September 21, 2021.

1.1.2 Notice of Coming into Effect – Memorandum of Understanding – Cooperation and the Exchange of Information Related to the Supervision of Regulated Entities Operating in Ontario and Singapore

**NOTICE OF COMING INTO EFFECT
MEMORANDUM OF UNDERSTANDING
COOPERATION AND THE EXCHANGE OF INFORMATION
RELATED TO THE SUPERVISION OF REGULATED ENTITIES
OPERATING IN ONTARIO AND SINGAPORE**

On July 15, 2021, the Ontario Securities Commission (**OSC**) entered into a Memorandum of Understanding with the Monetary Authority of Singapore concerning regulatory cooperation related to the supervision and oversight of regulated entities operating in Ontario and Singapore (the "**MOU**").

The MOU came into effect on September 21, 2021, pursuant to section 143.10(4) of the *Securities Act* (Ontario).

The MOU provides a comprehensive framework for consultation, cooperation and information-sharing related to the day-to-day supervision and oversight of regulated entities and enhances the OSC's ability to supervise these entities.

Questions may be referred to:

Alex Petro
Market Regulation
apetro@osc.gov.on.ca

Tim Baikie
Market Regulation
tbaikie@osc.gov.on.ca

1.4 Notices from the Office of the Secretary

1.4.1 Sean Daley et al.

FOR IMMEDIATE RELEASE
September 15, 2021

**SEAN DALEY; and
SEAN DALEY carrying on business as
the ASCENSION FOUNDATION,
OTO.Money,
SilentVault, and
CryptoWealth;
WEALTH DISTRIBUTED CORP.;
CYBERVISION MMX INC.;
KEVIN WILKERSON; and
AUG ENTERPRISES INC.,
File No. 2019-28**

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

A copy of the Order dated September 15, 2021 is available at www.osc.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

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1.4.2 Plateau Energy Metals Inc. et al.

FOR IMMEDIATE RELEASE
September 17, 2021

**PLATEAU ENERGY METALS INC.,
ALEXANDER FRANCIS CUTHBERT HOLMES AND
PHILIP NEVILLE GIBBS,
File No. 2021-16**

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

A copy of the Order dated September 17, 2021 is available at www.osc.ca.

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Macquarie Capital Markets Canada Ltd.

Headnote

Application for a ruling pursuant to section 74 of the Securities Act granting relief from the dealer registration requirement in section 25 of the OSA to allow the Filer, an investment dealer and member of the Investment Industry Regulatory Organization of Canada (IIROC), to use employees of certain Designated Foreign Affiliates for “after-hours trading” in securities on the Bourse de Montréal Inc. – Relief granted, subject to terms and conditions.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 25(1), 74(1) and 144(1).

Instruments Cited

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

September 11, 2021

**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
MACQUARIE CAPITAL MARKETS CANADA LTD.
(the Filer)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer for a decision under the securities legislation of the Jurisdiction (the **Legislation**) exempting the Designated Foreign Affiliate Employees (as defined below) of the Filer, when conducting Extended Hours Activities (as defined below) on the Bourse de Montréal Inc. (the **MX**), from the dealer registration requirement in the Legislation, subject to the terms and conditions set out below (the **Exemption Sought**).

The principal regulator granted a decision dated January 25, 2019 (the **Original Decision**) providing relief in connection with certain Extended Hours Activities. The Filer has also applied for an order pursuant to the securities legislation of the Jurisdiction to revoke the Original Decision as of the date hereof.

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 by the Filer in each of the provinces of Canada other than Québec.

Interpretation

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

Representations

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

The Filer

1. The Filer is a corporation formed under the laws of Ontario. The head office of the Filer is located in Toronto, Ontario.
2. The Filer is registered as an investment dealer under the securities legislation of all the provinces and territories of Canada; is registered as a futures commission merchant under the commodity futures legislation of Ontario and Manitoba; and is registered as a derivatives dealer under the derivatives legislation of Québec.
3. The Filer is a member of the Investment Industry Regulatory Organization of Canada (**IIROC**) and an approved participant of the MX.
4. The Filer is not in default of securities, derivatives or commodity futures legislation in any jurisdiction of Canada.
5. Macquarie Bank Limited (**MBL**) is a corporation incorporated in Australia. The head office of MBL is located in Sydney, Australia.
6. The Filer and MBL are each wholly-owned (indirect) subsidiaries of the same ultimate parent entity, Macquarie Group Limited (**MGL**).

7. MGL carries on business in the United Kingdom and Australia.
 8. MBL is an Australia-based financial service provider, which is authorized and regulated by the Australian Prudential Regulation Authority (**APRA**). MBL is also authorized and regulated by the Australian Securities & Investments Commission pursuant to an Australian Financial Services License (**AFSL**).
 9. MBL carries on business in the United Kingdom through a branch office, Macquarie Bank Limited (London Branch) (**MBL London** and, together with MBL, the **Designated Foreign Affiliates**), located in London, England and is authorized and regulated by APRA, and subject to regulation by both the United Kingdom Financial Conduct Authority as well as the United Kingdom Prudential Regulation Authority.
 10. The Designated Foreign Affiliates hold memberships and/or have third-party clearing relationships with commodity and financial futures exchanges and clearing associations, including the Australian Stock Exchange. The Designated Foreign Affiliates may also carry positions reflecting trades executed on other exchanges through affiliates and/or third-party clearing brokers.
 11. The Filer wishes to make use of certain designated employees of the Designated Foreign Affiliates (**Designated Foreign Affiliate Employees**) to handle trading requests on the MX from the Filer's clients and the Filer on a proprietary basis during the MX's extended trading hours from 4:30 p.m. ET (t-1) to 6:00 a.m. ET each day on which the MX is open for trading (the **Extended Hours Activities**).
14. On March 17, 2020, the MX announced that it had approved non-material amendments to its rules and procedures in order to accommodate the further extension of the MX's trading hours. As a result of these amendments, it is anticipated that following the self-certification process applicable to self-regulatory organizations such as the MX, trading of certain products on the MX will commence at 8:00 p.m. ET (t-1) rather than the current 2:00 a.m. ET (the **Asian Trading Hours Initiative**). These amendments are considered non-material insofar as the framework put in place in connection with the Initial Extended Hours Initiative will apply to the Asian Trading Hours Initiative, allowing participants on the MX to have employees of affiliated corporations, including foreign affiliates, become an approved person of the MX participant and thus be able to handle trading requests originating from the MX participant's clients or the MX participant on a proprietary basis. See MX Circular 135-20. On February 4, 2021, the MX announced a proposed launch date of May 30, 2021 for the Asian Trading Hours Initiative, which has since been rescheduled to September 19, 2021. See MX Circulars 024-21 and 063-21.
 15. The IIROC Relief allows for trading to commence at 4:30 p.m. ET (t-1) rather than 8 p.m. ET (t-1) as contemplated by the Asian Trading Hours Initiative, subject to the MX trading rules being modified. The Exemption Sought accordingly conforms to the IIROC Relief with respect to Extended Hours Activities.

Application of the dealer registration requirement to Designated Foreign Affiliate Employees

The MX Extended Trading Hours Amendments

12. The MX, based in Montréal, Québec, operates an exchange for options, commodity futures contracts and commodity futures options, and offers access to trading in those to market participants in Canada.
 13. In 2018, the MX extended its trading hours to allow commencement of trading of certain products commencing at 2:00 a.m. ET rather than 6:00 a.m. ET (the **Initial Extended Hours Initiative**). As set out in MX Circular 111-18, in order to accommodate such earlier trading, the MX amended its rules to allow participants on the MX to have employees of affiliated corporations, including foreign affiliates, become an approved person of the MX participant and thus be able to handle trading requests originating from the MX participant's clients or the MX participant on a proprietary basis. In furtherance of the Initial Extended Hours Initiative, the Filer sought and obtained the Original Decision from the OSC that is substantially similar to the Exemption Sought with respect to Designated Foreign Affiliate Employees of Designated Foreign Affiliates.
16. The Filer is an MX approved participant and the Designated Foreign Affiliates are affiliated entities. The Filer wishes to make use of the Designated Foreign Affiliate Employees to conduct the Extended Hours Activities.
 17. The dealer registration requirement under the Legislation requires an individual to be registered to act as a dealing representative on behalf of a registered firm. The Exemption Sought is intended to provide the Filer with an exemption from (i) the requirement that the Filer use only registered dealing representatives to conduct the Extended Hours Activities; and (ii) the requirement that the Designated Foreign Affiliate Employees who will be conducting the Extended Hours Activities be registered as dealing representatives of the Filer.
 18. The Filer seeks an exemption from the dealer registration requirement because, in the absence of such exemption, each Designated Foreign Affiliate Employee who was to trade on behalf of the Filer would be required to become individually registered and licensed in Canada. The Filer believes this is duplicative since the Designated Foreign Affiliate Employees are certified under applicable United Kingdom or Australia law and supervised by the

Filer's Designated Supervisors (as defined below) and are otherwise subject to the conditions set forth below. The Filer believes the dealer registration requirement is unduly onerous in light of the limited trading activities the Designated Foreign Affiliate Employees will be conducting and only during the period from 4:30 p.m. ET (t-1) to 6:00 a.m. ET.

19. The Filer has also applied to, and obtained from, IIROC an exemption from the registered representative requirements that are found in IIROC Dealer Member Rules 18.2, 18.3 and 500.2 and the requirement to enter into an employee or agent relationship with the person conducting securities related business on its behalf that is found in IIROC Dealer Member Rule 39.3 (the **IIROC Relief**).

20. The IIROC Relief obtained by the Filer is subject to certain conditions, including:

- (a) the Designated Foreign Affiliate Employees must be registered/licensed under the applicable laws of the United Kingdom or Australia in a category that permits trading the types of products which they will be trading on the MX;
- (b) the Designated Foreign Affiliate Employees will be permitted to accept and enter orders from clients of the Filer or orders from the Filer on a proprietary basis during the period from 4:30 p.m. ET (t-1) to 6:00 a.m. ET, and will not be permitted to give advice;
- (c) the Filer retains all responsibilities for its client accounts;
- (d) the actions of the Designated Foreign Affiliate Employees will be supervised by specific designated supervisors of the Filer (the Designated Supervisors), each of whom is qualified to supervise trading in futures contracts, futures contract options and options;
- (e) the Filer and each Designated Foreign Affiliate must jointly and severally undertake to ensure IIROC has, upon request, prompt access to the audit trail of all trades that relate to Extended Hours Activities and records relating thereto;
- (f) the Exemption Sought would apply to Designated Foreign Affiliate Employees who are designated and recorded on a list maintained by the Filer which list must be provided to IIROC in writing and updated on at least an annual basis;
- (g) the Filer and each Designated Foreign Affiliate Employee will enter into an agency arrangement pursuant to which the Filer will assume all responsibility for the actions of the Designated Foreign Affiliate Employees

and of each Designated Foreign Affiliate that relate to the Filer's clients regarding this trading on MX, and the Filer will acknowledge that it will be liable under IIROC rules for such actions;

- (h) all MX trading rules will apply to orders entered by the Designated Foreign Affiliate Employees;
- (i) other than individual registration, all other existing Canadian regulatory requirements would continue to apply to this arrangement, including without limitation:
 - i.* the Filer's client accounts would continue to be carried on the books of the Filer;
 - ii.* all communications with the Filer's clients will continue to be in the name of the Filer; and
 - iii.* the Filer's client account monies, security and property will continue to be held by the Filer;
- (j) the Filer will establish and maintain written policies and procedures that address the performance and supervision requirements relating to MX extended trading hours; and
- (k) the Filer will disclose this extended trading hours arrangement to clients for its MX trading services and provide specific instructions concerning the placement of orders relating thereto.

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 Original Decision is revoked and the Exemption Sought is granted so long as:

- (a) the Designated Foreign Affiliates and the Designated Foreign Affiliate Employees are registered, licensed, certified or authorized under the applicable laws of the foreign jurisdiction in which the head office or principal place of business of the Designated Foreign Affiliate is located in a category that permits trading the type of products which the Designated Foreign Affiliate Employees will be trading on the MX;
- (b) the Designated Foreign Affiliate Employees are permitted to accept and enter orders from clients of the Filer or orders from the Filer on a proprietary basis during the period from 4:30 p.m. ET (t-1)

to 6:00 a.m. ET, and will not be permitted to give advice;

- (c) the Filer retains all responsibilities for its client accounts;
- (d) the actions of the Designated Foreign Affiliate Employees will be supervised by the Designated Supervisors, each of whom is qualified to supervise trading in futures contracts, futures contract options and options;
- (e) the Filer and the Designated Foreign Affiliate Employees enter into an agency arrangement substantially as described in paragraph 20(g), and such arrangement remains in effect; and
- (f) the Filer remains in compliance with the terms and conditions of the IIROC Relief.

“M. Cecilia Williams”
Commissioner
Ontario Securities Commission

“Frances Kordyback”
Commissioner
Ontario Securities Commission

OSC File #: 2021/0313

2.1.2 Pembina Pipeline Corporation

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – exemption granting relief from requirement in National Instrument 44-101 Short Form Prospectus Distributions to incorporate by reference into a short form prospectus the Joint Information Circular (as defined in the Decision) – information contained in the Joint Information Circular related to a terminated arrangement agreement is no longer material, relevant or applicable – any material facts or information relating to the Filer contained in the Joint Information Circular has been disclosed in one or more of the Filer's other continuous disclosure documents that will be incorporated by reference in any prospectus of the Filer.

Applicable Legislative Provisions

National Instrument 44-101 Short Form Prospectus Distributions, ss. 8.1(1), 8.1(2).
Form 44-101F1 Short Form Prospectus, s. 11.1(1)7.

Citation: *Re Pembina Pipeline Corporation*, 2021 ABASC 144

September 2, 2021

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

AND

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

AND

**IN THE MATTER OF
PEMBINA PIPELINE CORPORATION
(the Filer)**

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (**Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) for an exemption (the **Exemption Sought**) from the requirement under Item 11.1(1)(7) of Form 44-101F1 *Short Form Prospectus* (**Form 44-101F1**) to incorporate by reference in any short form prospectus of the Filer, including any short form prospectus that is a base shelf prospectus pursuant to National Instrument 44-102 *Shelf Distributions* (**NI 44-102**) and any supplement thereto (each, a **Prospectus**), the joint management information circular (the **Joint Information Circular**) of the Filer and Inter Pipeline Ltd. (**Inter Pipeline**) dated June 29, 2021.

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

- (a) the Alberta Securities Commission is the principal regulator for this application;
- (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 each province of Canada, other than Ontario; 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 National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

Representations

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

- 1. The Filer is a corporation governed by the *Business Corporations Act* (Alberta). The head and registered office of the Filer is located in Calgary, Alberta.
- 2. The Filer is a reporting issuer in each province of Canada and is not in default of the securities legislation in any jurisdiction of Canada.
- 3. The common shares of the Filer (the **Common Shares**) are listed and posted for trading on the Toronto Stock Exchange under the symbol "PPL" and on the New York Stock Exchange under the symbol "PBA".
- 4. The Filer satisfies the basic qualification criteria as set out in section 2.2 of National Instrument 44-101 *Short Form Prospectus Distributions (NI 44-101)* and, as a result, is qualified to file short form prospectus that is a base shelf prospectus under section 2.2 of NI 44-102.
- 5. The Filer has a current AIF and current annual financial statements (each as defined in section 1.1 of NI 44-101).
- 6. The Filer has filed (or has been deemed to have filed) the notice required by section 2.8 of NI 44-101 and such notice has not been withdrawn.
- 7. The Filer has three short form prospectuses that are base shelf prospectuses that are effective as of August 4, 2021
 - (a) the short form base shelf prospectus of the Filer dated August 30, 2019 qualifying the issuance and sale of up to \$5 billion

aggregate principal amount of medium term notes of the Filer,

- (b) the short form base shelf prospectus of the Filer dated August 30, 2019 qualifying the issuance and sale of up to \$3 billion aggregate initial offering price of the Filer's Common Shares, Class A preferred shares, warrants to purchase common shares and subscription receipts and units comprising any combination of the foregoing, and
- (c) the short form base shelf prospectus of the Filer dated December 30, 2020 qualifying the issuance and sale of up to \$2 billion aggregate initial offering price of Class A preferred shares of the Filer and bonds, debentures, notes or other evidence of indebtedness of any kind, nature or description of the Filer

(collectively, the **Base Shelf Prospectuses**).

- 8. On May 31, 2021, the Filer and Inter Pipeline entered into an arrangement agreement, as amended by a first amendment agreement dated June 29, 2021 (collectively, the **Arrangement Agreement**), pursuant to which the Filer proposed to acquire all of the issued and outstanding common shares of Inter Pipeline (the **IPL Common Shares**) in exchange for Common Shares (the **Proposed Transaction**).
- 9. In connection with the Proposed Transaction, the Filer was required to obtain the approval of the issuance of the Common Shares by its shareholders and Inter Pipeline was required to obtain the approval of the Proposed Transaction by its shareholders. Accordingly, the Filer called a meeting of shareholders of the Filer to be held at 1:00 p.m. (Calgary time) on July 29, 2021 (the **Shareholder Meeting**) to approve the issuance of the Common Shares in connection with the Proposed Transaction, and Inter Pipeline called a meeting of shareholders of Inter Pipeline to be held at 10:00 a.m. (Calgary time) on July 29, 2021 to approve the Proposed Transaction and normal course annual business matters, including electing the directors of Inter Pipeline, appointing the auditors of Inter Pipeline and voting on Inter Pipeline's approach to executive compensation (collectively, the **Inter Pipeline Annual Business**). In connection with the foregoing, the Filer and Inter Pipeline prepared the Joint Information Circular.
- 10. The Joint Information Circular includes or incorporates by reference, among other disclosure, a summary of the Arrangement Agreement and the Proposed Transaction, the reasons for and benefits of the Proposed Transaction for the Inter Pipeline and Filer shareholders (including disclosure prepared by Inter Pipeline regarding the reasons for Inter Pipeline shareholders to vote in favour of the

Proposed Transaction, rather than tendering their IPL Common Shares to the outstanding hostile take-over bid for Inter Pipeline, which the Filer reviewed, but did not have any involvement in preparing), respectively, pro forma information of the Filer after giving effect to the Proposed Transaction, including pro forma financial information, and prospectus-level disclosure with respect to Inter Pipeline, including the audited consolidated financial statements of Inter Pipeline as at and for the years ended December 31, 2020 and 2019 (including the auditors' report thereon), the interim financial statements of Inter Pipeline as at and for the three months ended March 31, 2021 and 2020 and information relating to the Inter Pipeline Annual Business, including the Inter Pipeline executive compensation disclosure required by Form 51-102F6 *Statement of Executive Compensation*.

11. The Joint Information Circular was filed on the System for Electronic Document Analysis and Retrieval (SEDAR) by the Filer and Inter Pipeline on July 5, 2021 and was mailed to the respective shareholders of the Filer and Inter Pipeline on July 8, 2021.
12. On July 26, 2021, the Filer announced that it had terminated the Arrangement Agreement in accordance with its terms effective July 25, 2021 and cancelled the Shareholder Meeting. As a result of the termination of the Arrangement Agreement and the Proposed Transaction by the Filer (which was never considered or voted on by the shareholders of the Filer at the Shareholder Meeting), the disclosure in the Joint Information Circular, particularly as it relates to the Proposed Transaction and Inter Pipeline (including as described in paragraph 10 above), is no longer material, relevant or applicable to the Filer, its securityholders or potential purchasers of the Filer's securities, and, further, any material facts or information relating to the Filer contained therein has been disclosed in one or more of the Filer's other continuous disclosure documents that will be incorporated by reference in any Prospectus. Further, other than pursuant to the Exemption Sought, all information required to be included in any Prospectus will be included therein or in one or more documents incorporated by reference therein.
13. Pursuant to Item 11.1(1)(7) of Form 44-101F1, the Filer is required to incorporate by reference in any Prospectus of the Filer any information circular filed by the Filer under Part 9 of National Instrument 51-102 *Continuous Disclosure Obligations* since the beginning of the financial year in respect of which the Filer's current AIF is filed. Accordingly, the Filer is required to incorporate by reference in any such Prospectus of the Filer, including the Base Shelf Prospectuses, the Joint Information Circular from the date hereof until the Filer files an annual information form in respect of its financial year ended December 31, 2022.

14. Other than pursuant to the Exemption Sought, any Prospectus prepared by the Filer will comply with the applicable requirements of NI 44-101, NI 44-102 and Form 44-101F1, as applicable.

Decision

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

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

- (a) at the time of filing of any Prospectus, the Filer satisfies the basic qualification criteria as set out in section 2.2 of NI 44-101,
- (b) the Filer complies with all of the other applicable requirements of NI 44-101, NI 44-102 and Form 44-101F1, as applicable, in respect of any Prospectus of the Filer (except as varied by this decision), and
- (c) the Filer discloses in each Prospectus that it has obtained exemptive relief from the requirement to incorporate by reference in such Prospectus the Joint Information Circular, and includes a statement identifying the decision and explaining how a copy of this decision can be obtained.

"Timothy Robson"
Manager, Legal
Corporate Finance
Alberta Securities Commission

2.1.3 Next Edge Capital Corp. et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief granted from National Instrument 81-101 Mutual Fund Prospectus Disclosure to combine the simplified prospectus of an alternative mutual fund with the simplified prospectus of a conventional mutual fund.

Applicable Legislative Provisions

National Instrument 81-101 Mutual Fund Prospectus Disclosure, ss. 5.1(4) and 6.1(1).

September 16, 2021

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
NEXT EDGE CAPITAL CORP.
(the Filer)

AND

NEXT EDGE BIOTECH AND LIFE SCIENCES
OPPORTUNITIES FUND
NEXT EDGE STRATEGIC METALS AND COMMODITIES
FUND
(the Existing Alternative Funds)

AND

THE ALTERNATIVE MUTUAL FUNDS
ESTABLISHED IN THE FUTURE AND MANAGED BY
THE FILER OR AN AFFILIATE OF THE FILER
(the Future Alternative Funds, and together with the
Existing Alternative Funds, the Alternative Funds)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Alternative Funds for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) that grants relief to the Alternative Funds from the requirement in subsection 5.1(4) of National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (**NI 81-101**) which states that a simplified prospectus (**SP**) for an alternative mutual fund must not be consolidated with a SP of another mutual fund if the other mutual fund is not an alternative mutual fund in

order to permit SP(s) for one or more Alternative Funds to be consolidated with the SP(s) of one or more mutual funds existing today or created in the future (i) that are reporting issuers to which NI 81-101 and National Instrument 81-102 *Investment Funds* (**NI 81-102**) apply, (ii) that are not alternative mutual funds, and (iii) for which the Filer, or an affiliate of the Filer, acts as the investment fund manager (the **Conventional Funds**, and together with the Alternative Funds, the **Funds**) (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 each of the other provinces and territories of Canada (together with Ontario, the **Canadian Jurisdictions**).

Interpretation

Terms defined in National Instrument 14-101 *Definitions*, MI 11-102 and NI 81-102.

Representations

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

1. The Filer is a corporation incorporated under the laws of Canada with a head office in Toronto.
2. The Filer is registered as: (i) an Investment Fund Manager in Ontario, Québec and Newfoundland and Labrador; (ii) a Portfolio Manager in Alberta and Ontario; and (iii) as an Exempt Market Dealer in Alberta, British Columbia, Manitoba, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan.
3. The Filer, or an affiliate of the Filer, is, or will be, the investment fund manager of each Fund.
4. The Filer is not in default of the securities legislation in any of the Canadian Jurisdictions.
5. Each Alternative Fund is, or will be, established under the laws of Ontario or Canada as a mutual fund that is a trust or a class of shares of a mutual fund corporation and is, or will be, a reporting issuer in one or more of the Canadian Jurisdictions.
6. Each Conventional Fund is not, or will not be, an alternative mutual fund.
7. The Existing Alternative Funds are not in default of the securities legislation in any of the Canadian Jurisdictions.

8. The securities of each Fund are, or will be, qualified for distribution in one or more of the Canadian Jurisdictions using a SP, annual information form (AIF), fund facts and/or ETF facts document(s) prepared and filed in accordance with the securities legislation of such Canadian Jurisdictions.
9. If an Alternative Fund offers both securities which are listed on a stock exchange and securities which are not listed on a stock exchange, the Alternative Fund will have received permission to distribute such securities using a SP rather than a long form prospectus pursuant to National Instrument 41-101 *General Prospectus Requirements* (NI 41-101).
10. The Filer wishes to combine the SP(s) for one or more Alternative Funds with the SP(s) of one or more Conventional Funds in order to reduce renewal, printing and related costs. Offering the Alternative Funds using the same SP and AIF as the Conventional Funds would facilitate the distribution of the Alternative Funds in the Canadian Jurisdictions under the same prospectus disclosure and enable the Filer to streamline disclosure across the Filer's fund platform.
11. Even though the Alternative Funds are, or will be, alternative mutual funds, they share, or will share, many common operational and administrative features with the Conventional Funds and combining them in the same SP will allow investors to more easily compare the features of the Alternative Funds and the Conventional Funds.
12. Investors will continue to receive the fund facts and/or ETF facts document(s), as applicable, when purchasing securities of the Alternative Funds or Conventional Funds as required by applicable securities legislation. The form and content of the fund facts and ETF facts document(s) of the Alternative Funds and Conventional Funds will not change as a result of the Exemption Sought. The SP and/or AIF of the Alternative Funds and Conventional Funds will continue to be provided to investors, upon request, as required by applicable securities legislation.
13. NI 41-101 does not contain a provision equivalent to subsection 5.1(4) of NI 81-101. Accordingly, an investment fund manager that manages exchange-traded funds (ETFs) is permitted to consolidate a prospectus under NI 41-101 for its ETFs that are alternative mutual funds with a prospectus for its ETFs that are conventional mutual funds. There is no reason why mutual funds filing a prospectus under NI 81-101 should be treated differently from ETFs filing a prospectus under NI 41-101.

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 is that the Exemption Sought is granted.

"Darren McCall"
Manager, Investment Funds and Structured Products
Ontario Securities Commission

Application File #: 2021/0491

2.1.4 Franklin Templeton Investments Corp.

Headnote

National Policy 11-203 Process for Exemptive Relief Application in Multiple Jurisdictions – Relief granted from the self-dealing provision in subsection 4.2(1) of NI 81-102 Investment Funds to permit inter-fund trades in debt securities between investment funds subject to NI 81-102 and Canadian pooled funds, and between investment funds subject to NI 81-102 and U.S. mutual funds and U.S. pooled funds, managed by the same or affiliated managers – subject to conditions – Relief to expire three years after decision date.

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief from subparagraphs 13.5(2)(b)(ii) and (iii) of NI 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations to permit inter-fund trades between Canadian mutual funds, Canadian pooled funds, Canadian managed accounts, U.S. mutual funds and U.S. pooled funds all managed by the same or affiliated fund managers – Trades involving exchange-traded securities permitted to occur at last sale price as defined in the Universal Market Integrity Rules – Trades where at least one counterparty has a Canadian portfolio manager or sub-advisor may be printed via a third-party IIROC registered dealer in satisfaction of market integrity requirement conditions – Trades where both counterparties have a U.S. portfolio manager or sub-advisor, and no Canadian portfolio manager or sub-advisor (but excluding trades involving only U.S. mutual funds or U.S. pooled funds), may be printed via a third-party IIROC registered dealer or via a third-party U.S.-registered broker-dealer provided certain conditions met, in satisfaction of market integrity requirement conditions – subject to additional conditions – Relief to expire three years after decision date.

Applicable Legislative Provisions

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

National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, ss. 13.5(2)(b)(ii) and (iii) and 15.1.

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

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

AND

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

AND

**IN THE MATTER OF
FRANKLIN TEMPLETON INVESTMENTS CORP.
(Franklin Templeton Canada)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application from Franklin Templeton Canada for a decision under the securities legislation of the Jurisdiction (the **Legislation**):

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

- (i) a Canadian Fund (as hereinafter defined) to purchase securities from or sell securities to another Canadian Fund (as hereinafter defined);
 - (ii) a Canadian Client Account (as hereinafter defined) to purchase securities from or sell securities to a Canadian Fund (as hereinafter defined);
 - (iii) a Canadian Fund (as hereinafter defined) to purchase securities from or sell securities to a U.S. Fund (as hereinafter defined);
 - (iv) a Canadian Client Account (as hereinafter defined) to purchase securities from or sell securities to a U.S. Fund (as hereinafter defined);
 - (v) the transactions listed in (i) to (ii) (each, a **Canadian Inter-Fund Trade**) and (iii) and (iv) (each, a **Cross-Border Inter-Fund Trade**) to be executed at the last sale price, as defined in the Universal Market Integrity Rules of the Investment Industry Regulatory Organization of Canada, prior to the execution of the trade (the **Last Sale Price**) in lieu of the closing sale price (the **Closing Sale Price**) contemplated by the definition of “current market price of the security” in subparagraph 6.1(1)(a)(i) of National Instrument 81-107 *Independent Review Committee for Investment Funds (NI 81-107)* on that trading day where the securities involved in the Inter-Fund Trade are exchange-traded securities (which term shall include Canadian and foreign exchange-traded securities);
 - (vi) for an Inter-Fund Trade (as hereinafter defined) in a Canadian-Listed Security (as hereinafter defined) or Inter-Listed Security (as hereinafter defined), the requirements in paragraph 6.1(2)(f) of NI 81-107 may be satisfied as follows:
 - (A) where at least one party to the trade is a Canadian-Advised Fund (as hereinafter defined) or Canadian-Advised Canadian Client Account (as hereinafter defined), the Filer uses a Third-Party IIROC Registered Dealer (as hereinafter defined) to execute the Inter-Fund Trade (as hereinafter defined) on behalf of the Canadian Advised Fund (as hereinafter defined) or Canadian-Advised Canadian Client Account (as hereinafter defined); and
 - (B) where one party to the trade is a U.S.-Advised Fund (as hereinafter defined), U.S. Fund (as hereinafter defined) or U.S.-Advised Canadian Client Account (as hereinafter defined), and the other party to the trade is a U.S.-Advised Fund (as hereinafter defined) or U.S.-Advised Canadian Client Account (as hereinafter defined), the Filer uses either a Third-Party IIROC Registered Dealer (as hereinafter defined) or, provided certain conditions are met, a Third-Party U.S. Broker-Dealer (as hereinafter defined) to execute the Inter-Fund Trade (as hereinafter defined) on behalf of the U.S.-Advised Fund (as hereinafter defined), U.S. Fund (as hereinafter defined) or U.S.-Advised Canadian Client Account (as hereinafter defined);
- ((b)(i), (b)(ii), (b)(iii), (b)(iv), (b)(v) and (b)(iv) above are collectively referred to herein as the **Inter-Fund Trading Relief**);
- (c) to revoke and replace the Current Relief (as defined below) with the Section 4.2(1) Relief and the Inter-Fund Trading Relief (the **Revocation**).

(the Section 4.2(1) Relief, the Inter-Fund Trading Relief and the Revocation are, collectively, referred to herein as the **Relief Sought**).

Under National Policy 11-203 *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) Franklin Templeton Canada has provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System (MI 11-102)* is intended to be relied upon by the Filer (as hereinafter defined) in each jurisdiction of Canada outside of Ontario (together with Ontario, the **Jurisdictions**).

Interpretation

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

- (a) **33 Act** means the U.S. *Securities Act of 1933*, as amended
- (b) **40 Act** means the U.S. *Investment Company Act of 1940*, as amended;

- (c) **40 Act Funds** means, collectively, the Existing 40 Act Funds (as hereinafter defined) and the Future 40 Act Funds (as hereinafter defined);
- (d) **Applicable Inter-Fund Trading Policies** has the meaning given to it in Representation 33;
- (e) **Canadian-Advised Canadian Client Account** means a Canadian Client Account (as hereinafter defined) that has at least one of the following:
 - (i) a Canada-domiciled portfolio manager; or
 - (ii) a Canada-domiciled portfolio sub-adviser;
- (f) **Canadian-Advised Fund** means a Canadian Fund (as hereinafter defined) that has at least one of the following:
 - (i) a Canada-domiciled portfolio manager; or
 - (ii) a Canada-domiciled portfolio sub-adviser;
- (g) **Canadian Client Account** means an account managed by the Filer (as hereinafter defined) that is beneficially owned by a client that is resident or domiciled in Canada and is not a responsible person, and over which the Filer (as hereinafter defined) has discretionary authority;
- (h) **Canadian Clients** means, collectively, the NI 81-102 Funds (as hereinafter defined), the Canadian Pooled Funds (as hereinafter defined) and the Canadian Client Accounts;
- (i) **Canadian Funds** means, collectively, the NI 81-102 Funds (as hereinafter defined) and the Canadian Pooled Funds (as hereinafter defined);
- (j) **Canadian-Listed Security** means a security listed only on a Marketplace (as hereinafter defined);
- (k) **Canadian Pooled Funds** means, collectively, the Existing Canadian Pooled Funds (as hereinafter defined) and the Future Canadian Pooled Funds (as hereinafter defined);
- (l) **Current Relief** means *In the Matter of Franklin Templeton Investments Corp.* dated September 6, 2018.
- (m) **Existing 40 Act Fund** means each existing investment fund registered under the 40 Act and the 33 Act, for which a Franklin Templeton Canada Sub-adviser (as hereinafter defined) or an affiliate of the Filer (as hereinafter defined) acts as manager and/or portfolio adviser;
- (n) **Existing Canadian Pooled Fund** means each investment fund domiciled in Canada that is not a reporting issuer, and to which NI 81-102 and NI 81-107 do not apply, for which Franklin Templeton Canada acts as the investment fund manager and the Filer (as hereinafter defined) acts as manager and/or portfolio adviser;
- (o) **Existing NI 81-102 Fund** means each existing investment fund that is a reporting issuer, and to which NI 81-102 and NI 81-107 apply, for which Franklin Templeton Canada acts as the investment fund manager and the Filer (as hereinafter defined) acts as manager and/or portfolio adviser;
- (p) **Existing U.S. Pooled Fund** means each investment fund domiciled in the United States that is exempt from registration under the 40 Act and the 33 Act, for which a Franklin Templeton Canada Sub-adviser (as hereinafter defined) or an affiliate of a Franklin Templeton Canada Sub-adviser (as hereinafter defined) acts as manager and/or portfolio manager;
- (q) **Filer** means Franklin Templeton Canada and any affiliate of Franklin Templeton Canada that is registered as an adviser (portfolio manager) in any Jurisdiction;
- (r) **Franklin Templeton Canada Sub-adviser** means Templeton or one of their affiliates (as hereinafter defined);
- (s) **Funds** means, collectively, the Canadian Funds and the U.S. Funds (as hereinafter defined and each, a **Fund**);
- (t) **Future 40 Act Fund** means each investment fund, to be established in the future, and registered under the 40 Act and the 33 Act, for which a Franklin Templeton Canada Sub-adviser or an affiliate of a Franklin Templeton Canada Sub-adviser acts as manager and/or portfolio manager;
- (u) **Future Canadian Pooled Fund** means each investment fund, to be established in the future, that will be domiciled in Canada that will not be a reporting issuer, and to which NI 81-102 and NI 81-107 will not apply, for which Franklin Templeton Canada will act as the investment fund manager and the Filer will act as portfolio manager;

- (v) **Future NI 81-102 Fund** means each investment fund to be established in the future, that will be a reporting issuer, and to which NI 81-102 and NI 81-107 will apply, for which Franklin Templeton Canada will act as the investment fund manager and the Filer will act as portfolio manager;
- (w) **Future U.S. Pooled Fund** means each investment fund, to be established in the future, that will be domiciled in the United States and is exempt from registration under the 40 Act and the 33 Act, for which a Franklin Templeton Canada Sub-adviser or an affiliate of a Franklin Templeton Canada Sub-adviser acts as manager and/or portfolio manager;
- (x) **Inter-Fund Trades** means, collectively, Canadian Inter-Fund Trades, Cross-Border Inter-Fund Trades and, where applicable, all trades made pursuant to the Section 4.2(1) Relief;
- (y) **Inter-Listed Security** has the same meaning as in section 6.6.1 of National Instrument 23-101 *Trading Rules*;
- (z) **IRC** means the independent review committee of the Canadian Funds, and for greater certainty includes the Pooled Fund IRC (as hereinafter defined);
- (aa) **Marketplace** has the same meaning as in section 1.1 of National Instrument 21-101 *Marketplace Operation*, and for greater certainty refers to a venue in Canada;
- (bb) **NI 81-102 Funds** means, collectively, the Existing NI 81-102 Funds and the Future NI 81-102 Funds;
- (cc) **Pooled Fund IRC** means the IRC to be established for the Canadian Pooled Funds as contemplated in Representation 37;
- (dd) **Third-Party IIROC Registered Dealer** means a dealer that is not the Filer, and registered with the Investment Industry Regulatory Organization of Canada;
- (ee) **Third-Party U.S. Broker-Dealer** means a broker or dealer that is not the Filer, domiciled in the U.S., and registered with the appropriate U.S. securities regulatory authorities;
- (ff) **Templeton** means Templeton Investment Counsel, LLC;
- (gg) **U.S.-Advised Canadian Client Account** means a Canadian Client Account that:
 - (i) is not a Canadian-Advised Canadian Client Account; and
 - (ii) has at least one of the following:
 - (A) a U.S.-domiciled portfolio manager; or
 - (B) a U.S.-domiciled portfolio sub-adviser;
- (hh) **U.S.-Advised Fund** means a Canadian Fund that:
 - (i) is not a Canadian-Advised Fund; and
 - (ii) has at least one of the following:
 - (A) a U.S.-domiciled portfolio manager; or
 - (B) a U.S.-domiciled portfolio sub-adviser;
- (ii) **U.S. Funds** means, collectively, the 40 Act Funds and the U.S. Pooled Funds (as hereinafter defined);
- (jj) **U.S. Inter-Fund Trading Rules** means Rule 17a-7 under the 40 Act and other applicable laws governing inter-fund trading in the United States; and
- (kk) **U.S. Pooled Funds** means, collectively, the Existing U.S. Pooled Funds and the Future U.S. Pooled Funds.

Representations

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

The Filer

1. Franklin Templeton Canada is a corporation amalgamated under the laws of Ontario, with its head office in Toronto, Ontario. Franklin Templeton Canada is registered as an adviser in the category of portfolio manager, mutual fund dealer, and exempt market dealer in each of the Jurisdictions (except the Northwest Territories and Nunavut) and is registered under the *Commodity Futures Act* (Ontario) (**CFA**) in the category of commodity trading manager. Franklin Templeton Canada is registered as an investment fund manager under the relevant securities legislation of the provinces of Alberta, British Columbia, Manitoba, Nova Scotia, Ontario, Quebec and Newfoundland and Labrador.
2. Franklin Templeton Canada acts or will act as investment fund manager of each of the Canadian Funds.
3. Franklin Templeton Canada is or will be the portfolio manager for the Canadian Clients. Franklin Templeton Canada has entered into sub-advisory agreements with the Franklin Templeton Canada Sub-advisers, to provide advice with respect to all or a portion of the investments of certain Canadian Clients. The Franklin Templeton Canada Sub-advisers may change from time to time.
4. The Filer and each of the Canadian Funds are not in default of the securities legislation of any Jurisdiction.

The Canadian Clients

5. Each NI 81-102 Fund is or will be an open-end investment fund trust created under the laws of Ontario, or another Jurisdiction or an open ended mutual fund corporation and is, or will be, a reporting issuer in one or more of the Jurisdictions.
6. The securities of each of the NI 81-102 Funds are or will be qualified for distribution in some or all of the Jurisdictions pursuant to prospectuses prepared in accordance with applicable securities legislation and filed with and received by the securities regulators in each of the applicable Jurisdictions.
7. Each of the NI 81-102 Funds is or will be a reporting issuer in one or more of the Jurisdictions.
8. Franklin Templeton Canada has established the IRC in respect of the NI 81-102 Funds in accordance with NI 81-107. Any Future NI 81-102 Fund will also be within the mandate of the IRC.
9. Each Canadian Pooled Fund is or will be an open-end investment fund trust created under the laws of Ontario or another Jurisdiction, open-ended mutual fund corporation or closed-ended trust that is not and will not be a reporting issuer in any of the Jurisdictions.
10. The securities of each of the Canadian Pooled Funds are distributed by way of an applicable prospectus exemption as permitted by National Instrument 45-106 *Prospectus Exemptions*. The Canadian Pooled Funds are not, and will not be, subject to NI 81-102.
11. Franklin Templeton Canada offers discretionary investment management services to institutional and individual investors in Canada through the Canadian Client Accounts.
12. Each Canadian client wishing to receive discretionary investment management services from Franklin Templeton Canada, has entered into, or will enter into, a written agreement (an **Investment Management Agreement**) whereby the client appoints Franklin Templeton Canada, to act as portfolio manager in connection with an investment portfolio of the client with full discretionary authority to trade in securities for the Canadian Client Account without obtaining the specific consent of the client to execute the trade.
13. Each Investment Management Agreement or other documentation in respect of each Canadian Client Account will contain authorization from the client for the portfolio manager of the Canadian Client Account to make Inter-Fund Trades.

Templeton

14. Templeton is a limited liability company incorporated under the laws of the State of Delaware having its head office in Fort Lauderdale, Florida, USA.
15. Templeton is registered with the Securities and Exchange Commission (the **SEC**) as an adviser under the U.S. Investment Advisers Act of 1940 (the **Advisers Act**).
16. In the U.S., all managers of U.S. registered investment companies are registered under, and subject to the requirements of the Advisers Act. In addition, with respect to their management of registered investment companies, registered investment advisers are subject to the requirements of the 40 Act.

17. Franklin Templeton Canada and Templeton are affiliates. Both Franklin Templeton Canada and Templeton are directly or indirectly controlled by Franklin Resources, Inc., a public company in the United States which is listed for trading on the New York Stock Exchange. Franklin Templeton includes Franklin Resources, Inc. and its affiliates, a global investment organization that operates globally and as at April 30, 2021, had over C\$ 1,879 billion in assets under management.
18. Templeton, or another affiliate of Franklin Templeton Canada is, or will be, the manager of the U.S. Funds. Templeton, including affiliates of Franklin Templeton Canada, provide advisory services and portfolio manager(s) to the U.S. Funds. Templeton or another affiliate of the Filer may also appoint sub-advisers for the U.S. Funds.

The U.S. Funds

19. Each 40 Act Fund is, or will be, established under the laws of a U.S. jurisdiction and registered under the 40 Act and the 33 Act for distribution of its shares to the public.
20. Each U.S. Pooled Fund is, or will be, established under the laws of a U.S. jurisdiction, and exempt from registration under the 40 Act. Shares of U.S. Pooled Funds are, or will be, distributed on a private placement basis pursuant to available exemptions from the registration requirements of the 33 Act.

The Inter-fund Trades

21. The Filer wishes to be able to permit any Canadian Client to engage in Inter-Fund Trades of portfolio securities with a Fund.
22. NI 31-103, NI 81-102 and NI 81-107 restrict inter-fund trading. Absent the Relief Sought, none of the Canadian Clients, nor the Filer on their behalf, will be permitted to engage in Inter-Fund Trades as contemplated in this decision.
23. The Filer is a responsible person for the purpose of paragraph 13.5(2)(b) of NI 31-103 and, absent exemptive relief, is prohibited from effecting any Inter-Fund Trades between Canadian Clients or other Funds (as investment funds for which the Filer, or other responsible person, acts as an adviser).
24. Each Franklin Templeton Canada Sub-adviser which is an affiliate of the Filer and has access to, or participates in, formulating, an investment decision made on behalf of the Canadian Clients is a responsible person for the purpose of paragraph 13.5(2)(b) of NI 31-103. As responsible persons, absent the Relief Sought, each such Franklin Templeton Canada Sub-adviser is prohibited from effecting any Inter-Fund Trades between Canadian Clients or other Funds (as investment funds for which the Filer, or other responsible person, acts as an adviser).
25. Absent exemptive relief, each NI 81-102 Fund is prohibited under subsection 4.2(1) of NI 81-102 from purchasing a security from or selling a security to a Fund (if the Fund is an associate or an affiliate of the Filer).
26. The exception in section 4.3(1) of NI 81-102 which permits certain inter-fund trades of securities subject to public quotations is not available for any Inter-Fund Trades of debt securities because debt securities are typically not subject to public quotations.
27. The exception in section 4.3(2) which permits certain inter-fund trades of debt securities is not available for any Inter-Fund Trades of debt securities between: (i) NI 81-102 Funds and Canadian Pooled Funds; and (ii) NI 81-102 Funds and U.S. Funds. In both instances, that exemption only applies where funds on both sides of the inter-fund trade are investment funds subject to NI 81-107. The Canadian Pooled Funds and U.S. Funds will not be subject to NI 81-107.
28. Where a Franklin Templeton Canada Sub-adviser is a responsible person of the Canadian Clients and also acts as an adviser to a U.S. Fund, any Cross-Border Inter-Fund Trades between the Canadian Clients and the U.S. Funds would be prohibited under subparagraphs 13.5(2)(b)(ii) or (iii) of NI 31-103.
29. Overall, the trading conducted within the Franklin Templeton enterprise on its various trading desks is in respect of approximately U.S. \$1,572.1 billion of managed assets (as of August 31, 2021), of which trading for the Canadian Clients is a smaller part, being in respect of approximately CDN \$34.2 billion as of that date. Franklin Templeton Canada wishes to institute a program allowing for Inter-Fund Trades, so as to optimize the trading that is conducted on the various trading desks and to allow for efficiencies in carrying out this trading, all of which Franklin Templeton Canada considers to be in the best interests of the Canadian Clients.
30. The traders employed as traders for each Franklin Templeton trading desk carry out sophisticated trading for the entire Franklin Templeton enterprise, including the Canadian Clients, and the U.S. Funds. Trading on each trading desk is carried out, when appropriate, on an aggregated and bunched (blocked) basis for all trades involving the Franklin Templeton enterprise. Upon trade execution, allocations are automatically performed through the systematic application of rules which are derived in accordance with established Franklin Templeton enterprise trading policies. Within the

Franklin Templeton enterprise, portfolio management and trading functions are separated to enhance the overall control environment to ensure that trade allocation policies and procedures are consistently and fairly applied. Traders on each trading desk seek to ensure that all trades for the Franklin Templeton enterprise are carried out whenever possible in a systematic and consistent manner.

31. Trading on each trading desk complies with all applicable laws, including those of Canada, and inter-fund trades or broker crosses are not permitted if such trading is not permitted by the laws applying to the accounts being traded through the trading desk.
32. Each Inter-Fund Trade will be consistent with the investment objectives of the Fund or Canadian Client Account, as applicable.
33. The Filer and the Franklin Templeton Canada Sub-adviser is subject to cross trade and transfer-in-kind policies (the **Applicable Inter-Fund Trading Policies**). Such Applicable Inter-Fund Trading Policies include a Canadian specific policy which ensures that Canadian Inter-Fund Trades are conducted in accordance with the requirements of applicable securities legislation, including NI 81-102 and NI 81-107.
34. At the time of an Inter-Fund Trade, the Filer will have policies and procedures in place to enable the Canadian Clients to engage in the Inter-Fund Trades.
35. Inter-Fund Trades involving an NI 81-102 Fund will be referred to and approved by the IRC of the NI 81-102 Fund under subsection 5.2(1) of NI 81-107 and Franklin Templeton Canada, as investment fund manager of an NI 81-102 Fund, and the IRC of the NI 81-102 Fund, will comply with section 5.4 of NI 81-107 in respect of any standing instructions the IRC provides in connection with the Inter-Fund Trade. The IRC of the NI 81-102 Funds will not approve an Inter-Fund Trade involving an NI 81-102 Fund unless it has made the determination set out in subsection 5.2(2) of NI 81-107.
36. Franklin Templeton Canada, as investment fund manager of the Canadian Pooled Funds, will establish an IRC (which may also be the IRC in respect of the NI 81-102 Funds) in respect of each Canadian Pooled Fund (the **Pooled Fund IRC**). The sole mandate of the Pooled Fund IRC will be considering and, if appropriate, approving the Inter-Fund Trades made by the Canadian Pooled Funds in reliance upon the Relief Sought. Such approvals may be made by way of standing instruction in the same way as permitted under NI 81-107 for the NI 81-102 Funds.
37. The Pooled Fund IRC will be composed by Franklin Templeton Canada, as manager of a Canadian Pooled Fund, in accordance with section 3.7 of NI 81-107 and the IRC will comply with the standard of care set out in section 3.9 of NI 81-107. Further, the Pooled Fund IRC will not approve Inter-Fund Trades unless it has made the determination set out in subsection 5.2(2) of NI 81-107.
38. The investment management agreement or other documentation in respect of a Canadian Client Account will contain the authorization of the client on behalf of the Canadian Client Account to engage in Inter-Fund Trades.
39. When the Filer engages in an Inter-Fund Trade of securities between Funds or between a Canadian Client Account and a Fund, including Cross-Border Inter-Fund Trades, each will comply with the following procedures:
 - (a) the portfolio manager of one Client (Client A) will deliver the trade instructions in respect of a purchase or a sale of a security by Client A to a trader on the trading desk of the Filer or one of the Franklin Templeton Canada Sub-advisers;
 - (b) the portfolio manager of the other Client (Client B) will deliver the trade instructions in respect of a purchase or a sale of a security by Client B to a trader on the trading desk of the Filer or one of the Franklin Templeton Canada Sub-advisers (this may be the same trading desk or a different trading desk than is handling the order for Client A);
 - (c) the traders on the trading desk will have the discretion to execute the trade as an Inter-Fund Trade between Client A and Client B in accordance with the requirements of paragraphs (c) to (g) of subsection 6.1(2) of NI 81-107 provided that, for exchange-traded securities, the Inter-Fund Trade may be executed at the Last Sale Price of the security, determined at the time the decision to execute the trade as an Inter-Fund Trade is made, prior to the execution of the trade;
 - (d) the policies applicable to the trading desks will require that: (i) all orders are to be executed on a timely basis, (ii) orders will be executed for no consideration other than cash payment against prompt delivery of a security, (iii) the transaction is consistent with the investment policies of each Fund participating in the transaction as recited in its registration statement or offering documents, and (iv) the transaction complies with all other requirements of applicable law; and

- (e) the trader on each trading desk will advise the portfolio managers of Client A and Client B of the price at which the Inter-Fund Trade occurs.
- 40. Where an Inter-Fund Trade is executed by the Filer without the use of a Third-Party IROC Registered Dealer or Third-Party U.S. Broker-Dealer, the Filer will comply with the market integrity requirements as set out in paragraph 6.1(1)(b) of NI 81-107.
- 41. If the IRC of a Canadian Fund becomes aware of an instance where Franklin Templeton Canada did not comply with the terms of any decision document issued in connection with the Inter-Fund Trades, including any Cross-Border Inter-Fund Trades, or a condition imposed by securities legislation or by the IRC in its approval, the IRC of the Canadian Fund will, as soon as practicable, notify in writing the securities regulatory authority or regulator which is the Canadian Fund's principal regulator.
- 42. The Current Relief was obtained to permit Inter-Fund Trades in unlisted debt securities between a NI 81-102 Fund and a Canadian Pooled Fund or U.S. Fund. The Current Relief was also obtained to permit the Canadian Clients to engage in Inter-Fund Trades (other than those permitted under regulatory exceptions), including with U.S. Funds. On September 6, 2021, pursuant to a sunset clause, the Current Relief ceased to be operative with respect to Cross-Border Inter-Fund Trades only.

Benefits of the Relief Sought

- 43. The Filer considers that it would be in the best interests of the Canadian Clients to receive the Relief Sought as making Canadian Clients subject to the same set of rules governing the execution of the transactions will result in:
 - (a) cost, potentially pricing and timing efficiencies in respect of the execution of transactions for the Canadian Clients; and
 - (b) less complicated and more reliable compliance procedures, as well as simplified and more efficient monitoring thereof, for the Filer, in connection with the execution of transactions on behalf of the Canadian Clients and the U.S. Funds.
- 44. U.S. Funds currently conduct inter-fund trading pursuant to the Applicable Inter-Fund Trading Policies, which complies with U.S. Inter-Fund Trading Rules. From a procedural perspective, inter-fund trades involving 40 Act Funds are subject to oversight by the applicable U.S. fund board. In addition, in order to comply with SEC rules governing inter-fund trades and the Applicable Inter-Fund Trading Policies as noted above, it is explicitly required that no brokerage commission, fee (except for customary transfer fees) or other remuneration be paid by the accounts in connection with the transaction. Cross-Border Inter-Fund Trades would be conducted on Franklin Templeton Canada's portfolio management system, which is monitored by an integrated compliance group including representatives of Franklin Templeton Canada and other members of the Franklin Templeton enterprise.
- 45. Franklin Templeton Canada has determined that similar regulatory requirements applicable to inter-fund trading in Canada and the United States, together with Franklin Templeton Canada's compliance systems, creates a framework for conducting Cross-Border Inter-Fund Trades in a manner which minimizes conflicts of interest and promotes fairness and transparency for all Clients.

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:

- 1. The Revocation is granted;
- 2. the Section 4.2(1) Relief is granted provided that the following conditions are satisfied:
 - (a) the Inter-Fund Trade is consistent with the investment objectives of each of the Funds involved in the trade;
 - (b) Franklin Templeton Canada, as the investment fund manager of an NI 81-102 Fund, refers the Inter-Fund Trade involving such NI 81-102 Fund to the IRC of that NI 81-102 Fund in the manner contemplated by section 5.1 of NI 81-107, and Franklin Templeton Canada and the IRC of the NI 81-102 Fund comply with section 5.4 of NI 81-107 in respect of any standing instructions the IRC provides in connection with the Inter-Fund Trade;
 - (c) the IRC of the Canadian Fund involved in the trade has approved the transaction in respect of that Canadian Fund in accordance with the terms of section 5.2 of NI 81-107;

- (d) the fund board of the U.S. Fund, or the trust committee or equivalent of the entity acting as trustee or equivalent of the U.S. Fund, involved as a counterparty to the trade has approved policies and procedures that permit Cross-Border Inter-Fund Trades that require compliance with U.S. Inter-fund Trading Rules; and
 - (e) the Inter-Fund Trade complies with paragraphs (c) to (g) of subsection 6.1(2) of NI 81-107;
3. the Inter-Fund Trading Relief is granted provided that the following conditions are satisfied:
- (a) the Inter-Fund Trade is consistent with the investment objectives of each of the Canadian Clients involved in the trade;
 - (b) Franklin Templeton Canada, as the investment fund manager of a Canadian Fund, refers the Inter-Fund Trade involving such Canadian Fund to the IRC of that Canadian Fund in the manner contemplated by section 5.1 of NI 81-107, and Franklin Templeton Canada and the IRC of the Canadian Fund comply with section 5.4 of NI 81-107 in respect of any standing instructions the IRC provides in connection with the Inter-Fund Trade;
 - (c) in the case of an Inter-Fund Trade between Canadian Funds:
 - (i) the IRC of each Canadian Fund has approved the Inter-Fund Trade in respect of the Canadian Fund in accordance with the terms of subsection 5.2(2) of NI 81-107; and
 - (ii) the Inter-Fund Trade complies with paragraphs (c) to (g) of subsection 6.1(2) of NI 81-107, except that:
 - (A) for the purposes of paragraph (e) of subsection 6.1(2) of NI 81-107 in respect of exchange-traded securities, the current market price of the securities may be the Last Sale Price;
 - (B) for an Inter-Fund Trade of a Canadian-Listed Security or Inter-Listed Security where at least one party is a Canadian-Advised Fund, the Filer may satisfy the requirements in paragraph 6.1(2)(f) by using a Third-Party IIROC Registered Dealer to execute the Inter-Fund Trade on behalf of a Canadian-Advised Fund; and
 - (C) for an Inter-Fund Trade where each party is a U.S.-Advised Fund, the Filer may satisfy the requirements in paragraph 6.1(2)(f) by using either of the following to execute the Inter-Fund Trade on behalf of the U.S.-Advised Funds:
 - (I) a Third Party IIROC Registered Dealer; or
 - (II) a Third-Party U.S. Broker-Dealer, provided that:
 - (a) best-execution considerations require the use of a Third-Party U.S. Broker-Dealer;
 - (b) an Inter-Fund Trade in a Canadian-Listed Security is printed on a Marketplace; and
 - (c) an Inter-Fund Trade in an Inter-Listed Security is printed:
 - (i) on a Marketplace; or
 - (ii) in accordance with any applicable U.S. market transparency obligations;
 - (d) in the case of an Inter-Fund Trade between a Canadian Client Account and a Canadian Fund:
 - (i) the IRC of the Canadian Fund has approved the Inter-Fund Trade in respect of the Canadian Fund in accordance with the terms of subsection 5.2(2) of NI 81-107;
 - (ii) the investment management agreement or other documentation in respect of the Canadian Client Account authorizes the Inter-Fund Trade; and
 - (iii) the Inter-Fund Trade complies with paragraphs (c) to (g) of subsection 6.1(2) of NI 81-107, except that:
 - (A) for the purposes of paragraph (e) of subsection 6.1(2) of NI 81-107 in respect of exchange-traded securities, the current market price of the securities may be the Last Sale Price;

- (B) for an Inter-Fund Trade of a Canadian-Listed Security or Inter-Listed Security where at least one party is a Canadian-Advised Fund or Canadian-Advised Canadian Client Account, the Filer may satisfy the requirements in paragraph 6.1(2)(f) by using a Third-Party IIROC Registered Dealer to execute the Inter-Fund Trade on behalf of the Canadian-Advised Fund or Canadian-Advised Canadian Client Account; and
- (C) for an Inter-Fund Trade where one party is a U.S.-Advised Canadian Client Account and the other party is a U.S.-Advised Fund, the Filer may satisfy the requirements in paragraph 6.1(2)(f) by using either of the following to execute the Inter-Fund Trade on behalf of the U.S.-Advised Canadian Client Account or U.S.-Advised Fund:
 - (I) a Third-Party IIROC Registered Dealer; or
 - (II) a Third-Party U.S. Broker-Dealer, provided that:
 - (a) best-execution considerations require the use of a Third-Party U.S. Broker-Dealer;
 - (b) an Inter-Fund Trade in a Canadian-Listed Security is printed on a Marketplace; and
 - (c) an Inter-Fund Trade in an Inter-Listed Security is printed:
 - (i) on a Marketplace; or
 - (ii) in accordance with any applicable U.S. market transparency obligations;
- (e) in the case of an Inter-Fund Trade between a Canadian Fund and a U.S. Fund:
 - (i) the IRC of the Canadian Fund has approved the Inter-Fund Trade in respect of the Canadian Fund in accordance with the terms of subsection 5.2(2) of NI 81-107;
 - (ii) the fund board of the U.S. Fund, or the trust committee or equivalent of the entity acting as trustee or equivalent of the U.S. Fund, involved in the trade has approved policies and procedures that permit Cross-Border Inter-Fund Trades that require compliance with the U.S. Inter-Fund Trading Rules;
 - (iii) the Inter-Fund Trade complies with paragraphs (c) to (g) of subsection 6.1(2) of NI 81-107, except that:
 - (A) for the purposes of paragraph (e) of subsection 6.1(2) of NI 81-107 in respect of exchange-traded securities, the current market price of the securities may be the Last Sale Price;
 - (B) for an Inter-Fund Trade of a Canadian-Listed Security or Inter-Listed Security where one party is a Canadian-Advised Fund, the Filer may satisfy the requirements in paragraph 6.1(2)(f) by using a Third-Party IIROC Registered Dealer to execute the Inter-Fund Trade on behalf of the Canadian-Advised Fund; and
 - (C) for an Inter-Fund Trade where one party is a U.S.-Advised Fund and the other party is a U.S. Fund, the Filer may satisfy the requirements in paragraph 6.1(2)(f) by using either of the following to execute the Inter-Fund Trade on behalf of the U.S.-Advised Fund or U.S. Fund:
 - (I) a Third-Party IIROC Registered Dealer; or
 - (II) a Third-Party U.S. Broker-Dealer, provided that:
 - (a) best-execution considerations require the use of a Third-Party U.S. Broker-Dealer;
 - (b) an Inter-Fund Trade in a Canadian-Listed Security is printed on a Marketplace; and
 - (c) an Inter-Fund Trade in an Inter-Listed Security is printed:
 - (i) on a Marketplace; or
 - (ii) in accordance with any applicable U.S. market transparency obligations;

- (f) in the case of an Inter-Fund Trade between a Canadian Client Account and a U.S. Fund:
 - (i) the investment management agreement or other documentation in respect of the Canadian Client Account authorizes the Inter-Fund Trade;
 - (ii) the fund board of the U.S. Fund, or the trust committee or equivalent of the entity acting as trustee or equivalent of the U.S. Fund, involved in the trade has approved policies and procedures that permit Cross-Border Inter-Fund Trades that require compliance with the U.S. Inter-Fund Trading Rules;
 - (iii) the Inter-Fund Trade complies with paragraphs (c) to (g) of subsection 6.1(2) of NI 81-107, except that:
 - (A) for the purposes of paragraph (e) of subsection 6.1(2) of NI 81-107 in respect of exchange-traded securities, the current market price of the securities may be the Last Sale Price;
 - (B) for an Inter-Fund Trade of a Canadian-Listed Security or Inter-Listed Security where one party is a Canadian-Advised Canadian Client Account, the Filer may satisfy the requirements in paragraph 6.1(2)(f) by using a Third-Party IIROC Registered Dealer to execute the Inter-Fund Trade on behalf of the Canadian-Advised Canadian Client Account; and
 - (C) for an Inter-Fund Trade where one party is a U.S.-Advised Canadian Client Account and the other party is a U.S. Fund, the Filer may satisfy the requirements in paragraph 6.1(2)(f) by using either of the following to execute the Inter-Fund Trade on behalf of the U.S.-Advised Canadian Client Account or U.S. Fund:
 - (I) a Third-Party IIROC Registered Dealer; or
 - (II) a Third-Party U.S. Broker-Dealer, provided that:
 - (a) best-execution considerations require the use of a Third-Party U.S. Broker-Dealer;
 - (b) an Inter-Fund Trade in a Canadian-Listed Security is printed on a Marketplace; and
 - (c) an Inter-Fund Trade in an Inter-Listed Security is printed:
 - (i) on a Marketplace; or
 - (ii) in accordance with any applicable U.S. market transparency obligations;
4. from the date of this decision until December 31, 2021, and for each complete six-month period that follows until this decision ceases to be operative (each a **Reporting Period**), Franklin Templeton Canada:
- (a) prepares a report (the **Report**) containing the following information for the Reporting Period:
 - (i) the total value traded in Canadian-Listed Securities and, separately, the total value traded in Inter-Listed Securities, for each of the following:
 - (A) U.S.-Advised Funds;
 - (B) Canadian-Advised Funds;
 - (C) Canadian-Advised Canadian Client Accounts; and
 - (D) U.S.-Advised Canadian Client Accounts;
 - (ii) the total value of Inter-Fund Trades in Canadian-Listed Securities and, separately, the total value of Inter-Fund Trades in Inter-Listed Securities, between each of the following:
 - (A) Canadian-Advised Funds and Canadian-Advised Funds;
 - (B) Canadian-Advised Funds and U.S.-Advised Funds;
 - (C) Canadian-Advised Funds and U.S. Funds;
 - (D) U.S.-Advised Funds and U.S.-Advised Funds;

- (E) U.S.-Advised Funds and U.S. Funds;
 - (F) Canadian-Advised Canadian Client Accounts and Canadian-Advised Funds;
 - (G) Canadian-Advised Canadian Client Accounts and U.S.-Advised Funds;
 - (H) Canadian-Advised Canadian Client Accounts and U.S. Funds;
 - (I) U.S.-Advised Canadian Client Accounts and Canadian-Advised Funds;
 - (J) U.S.-Advised Canadian Client Accounts and U.S.-Advised Funds;
 - (K) U.S.-Advised Canadian Client Accounts and U.S. Funds; and
- (iii) the total value of Inter-Fund Trades in Inter-Listed Securities printed on a Marketplace, and separately, the total value of Inter-Fund Trades in Inter-Listed Securities printed in the U.S., between each of the following:
- (A) U.S.-Advised Funds and U.S.-Advised Funds;
 - (B) U.S.-Advised Funds and U.S. Funds;
 - (C) U.S.-Advised Canadian Client Accounts and U.S.-Advised Funds; and
 - (D) U.S.-Advised Canadian Client Accounts and U.S. Funds; and
- (b) sends the Report, within 10 business days from the last calendar day of the Reporting Period, to:
- (i) the Director of the Investment Funds and Structured Products Branch of the Ontario Securities Commission by e-mail at IFSPDirector@osc.gov.on.ca; and
 - (ii) the Director of the Market Regulation Branch of the Ontario Securities Commission by e-mail at marketregulation@osc.gov.on.ca; and

5. this decision ceases to be operative three years from the date of such decision.

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

Application File #: 2021/0339

2.1.5 Starlight U.S. Multi-Family (No. 1) Core Plus Fund

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions – application for relief from requirement to obtain separate minority approval for each class of units – no difference of interest between holders of each class of units in connection with the proposed business combination transaction – safeguards include independent committee, fairness opinions, and appraisals – limited partnership agreement provides that unitholders will vote as a single class unless the nature of the business affects holders of one class of units in a manner materially different from another class – requiring a class-by-class vote could give a de facto veto right to a very small group of unitholders.

Applicable Legislative Provisions

Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions, ss. 8.1(1) and 9.1(2).

September 17, 2021

**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
STARLIGHT U.S. MULTI-FAMILY (NO. 1) CORE PLUS FUND
(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**”) exempting the Filer, pursuant to section 9.1 of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”), from the requirement in subsection 8.1(1) of MI 61-101 to obtain minority approval from the unitholders of every class of affected securities of the Filer voting separately as a class in connection with the proposed acquisition by Sherrin U.S. Multi-Family (No. 1) Holding LP (the “**Purchaser**”) of all of the issued and outstanding limited partnership interests (the “**Interests**”) in Starlight U.S. Multi-Family (No. 1) Core Plus Holding L.P. (the “**Holding LP**”), a wholly-owned indirect subsidiary of the Filer (the “**Transaction**”), and requiring instead that minority approval be obtained from all Disinterested Unitholders (as defined below) voting together as a single class (the “**Exemption Sought**”).

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

- (a) the Ontario Securities Commission is the principal regulator for this application, and
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (“**MI 11-102**”) is intended to be relied upon in Québec, Alberta, Manitoba, and New Brunswick.

Interpretation

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

Representations

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

1. The Filer is a reporting issuer in each province of Canada. The Filer is not in default of any requirement of the securities legislation in any jurisdiction in which it is a reporting issuer.
2. The Filer is a limited partnership established on December 10, 2019 under the laws of the Province of Ontario and is governed by a second amended and restated limited partnership agreement dated February 6, 2020 (the "**LPA**").
3. Starlight U.S. Multi-Family (No. 1) Core Plus GP, Inc., a corporation existing under the laws of Ontario, and in good standing, is the general partner of the Filer (the "**General Partner**").
4. The Filer's investment objectives are to: (a) indirectly acquire, own, and operate a portfolio primarily comprised of income-producing multi-family properties that can achieve significant increases in rental rates, and are located primarily in the States of Arizona, California, Colorado, Florida, Georgia, Nevada, North Carolina, Oregon, South Carolina, Tennessee, Texas, Utah and Washington; (b) make stable monthly cash distributions; and (c) increase rental rates, with the goal of ultimately directly or indirectly disposing of its interests in the assets by the end of the Filer's pre-determined term of existence unless extended in accordance with the terms of the LPA.
5. The Filer currently owns interests in a portfolio of 2,219 suites in seven properties located in the United States.
6. The Filer completed its initial public offering on February 28, 2020.
7. The limited partnership interests in the Filer are divided into seven classes of limited partnership units (collectively, the "**Units**"): Class A units ("**Class A Units**"); Class C units ("**Class C Units**"); Class D units ("**Class D Units**"); Class E units ("**Class E Units**"); Class F units ("**Class F Units**"); Class I units ("**Class I Units**"); and Class U units ("**Class U Units**").
8. As at August 16, 2021, there were 21,360,008 Units issued and outstanding, comprised of 4,505,310 Class A Units, 1,635,000 Class C Units, 8,514,478 Class D Units, 397,000 Class E Units, 2,868,720 Class F Units, 2,500,000 Class I Units, and 939,000 Class U Units.
9. The holders of the Class A Units, Class C Units, Class D Units, Class E Units, Class F Units, Class I Units, and Class U Units have the same rights and obligations, and no holder of Units is entitled to any privilege, priority or preference in relation to any other such holder, subject to the following:
 - (a) The Class A Units, Class C Units, Class D Units, Class F Units and Class I Units are denominated in Canadian dollars (collectively, the "**Canadian Dollar Denominated Units**"), while the Class E Units and Class U Units are denominated in U.S. dollars.
 - (b) The proportionate entitlement of the holders of Class A Units, Class C Units, Class D Units, Class E Units, Class F Units, Class I Units and Class U Units to participate in distributions made by the Filer and to receive proceeds upon termination or dissolution of the Filer is determined based on the net U.S. dollar proceeds received by the Filer in respect of such class of Units at the time of the Filer's initial public offering.
 - (c) The proportionate allocation of income or loss of the Filer is determined in accordance with the LPA.
 - (d) The Class A Units are listed on the TSX Venture Exchange under the symbol "SCPO".
 - (e) The Class C Units, Class D Units, Class E Units, Class F Units, Class I Units and Class U Units are not listed on any stock exchange. The Class C Units, Class D Units, Class F Units and Class I Units may be converted into Class A Units at the option of the holders thereof at a rate determined by the relative net U.S. dollar proceeds received by the Filer for each Unit, by class, at the time of its initial public offering. The Class A Units are convertible into Class D Units on a similar basis.
 - (f) If a non-exempt take-over bid is made for a class of Units other than the Class A Units, then the Class A Units have coattail rights to convert into the class of Units that are the subject of the non-exempt take-over bid at a rate determined by the relative net U.S. dollar proceeds received by the Filer for each Unit, by class, at the time of its initial public offering.
10. The LPA provides that the unitholders vote as a single class in respect of any matter to be voted upon unless the nature of the business to be transacted at the meeting affects holders of one class of Units in a manner materially different from its effect on holders of another class of Units, in which case the Units of the affected class will vote separately as a class.
11. The Purchaser is a limited partnership governed by the laws of the State of Delaware, with its head and registered office located in Wilmington, Delaware, United States of America.

12. A subsidiary of Starlight Group Property Holdings Inc. ("**Starlight Group**"), a corporation which is wholly-owned by Daniel Drimmer (an officer and director of the General Partner), is the sole general partner of the Purchaser.
13. As at the closing of the Transaction, two arm's length parties unrelated to the Filer (the "**Unrelated Purchaser Limited Partners**"), will each beneficially own and control 45% of the limited partnership interest in the Purchaser. Mr. Drimmer will beneficially own and control the remaining 10% limited partnership interest in the Purchaser. Neither of the Unrelated Purchaser Limited Partners beneficially owns or has control or direction over any Units of the Filer.
14. On September 10, 2021, the Purchaser and the Filer entered into an acquisition agreement (the "**Acquisition Agreement**") in respect of the Transaction which will result in the Purchaser indirectly acquiring ownership of the interests in the multi-family real estate properties currently owned by the Filer (the "**Subject Properties**").
15. The purchase price to be paid by the Purchaser to the Filer under the Transaction was negotiated by the parties and is the result of a competitive process led by CIBC World Markets Inc. ("**CIBC**") and overseen by an independent committee of the board of directors of the General Partner (the "**Independent Committee**"). In accepting the proposed purchase price, the Independent Committee considered, in part, (i) the competing bids for the Subject Properties received following a thorough solicitation of potential purchasers, (ii) appraisals for each of the Subject Properties prepared by an independent appraiser commissioned in the normal course (the "**Appraisals**"), (iii) the fair value mark-up of the Subject Properties as set out in the Filer's financial statements for the six months ended June 30, 2021, and (iv) the greater costs, inefficiencies and risks that would be involved in selling the Subject Properties separately rather than in their entirety. The Purchaser intends to satisfy the purchase price for the Interests through a combination of cash and the assumption of all existing mortgage debt on the multi-family real estate properties currently owned by the Filer.
16. In connection with the Transaction, the Filer will undertake a reorganization immediately prior to closing of the Transaction (the "**Internal Reorganization**"). Pursuant to the Internal Reorganization, among other things: (i) a new Delaware limited partnership ("**Intermediate LP**") will be established as a wholly owned subsidiary of Starlight U.S. Multi-Family (No. 1) Core Plus Investment L.P., and be the sole limited partner of Holding LP; and (ii) Intermediate LP will contribute a portion of its limited partnership interest in Holding LP, the value of such limited partnership interests to be equal to the value of the Units beneficially owned and controlled by Mr. Drimmer, in exchange for limited partnership interests in the Purchaser.
17. The purpose of the Internal Reorganization is to allow Mr. Drimmer to indirectly transfer his beneficial interest in the Subject Properties into an indirect beneficial interest in the Purchaser which he will hold through the Filer following the completion of the Transaction and will also require that the LPA be amended to ensure that Mr. Drimmer is excluded from the redemption of Units for cash consideration under the Transaction (the "**LPA Amendments**").
18. The LPA Amendments require the approval of the holders of Units and such approval will be sought from Disinterested Unitholders as part of the resolution to approve the Transaction. Neither the Internal Reorganization nor the LPA Amendments will be prejudicial to the rights of unitholders of the Filer or impact the pre-established formulas that were in place at the time of the initial issuance of the Units pursuant to which the economic entitlements to participate in distributions made by the Filer and to receive proceeds upon termination or dissolution of the Filer are determined. Disinterested Unitholders will receive the same proceeds from the Transaction that they would have received in the absence of the Internal Reorganization and the LPA Amendments.
19. Following closing of the Transaction, the General Partner will distribute the net, after tax proceeds from the sale of the Interests to unitholders of the Filer (other than Mr. Drimmer) and in connection therewith, the Filer will cancel all issued and outstanding Units (other than the Class C Units beneficially owned and controlled by Mr. Drimmer).
20. Mr. Drimmer, as the sole shareholder of Starlight Group, together with Evan Kirsh, Martin Liddell and David Hanick, who are officers of the General Partner, each have a direct or indirect interest in the "carried interest" that provides for a portion (25% in respect of the Class A Units, Class C Units, Class D Units, Class E Units, Class F Units and Class U Units and 20% in respect of the Class I Units) of an amount related to the Filer's distributable cash to be paid to the holders of interests in the "carried interest" and the remaining percentage (75% or 80%, as applicable) is distributed to the Filer's unitholders, provided that the carried interest is paid only if the Filer has sufficient distributable cash to provide unitholders with a return on their invested capital in excess of a minimum reference internal rate of return (7.0% per annum).
21. In connection with the Transaction, the accumulated value of "carried interest" will be monetized based on the agreed Transaction value and extinguished in exchange for (i) cash payable to Messrs. Kirsh, Liddell and Hanick, and (ii) limited partnership interests in the Purchaser issuable to or at the direction of Mr. Drimmer, subject to adjustment based on the terms of the arrangements between such parties and the Unrelated Purchaser Limited Partners.
22. The Transaction is a "business combination" as such term is defined in MI 61-101 and is therefore subject to the applicable requirements of MI 61-101. Such requirements include, among other things, obtaining approval for the Transaction by a majority of votes cast by the holders of each class of Units, excluding the votes attached to Units beneficially owned, or over which control or direction is exercised, by any party specified in subsection 8.1(2) of MI 61-101 (the "**Disinterested Unitholders**"), at a unitholder meeting held by the Filer. The Disinterested Unitholders in respect

of the Transaction include all of the unitholders of the Filer with the exception of Mr. Drimmer and the directors and officers of each of the General Partner and Starlight Investments US AM Group LP (the “**Manager**”).

23. As at August 16, 2021, Mr. Drimmer, a director and Chief Executive Officer of the General Partner and principal of the Manager, beneficially owned, or exercised control or direction over: 387,500 Class C Units, representing a voting interest in the Filer of approximately 1.81%.
24. As at August 16, 2021, Mr. Kirsh, President of the General Partner, beneficially owned, or exercised control or direction over: 100,000 Class C Units, representing a voting interest in the Filer of approximately 0.47%.
25. As at August 16, 2021, Mr. Liddell, Chief Financial Officer of the General Partner, beneficially owned, or exercised control or direction over: 50,000 Class C Units, representing a voting interest in the Filer of approximately 0.23%.
26. As at August 16, 2021, Mr. Hanick, Corporate Secretary of the General Partner, beneficially owned, or exercised control or direction over: 15,000 Class C Units and 2,125 Class D Units, representing a voting interest in the Filer of approximately 0.08%.
27. As at August 16, 2021, Harry Rosenbaum, a director of the General Partner, beneficially owned, or exercised control or direction over 28,200 Class A Units and 20,000 Class C Units, representing a voting interest in the Filer of approximately 0.23%.
28. As at August 16, 2021, Kelly Smith, a director of the General Partner, beneficially owned, or exercised control or direction over nil Units, representing a 0.00% voting interest in the Filer.
29. As at August 16, 2021, the Interested Unitholders (as defined below) beneficially owned or controlled:
 - (a) 28,200 Class A Units (or approximately 0.63% of the Class A Units);
 - (b) 572,500 Class C Units (or approximately 35.02% of the Class C Units);
 - (c) 2,125 Class D Units (or 0.02% of the Class D Units);
 - (d) nil Class E Units (or 0.00% of the Class E Units);
 - (e) nil Class F Units (or approximately 0.00% of the Class F Units);
 - (f) nil Class I Units (or approximately 0.00% of the Class I Units); and
 - (g) nil Class U Units (or approximately 0.00% of the Class U Units).
30. MI 61-101 was adopted to ensure the fair treatment of all security holders and the perception of such in the context of insider bids, issuer bids, business combinations and related party transactions.
31. The Transaction is subject to a number of mechanisms to ensure that the collective interests of the Filer’s unitholders are protected, including the following, which the General Partner and the Manager believe to be the optimal mechanisms to ensure that the public interest is well protected and that the unitholders of the Filer are treated fairly and in accordance with their voting and economic entitlements under the LPA:
 - (a) Negotiation of the Transaction was overseen by the Independent Committee, which is comprised solely of directors that are independent of the Filer, the Manager and the Unrelated Purchaser Limited Partners, being Mr. Rosenbaum and Ms. Smith.
 - (b) The Independent Committee retained CIBC as financial advisor in respect of the Transaction and CIBC provided the Independent Committee and the board of directors of the General Partner with a fairness opinion (the “**Fairness Opinion**”) concluding that, as of the date of such opinion and based upon and subject to the limitations, qualifications, assumptions and other matters set out therein, the consideration to be received by public unitholders (which excludes, among others, directors and senior officers of the Filer, the General Partner and their affiliates, as well as the Purchaser and its affiliates) pursuant to the Transaction and the related special distribution to unitholders is fair, from a financial point of view to the public unitholders of the Filer, which will be included in the Information Circular (as defined below). Such opinion complies with and the associated disclosure will comply with the provisions of CSA Multilateral Staff Notice 61-302 *Staff Review and Commentary on Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions*.
 - (c) The Independent Committee retained Wildeboer Dellelce LLP to act as counsel for the Independent Committee.
 - (d) The General Partner exercised the requisite standard of care in accordance with the terms of the LPA with respect to the Transaction, with Mr. Drimmer recusing himself from any resolutions passed by the directors of the General Partner.

- (e) The Filer will hold a special meeting of all unitholders of the Filer in order for the Filer's unitholders to consider and, if deemed advisable, approve the Transaction (including the LPA Amendments) by a majority of votes cast by the Disinterested Unitholders (which, for greater clarity, will exclude the votes attached to all of the Units beneficially owned, or over which control or direction is exercised, by Mr. Drimmer, Mr. Kirsh, Mr. Liddell, Mr. Hanick, Mr. Rosenbaum and Ms. Smith, (collectively, the "**Interested Unitholders**")), voting together as a single class of the Filer.
 - (f) The preparation and delivery by the Filer to its unitholders of an information circular (the "**Information Circular**"), prepared in accordance with the applicable securities law requirements and including the enhanced disclosure requirements mandated by MI 61-101, in order to provide sufficient information to allow the unitholders to make an informed decision in respect of the Transaction.
 - (g) The filing on SEDAR of the Appraisals and any other "prior valuations" (within the meaning of MI 61-101), which will also be summarized in the Information Circular.
32. The LPA provides that unitholders vote as a single class in respect of any matter to be voted upon unless the nature of the business to be transacted at the meeting affects holders of one class of units in a manner materially different from its effect on holders of another class of units, in which case the units of the affected class will vote separately as a class. Each of the General Partner, the Manager and the Independent Committee have determined that the Transaction (including the LPA Amendments) does not affect holders of one class of Units in a manner materially different from its effect on holders of another class of Units.
33. The division of the Filer's limited partnership units into various classes was related to the use of different currencies, to accommodate a number of investment account differences, the establishment of differing economic entitlements to participate in distributions made by the Filer and to receive proceeds upon termination or dissolution of the Filer, in each case, strictly pursuant to formulas determined at the time of the initial issuance of the Units and provided for in the LPA.
34. Each Unit entitles the holder to the same rights and obligations and no unitholder of the Filer is entitled to any privilege, priority or preference in relation to any other holder of Units, subject to (i) the proportionate entitlement of each holder to participate in distributions made by the Filer and to receive proceeds upon termination of the Filer is based on (a) in respect of a holder of any Unit other than a Class I Unit, such holder's share of the "Proportionate Class Interest", and (b) in respect of a holder of a Class I Unit, such holder's share of the Proportionate Class Interest plus the amount by which the aggregate asset management fee payable to the Manager is reduced in respect of a Class I Unit, adjusted to reflect that the carried interest in respect of each Class I Unit is reduced (20%), with no catch-up amounts payable, and (ii) a proportionate allocation of income or loss of the Filer in accordance with the terms of the LPA. The Proportionate Class Interest is essentially the proportion of (i) the aggregate subscription amount deemed to have been received by the Filer for the issuance of such class of Units at the time of the offering that is attributable to a specific class of units and (ii) the aggregate net proceeds of the initial public offering (being the gross proceeds less the agents' fee) for all classes of Units. A specific class' proportionate interest would be greater than another class' if Units of that first class had a lower applicable agents' fee in the initial public offering.
35. The relative returns as between classes within the Filer (including Class I Units) are fixed pursuant to a formula for the Filer that was determined at the time of the Filer's initial public offering when investors selected their preferred class and purchased their Units. The economic impact of the Transaction will be determined pursuant to the formulas established in the LPA, and neither the Transaction, the Internal Reorganization nor the LPA Amendments will alter such entitlements or otherwise provide for the payment of cash or assets to unitholders in a manner that differs from the pre-established entitlements in the LPA in existence immediately following the Filer's initial public offering, as each holder of a class of Units will receive distribution proceeds representative of its proportionate interest. Therefore, the interests of the holders of each class of Units are aligned in respect of the Transaction.
36. Each unlisted Canadian Dollar Denominated Unit may be converted into Class A Units, being the sole listed class of Units, at the option of the holders thereof. The Class A Units can be converted at any time into Class D Units, an unlisted class of Units.
37. Separate class votes by the unitholders of the Filer would have the effect of granting disproportionate importance to a small group of Disinterested Unitholders of each of the Class C Units (7.65% of issued and outstanding Units), Class E Units (1.86% of issued and outstanding Units), Class F Units (13.64% of issued and outstanding Units), Class I Units (11.70% of issued and outstanding Units) and Class U Units (4.40% of issued and outstanding Units). Despite their relatively small holdings, voting unitholders in each of these groups would be afforded a de facto veto right in respect of the Transaction that could be exercised against all other unitholders of the Filer. Because quorum for a meeting of a class of unitholders is only 10% for each class, it is possible that a holder of less than 1% of the Units could "veto" the Transaction. Such an outcome would not be in accordance with the reasonable expectations of the unitholders of the Filer.

38. To the best of the knowledge of the Manager and the General Partner, there is no reason to believe that the Filer's unitholders of any particular class would not approve the Transaction.

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 the following mechanisms are implemented and remain in place:

1. a special meeting of the unitholders of the Filer is held in order for the Disinterested Unitholders of the Filer to consider and, if deemed advisable, approve the Transaction (including the LPA Amendments), such approval to be obtained with the Disinterested Unitholders of the Filer voting together as a single class of the Filer;
2. the Information Circular is prepared and delivered by the Filer to its unitholders in accordance with applicable securities law requirements; and
3. the Fairness Opinion prepared by CIBC concluding that the consideration to be received by the Filer is fair from a financial point of view to the Disinterested Unitholders is included in its entirety in the Information Circular.

"Jason Koskela"
Director, Office of Mergers & Acquisitions
Ontario Securities Commission

2.1.6 AGF Investments Inc. and AGFiQ US Market Neutral Anti-Beta CAD-Hedged ETF

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief granted under section 62(5) of the Securities Act to permit extension of fund's prospectus lapse date for consolidation into multi-fund prospectus – no conditions.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s. 62(5).

September 17, 2021

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
AGF INVESTMENTS INC.
(the Filer)

AND

AGFIQ US MARKET NEUTRAL ANTI-BETA CAD-HEDGED ETF
(the Fund)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Fund for a decision under the securities legislation of the Jurisdiction (the **Legislation**) that the time limits for the renewal of the Fund's Current Prospectus (defined below and dated October 21, 2020) be extended to the time limits that would apply if the lapse date was January 29, 2022 (the **Requested Relief**).

Under National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* (for a passport application):

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

Interpretation

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

Representations

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

1. The Filer is a corporation existing under the laws of the Province of Ontario.
2. The Filer's head office is located in Toronto, Ontario.
3. The Filer is registered as (a) an exempt market dealer in Alberta, British Columbia, Manitoba, Ontario, Quebec and Saskatchewan, (b) a portfolio manager in each of the Jurisdictions, (c) an investment fund manager in Alberta, British

Columbia, Newfoundland and Labrador, Ontario and Quebec, (d) a mutual fund dealer in British Columbia, Ontario and Quebec, and (e) a commodity trading manager in Ontario.

4. The Filer is the trustee and investment fund manager of the Fund.
5. The Fund is an exchange-traded alternative mutual fund established as a trust under the laws of Ontario and a reporting issuer in the Jurisdictions.
6. Neither the Filer nor the Fund is in default of securities legislation in any of the Jurisdictions.
7. The Fund currently distributes its securities in the Jurisdictions pursuant to a stand-alone long-form prospectus prepared and filed in accordance with National Instrument 41-101 *General Prospectus Requirements (NI 41-101)* dated October 21, 2020 (the **Current Prospectus**).
8. The Fund is in continuous distribution and the securities of the Fund are listed on the Toronto Stock Exchange.
9. The lapse date of the Current Prospectus is October 21, 2021 (the **Current Lapse Date**).
10. Accordingly, under the Legislation, if a prospectus for the Fund is not otherwise filed and receipted by the Current Lapse Date, the distribution of securities of the Fund would have to cease on the Current Lapse Date unless: (i) the Fund files a pro forma long-form prospectus at least 30 days prior to the Current Lapse Date; (ii) the final prospectus of the Fund is filed no later than 10 days after the Current Lapse Date; and (iii) a receipt for the final prospectus of the Fund is obtained within 20 days after the Current Lapse Date.
11. In addition to the Fund, the Filer is also the investment fund manager of 11 exchange-traded mutual funds that are offered under a separate multi-fund long-form prospectus prepared and filed in accordance with NI 41-101 with a lapse date of January 29, 2022 (collectively, the **Other Funds**).
12. The Filer wishes to combine the Current Prospectus of the Fund with the prospectus of the Other Funds in order to permit administrative efficiencies and reduce renewal, translation, printing and related costs. Offering the Fund and the Other Funds under one multi-fund prospectus would facilitate the distribution of securities of the Fund and of the Other Funds in the Jurisdictions under the same prospectus, enable the Filer to make operational and administrative features of the Fund and Other Funds consistent with each other, if necessary, and permit the Filer to streamline disclosure across the Filer's fund platform. As the Fund and the Other Funds are managed by the Filer, offering them under the same prospectus would allow investors to more easily compare the features of the Fund and the Other Funds.
14. If the Requested Relief is not granted, it will be necessary to renew prospectus documents for the Fund twice within a short period of time in order to consolidate the Current Prospectus with the Other Funds' prospectus and establish a uniform filing timeline, and it would be unreasonable for the Filer to incur the costs and expenses associated therewith given how close in proximity the lapse date of the Current Prospectus and the lapse date of the prospectus of the Other Funds are to one another and given that investors would not be prejudiced by the Requested Relief.
15. There have been no material changes in the affairs of the Fund since the date of the Current Prospectus. Accordingly, the Current Prospectus and current ETF Facts of the Fund represent the current information of the Fund.
16. Given the disclosure obligations of the Filer and the Fund, should any material change in the business, operations or affairs of the Fund occur, the Current Prospectus and the current ETF Facts of the Fund will be amended as required under the Legislation.
17. New investors in the Fund will receive delivery of the most recently filed ETF Facts of the Fund. The Current Prospectus will still be available upon request.
18. The Requested Relief will not affect the accuracy of the information contained in the Current Prospectus or the ETF Facts of the Fund and therefore will not be prejudicial to the public interest.

Decision

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

The decision of the principal regulator under the Legislation is that the Requested Relief is granted.

"Darren McKall"

Manager, Investment Funds and Structured Products Branch
Ontario Securities Commission

Application File #: 2021/0488

2.1.7 Abigail Capital Corporation

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – An issuer (a capital pool company) proposes to complete a reverse take-over transaction with a target company – The proposed transaction, if completed, will serve as the issuer’s qualifying transaction under Policy 2.4 Capital Pool Companies of the TSX Venture Exchange (TSXV) – The issuer applied for relief from the requirements in section 4.10(2)(a)(ii) of National Instrument 51-102 Continuous Disclosure Obligations (NI 51-102) and Item 5.2 of Form 51-102F3 Material Change Report to file, in respect of the proposed transaction, historical audited financial statements of certain predecessor entities that are not material to the issuer. Relief granted, subject to conditions.

Applicable Legislative Provisions

National Instrument 51-102 Continuous Disclosure Obligations, s. 4.10(2)(a)(ii).
Form 51-102F3 Material Change Report, Item 5.2.

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO**

AND

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

AND

**IN THE MATTER OF
ABIGAIL CAPITAL CORPORATION
(the Filer)**

DECISION

Background

The principal regulator in the Jurisdictions (as defined below) has received an application from the Filer for a decision under the securities legislation of Ontario (the **Legislation**) for an exemption from the requirements in subparagraph 4.10(2)(a)(ii) of National Instrument 51-102 - *Continuous Disclosure Obligations* (**NI 51-102**) and item 5.2 of Form 51-102F3 *Material Change Report* (**51-102F3**) to file all of the financial statements of a reverse takeover acquirer that would be required to be included in the form of prospectus that the reverse takeover acquirer was eligible to use prior to the reverse takeover for a distribution of securities in the Jurisdictions.

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

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 - *Passport System* (**MI 11-102**) is intended to be relied upon in Alberta and British Columbia (collectively with Ontario, the **Jurisdictions**).

Interpretation

Terms defined in National Instrument 14-101 *Definitions* and MI 11-102 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:

1. The Filer was incorporated under the *Business Corporations Act* (British Columbia) on November 5, 2018. The Filer is a capital pool company whose common shares (**Shares**) are listed on the TSX Venture Exchange (**TSXV**). As a result, the principal business of the Filer to date has been to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction, as that term is defined in Policy 2.4 of the TSXV Corporate Finance Manual.
2. The head office of the Filer is located at 905-1111 West Hastings St., Vancouver, British Columbia.

3. The Filer is a reporting issuer in the Jurisdictions and to the knowledge of the Filer it is not in default of any of its obligations as a reporting issuer under the securities laws of the Jurisdictions.
4. The common shares of the Filer are listed and posted for trading on the TSXV under the trading symbol "ACC.P".
5. OverActive Media Corp. (**OAM**) is a privately owned Ontario corporation with a head office located at 41 Fraser Avenue, Toronto, Ontario, Canada.
6. OAM is active in the global sports, media and entertainment industry with a mandate to build an integrated global company delivering sports, media and entertainment products focused on esports, videogames, content, culture and live and online events for today's generation of fans. OAM owns teams in many of the most important esports leagues in the world, including the Call of Duty League, the Overwatch League, the League of Legends European Championship, the LVP Superliga, and is a founding shareholder of B Site Inc., an entity owned by team organizations for the purpose of collaborating in esports leagues and tournaments, including Flashpoint, the first team-owned CS:GO league. OAM also operates OAM Live, a live event business unit offering planning, competition programming, production and broadcast services to teams, leagues and organizations around the world for in person and online events.
7. On April 19, 2021, the Filer and OAM entered into a binding qualifying transaction agreement pursuant to which the Filer will acquire all of the outstanding shares of OAM by way of an amalgamation of OAM and a wholly-owned subsidiary of the Filer (the **Qualifying Transaction**).
8. The Qualifying Transaction will be a "reverse takeover" as defined in NI 51-102 and will serve as the Filer's "Qualifying Transaction" under TSXV Policy 2.4 - Capital Pool Companies. In connection with the Qualifying Transaction, the Filer will be filing its filing statement (the **Filing Statement**) in the form of Form 3B2 Information Required in a Filing Statement for a Qualifying Transaction (**TSXV Form 3B2**) pursuant to the policies of the TSXV. TSXV Form 3B2 requires disclosure of financial statements of the Filer and OAM prescribed by National Instrument 41-101 General Prospectus Requirements and Form 41-101F1 Information Required in a Prospectus (**Form 41-101F1**). In addition to applying to the principal regulator for the exemptive relief requested herein, the Filer has also applied to the TSXV for a waiver from the equivalent financial statement requirements in TSXV Form 3B2.
9. On May 12, 2019, OAM acquired 100% of MediaXP Inc. (**MediaXP**) for total consideration of approximately \$400,000, consisting of cash, equity and a note payable.
10. At the time of its acquisition, MediaXP was a minimally profitable, single-owner managed live events business.
11. OAM acquired MediaXP (which now operates as OAM Live) as a platform for the operation of its planned live events production business, commencing in 2020. Due to the COVID-19 pandemic, these events were cancelled and as result OAM Live has had limited operations to date.
12. On September 6, 2019, OAM acquired all of the assets and liabilities of MAD Lions Esports Club, S.L. (**MAD Lions S.L.**) for total consideration of \$3.5 million, consisting of equity, forgiveness of debt, and a retention payment to key MAD Lions S.L. employees.
13. Prior to the Mad Lions S.L. acquisition, Mad Lions S.L. was in financial distress, was generating minimal revenue and required financial support from OAM to continue its business operations and avoid insolvency.
14. The assets acquired included the "MAD Lions" brand and esports team that were competing in regional ("minor league") tournaments and leagues, principally in Europe. These teams were subsequently disbanded, and the MAD Lions brand was extended to include OAM's MAD Lions Madrid (Superliga) team, its MAD Lions LEC team and its MAD Lions CS:GO team, none of which were acquired from MAD Lions S.L.
15. On January 31, 2019, OAM acquired 100% of Splyce, Inc. (**Splyce**), a company in which OAM held an existing minority interest for total consideration of \$29.2 million, consisting of cash, equity, a note payable and OAM's previous non-controlling interest in Splyce.
16. At the time of acquisition, Splyce managed various professional esports teams, including a team competing in the League of Legends Championship Season (**LCS**). LCS team owners had been offered the right to purchase a team in the recently formed League of Legends European Championship (**LEC**). By acquiring Splyce, OAM also indirectly acquired this right, which it subsequently exercised, leading to OAM's current ownership of its MAD Lions LEC team.
17. With respect to reverse takeover transactions, Section 4.10(2)(a)(ii) of NI 51-102 and item 5.2 of 51-102F3 require that a reporting issuer file, within specified periods, the financial statements as prescribed by the appropriate prospectus form for the reverse takeover acquirer, being Form 41-101F1. The reverse takeover acquirer in respect of the Filer is OAM.

18. The Filing Statement will include the following financial statements (the **OAM Financial Statements**):
- (a) OAM's audited consolidated financial statements for the years ended December 31, 2020 and 2019; and
 - (b) OAM's unaudited (but auditor reviewed) consolidated financial statements for the three months ended March 31, 2021 and 2020.
19. The OAM Financial Statements incorporate on a consolidated basis the financial and operating results of MediaXP, the MAD Lions S.L. assets and Splyce following the date of their acquisition. The OAM Financial Statements will also disclose the amount of revenue, expenses, and net loss that each of MediaXP, Mad Lions and Splyce contributed from the date of the acquisition up to December 31, 2019.
20. The Filer will be relying on the exception contained in item 48.2 of TSXV Form 3B2 and will not be including a pro forma income statement of the Filer in the Filing Statement.
21. Subsection 4.10(2)(a) of NI 51-102 provides that if a reporting issuer completes a reverse takeover, it must file the following financial statements for the reverse takeover acquirer, unless the financial statements have already been filed:
- (i) financial statements for all annual and interim periods ending before the date of the reverse takeover and after the date of the financial statements included in an information circular or similar document, or under item 5.2 of the Form 51-102F3 Material Change Report, prepared in connection with the transaction; or
 - (ii) if the reporting issuer did not file a document referred to in subparagraph (i), or the document does not include the financial statements for the reverse takeover acquirer that would be required to be included in a prospectus, the financial statements prescribed under securities legislation and described in the form of prospectus that the reverse takeover acquirer was eligible to use prior to the reverse takeover for a distribution of securities in the jurisdiction. [emphasis added]
22. Item 5.2 of Form 51-103F3 requires a material change report filed in respect of a closing of the Transaction to include, for each entity that results from the Transaction, disclosure (including financial statements) prescribed under securities legislation and described in the form of prospectus that the entity would be eligible to use.
23. The financial statement requirements for a prospectus are found in NI 41-101 and Form 41-101F1. Item 32.1 of Form 41-101F1 includes the following requirements:
- The financial statements of an issuer required under this item to be included in a prospectus must include:*
- (a) *the financial statements of any predecessor entity that formed, or will form, the basis of the business of the issuer, even though the predecessor entity is, or may have been, a different legal entity, if the issuer has not existed for 3 years,*
 - (b) *the financial statements of a business or businesses acquired by the issuer within 3 years before the date of the prospectus or proposed to be acquired, if a reasonable investor reading the prospectus would regard the primary business of the issuer to be the business or businesses acquired, or proposed to be acquired, by the issuer, [emphasis added] and*
 - (c) ...
24. Subsection 5.3(1) of the Companion Policy to NI 41-101 notes that both a reverse takeover and a qualifying transaction for a capital pool company are examples of when a reasonable investor might regard the primary business of the issuer to be the acquired business.
25. Accordingly, to the extent any of MediaXP, the MAD Lions S.L. assets or Splyce are deemed to constitute the primary business of OAM, the Filing Statement would also have to include, in addition to the OAM Financial Statements, audited financial statements of each of MediaXP, MAD Lions S.L. and Splyce for the "stub" period from January 1, 2019 to the date of acquisition (collectively, the **Stub Period Statements**).
26. Provided the exemptive relief requested herein is granted, the Filing Statement will not include the Stub Period Statements.
27. The OAM Financial Statements, together with the other disclosure prescribed by TSXV Form 3B2 that will be included in the Filing Statement, will provide disclosure of all material facts relating to the Corporation, OAM and OAM's business and will contain sufficient information to permit investors to make a reasoned assessment of the Corporation's business following completion of the Qualifying Transaction.

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:

1. the Filing Statement includes the OAM Financial Statements; and
2. the Filing Statement is filed on SEDAR forthwith following acceptance by the TSXV.

DATED at Toronto, Ontario on this 25th day of June, 2021.

“Marie-France Bourret”
Manager, Corporate Finance
Ontario Securities Commission

OSC File #: 2021/0331

2.2 Orders

2.2.1 Sean Daley et al. – ss. 127(8), 127(1)

File No. 2019-28

**IN THE MATTER OF
SEAN DALEY; AND
SEAN DALEY CARRYING ON BUSINESS AS
THE ASCENSION FOUNDATION,
OTO.MONEY,
SILENTVAULT, AND
CRYPTOWEALTH;
WEALTH DISTRIBUTED CORP.;
CYBERVISION MMX INC.;
KEVIN WILKERSON; AND
AUG ENTERPRISES INC.**

M. Cecilia Williams, Commissioner and Chair of the Panel
Lawrence P. Haber, Commissioner
Frances Kordyback, Commissioner

September 15, 2021

**ORDER
(Subsections 127(8) and 127(1) of
the Securities Act, RSO 1990, c S.5)**

WHEREAS on September 15, 2021 the Ontario Securities Commission held a hearing by videoconference to consider Staff of the Commission's motion to extend a temporary order dated August 6, 2019 against Sean Daley, Sean Daley carrying on business as Ascension Foundation, OTO.Money, SilentVault and CryptoWealth, Wealth Distributed Corp., Cybervision MMX Inc., Kevin Wilkerson and Aug Enterprises Inc. (together, the **Respondents**);

ON READING the materials filed by Staff, and on hearing the submissions of Staff and Sean Daley appearing on his own behalf, and no one appearing on behalf of the remaining Respondents, although properly served;

IT IS ORDERED, with reasons to follow, that until the fourteenth day following the date of the Reasons and Decision in the merits hearing in File No. 2019-39 with respect to Sean Daley and Kevin Wilkerson:

1. pursuant to subsection 127(8) and paragraph 2 of subsection 127(1) of the *Securities Act*, RSO 1990, c S.5 (the **Act**), all trading in any securities by the Respondents shall cease;
2. pursuant to subsection 127(8) and paragraph 2 of subsection 127(1) of the Act, all trading in 'overcome the odds' vouchers, also known as OTO Vouchers, and Lyra shall cease; and
3. pursuant to subsection 127(8) and paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to the Respondents.

"M. Cecilia Williams"

"Lawrence P. Haber"

"Frances Kordyback"

2.2.2 Canadian Dollar Offered Rate and Refinitiv Benchmark Services (UK) Limited

Headnote

The Director under the Securities Act (Ontario) and the Commodity Futures Act (Ontario) applied to the Commission for a decision that the Canadian Dollar Offered Rate (CDOR) be designated as a designated benchmark and that its administrator be designated as a designated benchmark administrator. The decision was granted and CDOR was assigned as a designated critical benchmark and a designated interest rate benchmark for the purposes of Multilateral Instrument 25-102 and Ontario Securities Commission Rule 25-501.

Applicable Legislative Provisions

Securities Act (Ontario), s. 24.1.
Commodity Futures Act (Ontario), s. 21.5.
Multilateral Instrument 25-102 Designated Benchmarks and Designated Benchmark Administrators.
Ontario Securities Commission Rule 25-501 (Commodity Futures Act) Designated Benchmarks and Benchmark Administrators.

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

AND

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

AND

**IN THE MATTER OF
THE CANADIAN DOLLAR OFFERED RATE
(“CDOR”)**

AND

**IN THE MATTER OF
REFINITIV BENCHMARK SERVICES (UK) LIMITED
(“RBSL”)**

DESIGNATION ORDER

Background

The Ontario Securities Commission (the "**Commission**") has received an application (the "**Application**") from the Director under the OSA and the CFA (the "**Director**") for a decision under the OSA and the CFA that:

- (a) CDOR be designated as a designated benchmark,

- (b) CDOR be assigned as a designated critical benchmark and a designated interest rate benchmark for the purposes of Multilateral Instrument 25-102 *Designated Benchmarks and Designated Benchmark Administrators* (“MI 25-102”) and Ontario Securities Commission Rule 25-501 (Commodity Futures Act) *Designated Benchmarks and Benchmark Administrators* (“OSC Rule 25-501”), and
- (c) RBSL be designated as a designated benchmark administrator of CDOR.

The Director has given notice of the Application to RBSL and RBSL has declined the opportunity to be heard before the Commission makes its decision.

Interpretation

Terms defined in the OSA, the CFA, National Instrument 14-101 *Definitions*, MI 25-102 or OSC Rule 25-501 have the same meanings in this decision, unless otherwise defined herein.

Representations

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

1. CDOR is a key domestically important interest rate benchmark that is currently published in tenors of 1, 2 and 3 months. CDOR is used for a variety of purposes, including to:
 - (a) calculate the floating-rate component of certain over-the-counter and exchange-traded derivatives,
 - (b) determine interest payments on certain floating-rate notes and other securities, and
 - (c) determine the base interest rate on certain loan agreements between corporate borrowers and banks.
2. Significant reliance is placed by market participants on CDOR, which is used in various financial instruments with a notional value of at least \$10.9 trillion dollars (based on data published by the Bank of Canada in 2018). This figure is approximately five times larger than the gross domestic product for Canada in 2019 (based on data published by the Government of Canada).
3. CDOR is subject to certain risks, including risks of manipulation of CDOR and risks of interruption or uncertainty in the operations of the administrator of CDOR. Given the reliance placed by market participants on CDOR, if one of these events were to occur, the loss of confidence that Canadian capital markets would suffer and the costs that would be borne by Canadian financial markets (including investors) could be significant.

4. Consequently, Commission staff believe that CDOR should be designated as a designated benchmark and RBSL – the benchmark administrator of CDOR – should be designated as a designated benchmark administrator of CDOR. After CDOR and RBSL are so designated, RBSL and the benchmark contributors to CDOR will be required to comply with the applicable provisions of MI 25-102 and OSC Rule 25-501 in respect of CDOR.
5. Furthermore, Commission staff believe that CDOR should be assigned as a designated critical benchmark and a designated interest rate benchmark for the purposes of MI 25-102 and OSC Rule 25-501.

Decision

The Commission is satisfied that it is in the public interest to make this decision.

The decision of the Commission, pursuant to section 24.1 of the OSA and section 21.5 of the CFA, is that:

1. CDOR is designated as a designated benchmark,
2. CDOR is assigned as a designated critical benchmark and a designated interest rate benchmark for the purposes of MI 25-102 and OSC Rule 25-501, and
3. RBSL is designated as a designated benchmark administrator of CDOR.

Dated this 15th day of September, 2021.

“Timothy Moseley”
Vice-Chair
Ontario Securities Commission

“Grant Vingoe”
Chair
Ontario Securities Commission

2.2.3 People Corporation

Headnote

Application for an order that the issuer is not a reporting issuer under applicable securities laws – requested relief granted.

Applicable Legislative Provisions

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

August 27, 2021

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

AND

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

AND

**IN THE MATTER OF
PEOPLE CORPORATION
(the Filer)**

ORDER

Background

The principal regulator in the Jurisdiction has received an application from the Filer for an order under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) that the Filer has ceased to be a reporting issuer in all jurisdictions of Canada in which they are reporting issuers (the **Order Sought**).

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

- (a) the Ontario Securities Commission (the **Principal Regulator**) is the principal regulator for this application, and
- (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 and Alberta.

Interpretation

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

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, except that, subsequent to the closing of the Arrangement, the Filer has not filed the disclosure required by Section 9.3.1(1) of National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) by the time required by 9.3.1(2.2) of NI 51-102, and as a result has also not filed the disclosure required by Section 4.9 of NI 51-102 by the time required by that section in respect of its amalgamation effective February 24, 2021.

Order

The Principal Regulator is satisfied that the order meets the test set out in the Legislation for the Principal Regulator to make the order.

The decision of the Principal Regulator under the Legislation that the Order Sought is granted.

“Mary Anne De Monte-Whelan”
Commissioner
Ontario Securities Commission

“Cathy Singer”
Commissioner
Ontario Securities Commission

OSC File#: 2021-0146

2.2.4 Plateau Energy Metals Inc. et al.

File No. 2021-16

**IN THE MATTER OF
PLATEAU ENERGY METALS INC.,
ALEXANDER FRANCIS CUTHBERT HOLMES AND
PHILIP NEVILLE GIBBS**

Wendy Berman, Vice-Chair and Chair of the Panel

September 17, 2021

ORDER

WHEREAS on September 17, 2021, the Ontario Securities Commission held a hearing by videoconference;

ON HEARING the submissions of the representatives for Staff of the Commission and for each of Plateau Energy Metals Inc., Alexander Francis Cuthbert Holmes and Philip Neville Gibbs;

IT IS ORDERED THAT:

1. each respondent shall file and serve a witness list, and serve a summary of each witness' anticipated evidence on Staff, and indicate any intention to call an expert witness, including providing the expert's name and the issues on which the expert will give evidence, by 4:30 p.m. on October 18, 2021; and
2. a further attendance in this matter is scheduled for November 17, 2021 at 10:00 a.m., by videoconference, or on such other date and time as may be agreed to by the parties and set by the Office of the Secretary.

"Wendy Berman"

2.2.5 Sceptre Ventures Inc.

Headnote

National Policy 11-207 Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions – Application by an issuer for a revocation of cease trade orders issued by the Commission and British Columbia Securities Commission – cease trade order issued because the issuer had failed to file certain continuous disclosure materials required – defaults subsequently remedied by bringing continuous disclosure filings up-to-date – Ontario opt-in to revocation order issued by British Columbia Securities Commission, as principal regulator.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 127 and 144.

National Policy 11-207 Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions.

Citation: 2021 BCSECCOM 364

REVOCAION ORDER

SCEPTRE VENTURES INC.

**UNDER THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA AND ONTARIO
(the Legislation)**

Background

¶ 1 Sceptre Ventures Inc. (the Issuer) is subject to a failure-to-file cease trade order (the FFCTO) issued by the regulator of the British Columbia Securities Commission (the Principal Regulator) and Ontario (each a Decision Maker) respectively on November 4, 2020.

¶ 2 The Issuer has applied to each of the Decision Makers under National Policy 11-207 *Failure-to-File Cease Trade Orders and Revocation in Multiple Jurisdictions* (NP 11-207) for an order revoking the FFCTOs.

¶ 3 This order is the order of the Principal Regulator and evidences the decision of the Decision Maker in Ontario.

Interpretation

¶ 4 Terms defined in National Instrument 14-101 *Definitions* or in NP 11-207 have the same meaning if used in this order, unless otherwise defined.

Order

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

¶ 6 The decision of the Decision Makers under the Legislation is that the FFCTO is revoked as it applies to the Issuer.

¶ 7 September 14, 2021
"Allan Lim", CPA, CA
Manager
Corporate Finance

2.4 Rulings

2.4.1 Macquarie Capital Markets Canada Ltd. – ss. 38(1), 78(1) of the CFA

Headnote

Application for a ruling pursuant to section 38 of the Commodity Futures Act granting relief from the dealer registration requirement in section 22 of the CFA to allow the Filer, an investment dealer and member of the Investment Industry Regulatory Organization of Canada (IIROC), to use employees of certain Designated Foreign Affiliates for “after-hours trading” in commodity futures contracts and commodity futures options on the Bourse de Montréal Inc. – Relief granted, subject to terms and conditions.

Statutes Cited

Commodity Futures Act, R.S.O. 1990, c. C.20, as am., ss. 22(1), 38(1) and 78(1).

September 11, 2021

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

AND

IN THE MATTER OF
MACQUARIE CAPITAL MARKETS CANADA LTD.
(the Filer)

RULING
(Subsection 38(1) and 78(1) of the CFA)

UPON the application (the **Application**) of the Filer to the Ontario Securities Commission (the **Commission**) for a ruling of the Commission, pursuant to subsection 38(1) of the CFA, that the Designated Foreign Affiliate Employees (as defined below) of the Filer are not subject to the dealer registration requirement in the CFA when conducting Extended Hours Activities (as defined below) on the Bourse de Montréal Inc. (the **MX**), subject to the terms and conditions set out below (the **Exemption Sought**).

AND WHEREAS the Commission granted a decision dated January 25, 2019 (the **Original Decision**) providing relief in connection with certain Extended Hours Activities. The Filer has also applied for an order pursuant to subsection 78(1) of the CFA to revoke the Original Decision as of the date hereof.

AND WHEREAS for the purposes of this ruling (the **Decision**):

- (i) “dealer registration requirement 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 subsection 22(1)(a) of the CFA;

“Exchange-Traded Future” means a commodity futures contract or a commodity futures option as those terms are defined in subsection 1(1) of the CFA;

- (ii) terms used in this Decision that are defined in the Securities Act (Ontario) (OSA), and not otherwise defined in this 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 Filer having represented to the Commission and the Director as follows:

The Filer

1. The Filer is a corporation formed under the laws of Ontario. The head office of the Filer is located in Toronto, Ontario.
2. The Filer is registered as an investment dealer under the securities legislation of all the provinces and territories of Canada; is registered as a futures commission merchant under the commodity futures legislation of Ontario and Manitoba; and is registered as a derivatives dealer under the derivatives legislation of Québec.
3. The Filer is a member of the Investment Industry Regulatory Organization of Canada (IIROC) and an approved participant of the MX.
4. The Filer is not in default of securities, derivatives or commodity futures legislation in any jurisdiction of Canada.
5. Macquarie Bank Limited (MBL) is a corporation incorporated in Australia. The head office of MBL is located in Sydney, Australia.
6. The Filer and MBL are each wholly-owned (indirect) subsidiaries of the same ultimate parent entity, Macquarie Group Limited (MGL).
7. MGL carries on business in the United Kingdom and Australia.
8. MBL is an Australia-based financial service provider, which is authorized and regulated by the Australian Prudential Regulation Authority (APRA). MBL is also authorized and regulated by the Australian Securities & Investments Commission pursuant to an Australian Financial Services License (AFSL).
9. MBL carries on business in the United Kingdom through a branch office, Macquarie Bank Limited (London Branch) (MBL London and, together with MBL, the Designated Foreign Affiliates), located in London, England and is authorized and regulated

by APRA, and subject to regulation by both the United Kingdom Financial Conduct Authority as well as the United Kingdom Prudential Regulation Authority.

10. The Designated Foreign Affiliates hold memberships and/or have third-party clearing relationships with commodity and financial futures exchanges and clearing associations, including the Australian Stock Exchange. The Designated Foreign Affiliates may also carry positions reflecting trades executed on other exchanges through affiliates and/or third-party clearing brokers.
11. The Filer wishes to make use of certain designated employees of the Designated Foreign Affiliates (Designated Foreign Affiliate Employees) to handle trading requests on the MX from the Filer's clients and the Filer on a proprietary basis during the MX's extended trading hours from 4:30 p.m. ET (t-1) to 6:00 a.m. ET each day on which the MX is open for trading (the Extended Hours Activities).

The MX Extended Trading Hours Amendments

12. The MX, based in Montréal, Québec, operates an exchange for options, commodity futures contracts and commodity futures options, and offers access to trading in those to market participants in Canada.
13. In 2018, the MX extended its trading hours to allow commencement of trading of certain products commencing at 2:00 a.m. ET rather than 6:00 a.m. ET (the Initial Extended Hours Initiative). As set out in MX Circular 111-18, in order to accommodate such earlier trading, the MX amended its rules to allow participants on the MX to have employees of affiliated corporations, including foreign affiliates, become an approved person of the MX participant and thus be able to handle trading requests originating from the MX participant's clients or the MX participant on a proprietary basis. In furtherance of the Initial Extended Hours Initiative, the Filer sought and obtained the Original Decision from the Commission that is substantially similar to the Exemption Sought with respect to Designated Foreign Affiliate Employees of Designated Foreign Affiliates.
14. On March 17, 2020, the MX announced that it had approved non-material amendments to its rules and procedures in order to accommodate the further extension of the MX's trading hours. As a result of these amendments, it is anticipated that following the self-certification process applicable to self-regulatory organizations such as the MX, trading of certain products on the MX will commence at 8:00 p.m. ET (t-1) rather than the current 2:00 a.m. ET (the "Asian Trading Hours Initiative"). These amendments are considered non-material insofar as the framework put in place in connection with the Initial Extended Hours Initiative will apply to the Asian Trading Hours Initiative, allowing participants on the MX to have employees of affiliated

corporations, including foreign affiliates, become an approved person of the MX participant and thus be able to handle trading requests originating from the MX participant's clients or the MX participant on a proprietary basis. See MX Circular 135-20. On February 4, 2021, the MX announced a proposed launch date of May 30, 2021 for the Asian Trading Hours Initiative, which has since been rescheduled to September 19, 2021. See MX Circulars 024-21 and 063-21.

Application of the dealer registration requirement in the CFA to Designated Foreign Affiliate Employees

15. The Filer is an MX approved participant and the Designated Foreign Affiliates are affiliated entities. The Filer wishes to make use of the Designated Foreign Affiliate Employees to conduct the Extended Hours Activities.
16. The dealer registration requirement in the CFA requires an individual to be registered to act as a dealing representative on behalf of a registered firm. The Exemption Sought is intended to provide the Filer with an exemption from (i) the requirement that the Filer use only registered dealing representatives to conduct the Extended Hours Activities; and (ii) the requirement that the Designated Foreign Affiliate Employees who will be conducting the Extended Hours Activities be registered as dealing representatives of the Filer.
17. The Filer seeks an exemption from the dealer registration requirement in the CFA because, in the absence of such exemption, each Designated Foreign Affiliate Employee who was to trade on behalf of the Filer would be required to become individually registered and licensed in Canada. The Filer believes this is duplicative since the Designated Foreign Affiliate Employees are certified under applicable United Kingdom law and Australia law and supervised by the Filer's Designated Supervisors (as defined below) and are otherwise subject to the conditions set forth below. The Filer believes the dealer registration requirement is unduly onerous in light of the limited trading activities the Designated Foreign Affiliate Employees will be conducting and only during the period from 4:30 p.m. ET (t-1) to 6:00 a.m. ET.
18. The Filer has also applied to, and obtained from, IIROC an exemption from the registered representative requirements that are found in IIROC Dealer Member Rules 18.2, 18.3 and 500.2 and the requirement to enter into an employee or agent relationship with the person conducting securities related business on its behalf that is found in IIROC Dealer Member Rule 39.3 (the IIROC Relief).
19. The IIROC Relief allows for trading to commence at 4:30 p.m. ET (t-1) rather than 8 p.m. ET (t-1) as contemplated by the Asian Trading Hours Initiative, subject to the MX trading rules being modified. The

Exemption Sought accordingly conforms to the IIROC Relief with respect to Extended Hours Activities.

20. The IIROC Relief obtained by the Filer is subject to certain conditions, including:

- (a) the Designated Foreign Affiliate Employees must be registered/licensed under the applicable laws of the United Kingdom or Australia in a category that permits trading the types of products which they will be trading on the MX;
- (b) the Designated Foreign Affiliate Employees will be permitted to accept and enter orders from clients of the Filer or orders from the Filer on a proprietary basis during the period from 4:30 p.m. ET (t-1) to 6:00 a.m. ET, and will not be permitted to give advice;
- (c) the Filer retains all responsibilities for its client accounts;
- (d) the actions of the Designated Foreign Affiliate Employees will be supervised by specific designated supervisors of the Filer (the **Designated Supervisors**), each of whom is qualified to supervise trading in futures contracts, futures contract options and options;
- (e) the Filer and each Designated Foreign Affiliate must jointly and severally undertake to ensure IIROC has, upon request, prompt access to the audit trail of all trades that relate to Extended Hours Activities and records relating thereto;
- (f) the Exemption Sought would apply to Designated Foreign Affiliate Employees who are designated and recorded on a list maintained by the Filer, which list must be provided to IIROC in writing and updated on at least an annual basis;
- (g) the Filer and each Designated Foreign Affiliate Employee will enter into an agency arrangement pursuant to which the Filer will assume all responsibility for the actions of the Designated Foreign Affiliate Employees and of each Designated Foreign Affiliate that relate to the Filer's clients regarding this trading on MX, and the Filer will acknowledge that it will be liable under IIROC rules for such actions;
- (h) all MX trading rules will apply to orders entered by the Designated Foreign Affiliate Employees;
- (i) other than individual registration, all other existing Canadian regulatory requirements

would continue to apply to this arrangement, including without limitation;

- i.* the Filer's client accounts would continue to be carried on the books of the Filer;
 - ii.* all communications with the Filer's clients will continue to be in the name of the Filer; and
 - iii.* the Filer's client account monies, security and property will continue to be held by the Filer;
- (j) the Filer will establish and maintain written policies and procedures that address the performance and supervision requirements relating to MX extended trading hours; and
 - (k) the Filer will disclose this extended trading hours arrangement to clients for its MX trading services and provide specific instructions concerning the placement of orders relating thereto.

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

IT IS RULED pursuant to subsection 78(1) of the CFA that the Original Decision is revoked;

IT IS RULED pursuant to subsection 38(1) of the CFA that the Exemption Sought is granted, so long as:

- (a) the Designated Foreign Affiliates and the Designated Foreign Affiliate Employees are registered, licensed, certified or authorized under the applicable laws of the foreign jurisdiction in which the head office or principal place of business of the Designated Foreign Affiliate is located in a category that permits trading the type of products which the Designated Foreign Affiliate Employees will be trading on the MX;
- (b) the Designated Foreign Affiliate Employees are permitted to accept and enter orders from clients of the Filer or orders from the Filer on a proprietary basis during the period from 4:30 p.m. ET (t-1) to 6:00 a.m. ET, and will not be permitted to give advice;
- (c) the Filer retains all responsibilities for its client accounts;
- (d) the actions of the Designated Foreign Affiliate Employees will be supervised by the Designated Supervisors, each of whom is qualified to supervise trading in futures contracts, futures contract options and options;

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- (e) the Filer and the Designated Foreign Affiliate Employees enter into an agency arrangement substantially as described in paragraph 20(g), and such arrangement remains in effect; and
- (f) the Filer remains in compliance with the terms and conditions of the IIROC Relief.

“M. Cecilia Williams”
Commissioner
Ontario Securities Commission

“Frances Kordyback”
Commissioner
Ontario Securities Commission

OSC File #: 2021/0313

Chapter 4

Cease Trading Orders

4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Revoke
THERE IS NOTHING TO REPORT THIS WEEK.				

Failure to File Cease Trade Orders

Company Name	Date of Order	Date of Revocation
Eurogas International Inc.	September 3, 2021	September 15, 2021
Sceptre Ventures Inc.	November 4, 2020	September 14, 2021

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
Akumin Inc.	August 20, 2021	
Agrios Global Holdings Ltd.	September 17, 2020	
New Wave Holdings Corp.	August 3, 2021	
Reservoir Capital Corp.	May 5, 2021	
Aion Therapeutic Inc.	September 1, 2021	

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Chapter 5

Rules and Policies

5.1.1 National Instrument 45-110 Start-up Crowdfunding Registration and Prospectus Exemptions

NATIONAL INSTRUMENT 45-110 START-UP CROWDFUNDING REGISTRATION AND PROSPECTUS EXEMPTIONS

PART 1 DEFINITIONS AND INTERPRETATION

Definitions

1. (1) In this Instrument,

“association” means any of the following:

- (a) a cooperative, as defined in subsection 2(1) of the *Canada Cooperatives Act* (Canada);
- (b) a person or company referred to in Appendix A;

“crowdfunding distribution” means a distribution under section 5;

“eligible security” means any of the following:

- (a) a common share;
- (b) a non-convertible preference share;
- (c) a security convertible into a security referred to in paragraph (a) or (b);
- (d) a non-convertible debt security linked to a fixed or floating interest rate;
- (e) a unit of a limited partnership;
- (f) a share in the capital of an association;

“exempt market dealer” means a person or company registered in the category of exempt market dealer;

“founder” means a person or company that,

- (a) in the case of an issuer or a funding portal, acting alone or in conjunction or in concert with one or more persons or companies, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer or funding portal, and
- (b) in the case of an issuer, at the time of the distribution or trade, is actively involved in the business of the issuer;

“funding portal” means a person or company that facilitates or proposes to facilitate a crowdfunding distribution through a web-based or application-based platform;

“investment dealer” means a person or company registered in the category of investment dealer;

“issuer group” means, in respect of an issuer, the following:

- (a) the issuer;
- (b) an affiliate of the issuer;
- (c) any other issuer if either of the following applies:
 - (i) the other issuer is engaged in a common enterprise with the issuer or with an affiliate of the issuer;

- (ii) the other issuer's business is founded or organized by a person or company that founded or organized the issuer;

"minimum offering amount", in respect of a crowdfunding distribution, means the minimum amount disclosed in the issuer's completed Form 45-110F1 *Offering Document*;

"principal", except under paragraph 5(1)(b), means a founder, director, officer or control person of a funding portal or an issuer;

"subsidiary" means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

- (2) For the purposes of this Instrument, an issuer is affiliated with another issuer if
 - (a) one of them is the subsidiary of the other, or
 - (b) each of them is controlled by the same person or company.
- (3) For the purposes of this Instrument, a person (first person) is considered to control another person (second person) if
 - (a) the first person beneficially owns or directly or indirectly exercises control or direction over securities of the second person carrying votes that, if exercised, would entitle the first person to elect a majority of the directors of the second person, unless that first person holds the voting securities only to secure an obligation,
 - (b) the second person is a partnership, other than a limited partnership, and the first person holds more than 50% of the interests of the partnership, or
 - (c) the second person is a limited partnership and the general partner of the limited partnership is the first person.

Special application – Alberta, British Columbia, Ontario, Québec and Saskatchewan

- 2. (1) In Alberta, an offering document that is provided under section 5 is designated to be an offering memorandum under securities legislation.
- (2) In British Columbia, an offering document that is provided under paragraph 5(1)(h) is a prescribed disclosure document for purposes of section 132.1 of the *Securities Act* (British Columbia).
- (3) In Ontario, an issuer that distributes securities under section 5 is prescribed as a market participant under the *Securities Act* (Ontario).
- (4) In Saskatchewan, an offering document that is provided under section 5 is an offering memorandum under securities legislation.
- (5) In Québec,
 - (a) an offering document that is provided under section 5 and a Form 45-110F2 *Risk Acknowledgement* made available to purchasers in accordance with this Instrument must be drawn up in French only or in French and English,
 - (b) a funding portal that has relied on the exemption under section 3 is a market participant determined by regulation for the purpose of section 151.1.1 of the *Securities Act* (Québec),
 - (c) an offering document that is provided under section 5 and materials that are made available to purchasers in accordance with this Instrument are documents authorized by the Autorité des marchés financiers for use in lieu of a prospectus, and
 - (d) "trade", in this Instrument, means any of the following activities:
 - (i) the activities described in the definition of "dealer" in section 5 of the *Securities Act* (Québec), including the following activities:
 - (A) the sale or disposition of a security by onerous title, whether the terms of payment be on margin, instalment or otherwise, but does not include a transfer or the giving in guarantee of securities in connection with a debt or the purchase of a security, except as provided under subparagraph (ii);

- (B) participation as a trader in any transaction in a security through the facilities of an exchange or a quotation and trade reporting system;
- (C) the receipt by a registrant of an order to buy or sell a security;
- (ii) a transfer or the giving in guarantee of securities of an issuer from the holdings of a control person in connection with a debt.

PART 2
EXEMPTION FROM THE DEALER REGISTRATION REQUIREMENT

Exemption from dealer registration requirement

- 3. (1)** A funding portal is exempt from the dealer registration requirement if all of the following apply:
- (a) the funding portal is not registered under securities legislation in any jurisdiction of Canada;
 - (b) the funding portal does not advise a purchaser about the merits of an investment or recommend or represent that an eligible security is a suitable investment for the purchaser;
 - (c) the funding portal does not receive a commission, fee or other similar payment from a purchaser;
 - (d) the funding portal facilitates or proposes to facilitate crowdfunding distributions only;
 - (e) at least 30 days before the first date the funding portal facilitates a crowdfunding distribution, the funding portal delivered to the securities regulatory authority or regulator both of the following:
 - (i) a completed Form 45-110F3 *Funding Portal Information* for the funding portal certified by an authorized individual of the funding portal;
 - (ii) a completed Form 45-110F4 *Portal Individual Information* for each principal of the funding portal that contains a certification signed by that principal;
 - (f) the funding portal has its head office in Canada;
 - (g) the funding portal has policies and procedures to prevent a person or company from accessing its platform unless the person or company acknowledges that the person or company is accessing a platform of a funding portal that
 - (i) is not registered under securities legislation in any jurisdiction of Canada, and
 - (ii) will not, and is not authorized to, provide advice about
 - (A) the suitability of any security for investment by the person or company, or
 - (B) the merits of any investment;
 - (h) the following are disclosed on the funding portal's platform:
 - (i) a statement that the funding portal is not registered under securities legislation in any jurisdiction of Canada and is relying on the exemption from the dealer registration requirement under this Instrument;
 - (ii) a statement that the funding portal will hold each purchaser's assets
 - (A) separate and apart from the funding portal's own assets,
 - (B) in trust for the purchaser, and
 - (C) in the case of cash, in a designated trust account at a Canadian financial institution;
 - (iii) the policies and procedures that the funding portal will follow for notifying each purchaser if the funding portal becomes insolvent or discontinues operations, and how the funding portal will return a purchaser's assets;
 - (i) the funding portal holds each purchaser's assets
 - (i) separate and apart from the funding portal's own assets,

- (ii) in trust for the purchaser, and
 - (iii) in the case of cash, in a designated trust account at a Canadian financial institution;
- (j) the funding portal has policies and procedures for handling assets, in relation to a crowdfunding distribution, sufficient to provide reasonable assurance that the funding portal will comply with the conditions under paragraph (i);
- (k) the funding portal does not close a crowdfunding distribution on its platform unless the funding portal receives, through the funding portal's platform, payment for the distribution of each eligible security from the purchaser of that security;
- (l) the funding portal has policies and procedures to ensure that, after an issuer provides the funding portal with its completed Form 45-110F1 *Offering Document* and a Form 45-110F2 *Risk Acknowledgement*, these documents are made available to each purchaser through the funding portal's platform;
- (m) the funding portal has policies and procedures to prevent a purchaser from subscribing to a crowdfunding distribution unless the purchaser first completes Form 45-110F2 *Risk Acknowledgement* and confirms that the purchaser has read and understands the issuer's completed Form 45-110F1 *Offering Document*;
- (n) the funding portal has policies and procedures for, upon receiving notice from an issuer that the issuer has amended its completed Form 45-110F1 *Offering Document*, promptly
 - (i) posting the amendment on the funding portal's platform, and
 - (ii) notifying each purchaser of the amendment, and of the purchaser's right to withdraw from the agreement to purchase the security by delivering a notice to the funding portal under paragraph 5(1)(j);
- (o) the funding portal has policies and procedures to return all assets to a purchaser within 5 business days of receiving a withdrawal notification under paragraph 5(1)(j) from the purchaser;
- (p) if an issuer has not raised the minimum offering amount by the 90th day after the issuer's completed Form 45-110F1 *Offering Document* is first made available to a prospective purchaser on the funding portal's platform, or if an issuer notifies the funding portal that it is withdrawing its crowdfunding distribution, no later than 5 business days after the 90th day or the notice, as applicable, the funding portal
 - (i) notifies the issuer, and each purchaser of that issuer's crowdfunding distribution, that assets have been returned or are in the process of being returned, and
 - (ii) takes reasonable steps to return, or cause to be returned, all assets to each purchaser of that issuer's crowdfunding distribution;
- (q) if both periods referred to in paragraph 5(1)(j) have elapsed, the funding portal
 - (i) releases, or causes to be released, all assets due to the issuer at the closing of the distribution, and
 - (ii) no later than 15 days after the closing of the distribution,
 - (A) notifies each purchaser that the assets have been released to the issuer, and
 - (B) provides the issuer with the documents referred to in paragraph 5(2)(b);
- (r) neither the funding portal, nor any of its principals, is or has been the subject of an order, judgment, decree, sanction, or administrative penalty imposed by, or has entered into a settlement agreement with, a government agency, administrative agency, self-regulatory organization or court in the last 10 years related to a claim based in whole or in part on fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct;
- (s) neither the funding portal nor any of its principals is or has been a principal of an entity that is or has been subject to an order, judgment, decree, sanction or administrative penalty or a settlement agreement referred to in paragraph (r);
- (t) the funding portal has policies and procedures to promptly notify the securities regulatory authority or regulator, and any purchasers for which it holds assets, of the process the funding portal will use to return assets to those purchasers in the event that the funding portal becomes insolvent or discontinues operations;
- (u) the funding portal is not insolvent.

- (2) A funding portal relying on subsection (1) must
- (a) maintain, for a period of 8 years from the date a record is created, records at its head office that accurately record its financial affairs and client transactions, and demonstrate the extent of the funding portal's compliance with this Instrument,
 - (b) notify the securities regulatory authority or regulator of each change to the information previously submitted in a document referred to in paragraph (1)(e) by delivering an amendment to the document no later than 30 days after the change,
 - (c) take reasonable steps to confirm that the majority of the directors of the funding portal ordinarily reside in Canada,
 - (d) disclose on its platform, for each principal of the funding portal, the principal's full legal name, municipality and jurisdiction of residence, business mailing and email addresses and business telephone number,
 - (e) take reasonable steps to confirm that the head office of an issuer is in Canada before allowing the issuer to post a crowdfunding distribution on the funding portal's platform,
 - (f) not allow a person or company to access the funding portal's platform unless the person or company acknowledges that the person or company is accessing a platform of a funding portal that
 - (i) is not registered under securities legislation in any jurisdiction of Canada, and
 - (ii) will not, and is not authorized to, provide advice about
 - (A) the suitability of any security for investment by the person or company, or
 - (B) the merits of any investment,
 - (g) not close a crowdfunding distribution on its platform unless the funding portal has made the issuer's completed Form 45-110F1 *Offering Document* and Form 45-110F2 *Risk Acknowledgement* available to each purchaser through the funding portal's platform,
 - (h) not close a crowdfunding distribution on its platform unless each purchaser completes Form 45-110F2 *Risk Acknowledgement* acknowledging the risks and confirms that the purchaser has read and understands the issuer's completed Form 45-110F1 *Offering Document*,
 - (i) upon receiving notice from an issuer that the issuer has amended its completed Form 45-110F1 *Offering Document*, promptly
 - (i) post the amendment on the funding portal's platform, and
 - (ii) notify each purchaser of the amendment, and the purchaser's right to withdraw from the agreement to purchase the security by delivering a notice to the funding portal under paragraph 5(1)(j),
 - (j) return all assets to a purchaser within 5 business days of receiving a withdrawal notification under paragraph 5(1)(j) from the purchaser,
 - (k) during the following periods of each year, deliver to the securities regulatory authority or regulator a completed Form 45-110F5 *Semi-Annual Financial Resources Certification*:
 - (i) between January 1 and January 10, and
 - (ii) between July 1 and July 10, and
 - (l) upon becoming insolvent or discontinuing operations, promptly notify the securities regulatory authority or regulator, and any purchasers for which it holds assets, of the process the funding portal will use to return the assets to those purchasers.

PART 3
REGISTERED FUNDING PORTALS

Requirements for investment dealers or exempt market dealers operating funding portals

- 4. (1)** A funding portal that is an investment dealer or exempt market dealer must not
- (a) close a crowdfunding distribution on its platform unless
 - (i) the funding portal receives, through its platform, payment for the distribution of each eligible security from the purchaser of such security,
 - (ii) the funding portal has made the issuer's completed Form 45-110F1 *Offering Document* and Form 45-110F2 *Risk Acknowledgement* available to each purchaser through its platform, and
 - (iii) each purchaser completes the Form 45-110F2 *Risk Acknowledgement* acknowledging the risks and confirms that the purchaser has read and understands the issuer's completed Form 45-110F1 *Offering Document*, and
 - (b) allow a person or company to access the funding portal's platform unless the person or company has acknowledged that the person or company is accessing a platform that
 - (i) is operated by an investment dealer or an exempt market dealer, as applicable, and
 - (ii) will provide advice about the suitability of the eligible security.
- (2)** A funding portal that is an investment dealer or exempt market dealer must
- (a) take reasonable steps to confirm that the head office of an issuer is in Canada before allowing the issuer to post a crowdfunding distribution on the funding portal's platform,
 - (b) upon receiving notice from an issuer that the issuer has amended its completed Form 45-110F1 *Offering Document*, promptly notify each purchaser of that issuer's crowdfunding distribution of
 - (i) the amendment, and
 - (ii) the purchaser's right to withdraw from the agreement to purchase the security by delivering a notice to the funding portal under paragraph 5(1)(j),
 - (c) return all assets to a purchaser within 5 business days of receiving a withdrawal notification under paragraph 5(1)(j) from the purchaser,
 - (d) upon an issuer not raising the minimum offering amount by the 90th day after the issuer's completed Form 45-110F1 *Offering Document* is first made available to a prospective purchaser on the funding portal's platform, or an issuer notifying the funding portal that it is withdrawing its crowdfunding distribution, no later than 5 business days after the 90th day or the notice, as applicable,
 - (i) notify the issuer, and each purchaser of that issuer's crowdfunding distribution, that assets have been returned or are in the process of being returned, and
 - (ii) take reasonable steps to return, or cause to be returned, all assets to each purchaser of that issuer's crowdfunding distribution, and
 - (e) after the later of the periods referred to in paragraph 5(1)(j) has elapsed,
 - (i) release, or cause to be released, all assets due to the issuer at the closing of the distribution, and
 - (ii) no later than 15 days after the closing of the distribution,
 - (A) notify each purchaser that the assets have been released to the issuer, and
 - (B) provide the issuer with all information required to comply with the issuer's obligations under paragraph 5(2)(b).

PART 4
EXEMPTION FROM PROSPECTUS REQUIREMENT FOR ISSUERS

Exemption from prospectus requirement for issuers

- 5. (1)** An issuer is exempt from the prospectus requirement in respect of a crowdfunding distribution if all of the following apply:
- (a) the distribution of and payment for the security is facilitated through a funding portal that is
 - (i) relying on subsection 3(1), or
 - (ii) operated by an exempt market dealer or investment dealer;
 - (b) the purchaser purchases the security as principal;
 - (c) the issuer is not a reporting issuer in any jurisdiction of Canada or the equivalent in any foreign jurisdiction;
 - (d) the issuer is not an investment fund;
 - (e) the issuer has its head office in Canada;
 - (f) the security distributed is an eligible security of the issuer's own issue;
 - (g) the aggregate gross proceeds raised by the issuer group in reliance on this section during the 12-month period before the closing of the crowdfunding distribution do not exceed \$1 500 000;
 - (h) the issuer has completed a Form 45-110F1 *Offering Document* and provided it to the funding portal;
 - (i) the crowdfunding distribution closes no later than the 90th day after the date the issuer's completed Form 45-110F1 *Offering Document* is first made available to a prospective purchaser on the funding portal's platform;
 - (j) the subscription agreement provides that the purchaser may withdraw from the agreement to purchase the security,
 - (i) after entering into the agreement, by delivering a notice of withdrawal to the funding portal not later than midnight on the 2nd business day after the day on which the purchaser enters into the agreement, and
 - (ii) after an amendment to the issuer's completed Form 45-110F1 *Offering Document*, by delivering a notice of withdrawal not later than midnight on the 2nd business day after the day on which the funding portal notifies the purchaser of the amendment;
 - (k) the issuer's completed Form 45-110F1 *Offering Document* discloses how the issuer intends to use the assets raised and the minimum offering amount required to close the crowdfunding distribution;
 - (l) the issuer does not close the crowdfunding distribution until the issuer has raised the minimum offering amount stated in the issuer's completed Form 45-110F1 *Offering Document* either through subscriptions to the crowdfunding distribution or any concurrent distribution under one or more other exemptions from the prospectus requirement, provided that the assets are unconditionally available to the issuer;
 - (m) no concurrent crowdfunding distribution is made by any member of the issuer group for the same purposes as described in the issuer's completed Form 45-110F1 *Offering Document*;
 - (n) no commission, fee or similar payment is paid by the issuer to the issuer group, or any principal, employee or agent of a member of the issuer group, with respect to the crowdfunding distribution;
 - (o) no principal of the issuer group is a principal of the funding portal;
 - (p) the issuer does not distribute to any one purchaser securities valued at more than,
 - (i) subject to subparagraph (ii), \$2 500, or
 - (ii) if the purchaser has obtained advice from a registered dealer that the investment is suitable for the purchaser, \$10 000;

- (q) the issuer
 - (i) has operations other than operations to identify and evaluate assets or a business with a view to completing an investment in, merger with, amalgamation with or a purchase of the securities of an issuer, or the acquisition of a business, and
 - (ii) does not intend to use the proceeds of the crowdfunding distribution to invest in, merge with, amalgamate with or to purchase securities of an issuer, or to acquire a business, unless the issuer or the business is identified in the issuer's completed Form 45-110F1 *Offering Document*.
- (2) An issuer relying on subsection (1) must,
- (a) if the issuer becomes aware that its completed Form 45-110F1 *Offering Document* is not accurate, or is no longer accurate, promptly
 - (i) advise the funding portal that the issuer's Form 45-110F1 *Offering Document* is not accurate, or is no longer accurate,
 - (ii) amend the Form 45-110F1 *Offering Document* so that it is accurate, and
 - (iii) provide the amended Form 45-110F1 *Offering Document* to the funding portal, and
 - (b) within 30 days after the closing of the crowdfunding distribution, deliver to each purchaser
 - (i) a written confirmation setting out all of the following:
 - (A) the date of subscription and the closing of the crowdfunding distribution;
 - (B) the quantity and description of the eligible security purchased;
 - (C) the price per eligible security paid by the purchaser;
 - (D) the total commissions, fees and any other similar payments paid by the issuer to the funding portal in respect of the crowdfunding distribution, and
 - (ii) a copy of the issuer's completed Form 45-110F1 *Offering Document*.

Filing of distribution materials

6. An issuer that distributes a security under this Instrument must, no later than the 30th day after the closing of the crowdfunding distribution, file with the securities regulatory authority or regulator both of the following:
- (a) the issuer's completed Form 45-110F1 *Offering Document*,
 - (b) a report of exempt distribution in accordance with Form 45-106F1 *Report of Exempt Distribution* of National Instrument 45-106 *Prospectus Exemptions*.

PART 5 EXEMPTION

Exemption

- 7. (1) The securities regulatory authority or regulator may grant an exemption from this Instrument, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption.
- (2) Despite subsection (1), in Ontario, only the regulator may grant an exemption.
- (3) Except in Alberta and Ontario, an exemption referred to in subsection (1) is granted under the statute referred to in Appendix B of National Instrument 14-101 *Definitions* opposite the name of the local jurisdiction.

PART 6 EFFECTIVE DATE

Effective date

- 8. (1) This Instrument comes into force on September 21, 2021.
- (2) In Saskatchewan, despite subsection (1), if this Instrument is filed with the Registrar of Regulations after September 21, 2021, this Instrument comes into force on the day on which they are filed with the Registrar of Regulations.

**APPENDIX A
TO
NATIONAL INSTRUMENT 45-110 *START-UP CROWDFUNDING REGISTRATION AND PROSPECTUS EXEMPTIONS*
ASSOCIATIONS**

In this Instrument, a person or company is an “association” if the person or company is any of the following:

- a cooperative, as defined in subsection 1(1) of the *Cooperatives Act* (Alberta)
- an association, as defined in subsection 1(1) of the *Cooperative Association Act* (British Columbia)
- a cooperative, as defined in subsection 1(1) of the *Cooperatives Act* (Manitoba)
- a cooperative, as defined in section 1 of the *Cooperatives Act* (New Brunswick)
- a co-operative, as defined in section 2 of the *Co-Operatives Act* (Newfoundland)
- an association, as defined in section 1 of the *Co-Operative Associations Act* (Northwest Territories)
- an association, as defined in section 2 of the *Co-Operative Associations Act* (Nova Scotia)
- an association, as defined in section 1 of the *Co-Operative Associations Act* (Nunavut)
- a co-operative, as defined in section 1 of the *Co-Operative Corporations Act* (Ontario), only if permitted or authorized by that legislation to rely on the exemption from the prospectus requirement in this Instrument
- an association, as defined in section 1 of the *Co-Operative Associations Act* (Prince Edward Island)
- a cooperative, as defined in section 3 of the *Co-Operatives Act* (Québec)
- a co-operative, as defined in clause 2(1)(l) of *The New Generation Co-Operatives Act* (Saskatchewan)
- an association, as defined in section 1 of the *Cooperative Associations Act* (Yukon)

**FORM 45-110F1
OFFERING DOCUMENT**

GENERAL INSTRUCTIONS:

- (1) *This offering document must be provided to your funding portal, which must make it available on its online platform. This offering document must not contain a misrepresentation. A misrepresentation means an untrue statement of material fact or an omission to state a material fact that is required to be stated, or necessary to prevent a statement that is made from being false or misleading in the circumstances in which it was made. If the information contained in this offering document is no longer accurate and contains a misrepresentation, you must immediately notify the funding portal, amend the offering document and provide the new version to the funding portal.*
- (2) *If an issuer is relying on the start-up crowdfunding prospectus exemption (section 5 of the Instrument) in the local jurisdiction with respect to a crowdfunding distribution, the issuer must file this offering document in the local jurisdiction. Note: if a purchaser of the securities and the issuer are in different jurisdictions, the crowdfunding distribution is occurring in both jurisdictions – the jurisdiction of the issuer’s head office and the jurisdiction of the purchaser.*
- (3) *This offering document is required to be filed no later than the 30th day after the closing of the distribution.*
- (4) *This offering document must be completed and certified by an authorized individual on behalf of the issuer.*
- (5) *Draft this offering document so that it is easy to read and understand. Be concise and use clear, plain language. Avoid technical terms.*
- (6) *Disclosure must conform as closely as possible to this form. Address the items in the order set out below. No variation of headings, numbering or information set out in the form is allowed and all are to be displayed as shown.*

Item 1: RISKS OF INVESTING

- 1.1 Include the following statement in bold type:

“No securities regulatory authority or regulator has assessed, reviewed or approved the merits of these securities or reviewed this offering document. Any representation to the contrary is an offence. This is a risky investment.”

- 1.2 Include the following statement, in bold type, if the issuer provides forward-looking statements:

“The forecasts and predictions of an early-stage business are difficult to objectively analyze or confirm. Forward-looking statements represent the opinion of the issuer only and may not prove to be reasonable.”

Item 2: THE ISSUER

- 2.1 Provide the following information about the issuer:

- (a) full legal name as it appears in the issuer’s articles of incorporation, limited partnership agreement or other organizing documents, as the case may be;
- (b) head office address;
- (c) telephone;
- (d) email address;
- (e) website URL.

Instructions: The head office is where the individuals managing the issuer, including the CEO, maintain their offices. This may be the same as, or different from, the registered office address, depending on the legal structure of the issuer. The address of the head office must be a physical address and not a post office (P.O.) box.

- 2.2 Provide the following information for a contact person of the issuer who is able to answer questions from purchasers and the securities regulatory authority or regulator:

- (a) full legal name (first name, middle name and last name);
- (b) position held with the issuer;
- (c) business address;

- (d) business telephone;
- (e) email address.

Item 3: ISSUER'S BUSINESS

3.1 Describe the issuer's business. Provide enough detail for an investor to clearly understand what the issuer does or intends to do.

Instructions:

- (1) *Answer the following questions if applicable:*
 - *Does or will the issuer build, design or develop something? Will it sell something produced by others? Will it provide a service?*
 - *What are the key details about the issuer's industry and operations? What makes the issuer's business special and different from other competitors in the industry?*
 - *What milestones has the issuer already reached and what do they hope to achieve in the next 2 years? E.g., Complete testing, find a manufacturer, commence a marketing campaign or buy inventory. What is the proposed timeline for achieving each of the milestones?*
 - *What are the major hurdles that the issuer expects to face in achieving its milestones?*
 - *How are the funds raised from this financing expected to help the issuer advance its business and achieve one or more of the milestones?*
 - *Has the issuer entered any contracts that are important to its business?*
 - *Has the issuer conducted any operations yet?*
 - *Where does the issuer see its business in 3, 5 and 10 years?*
 - *What are the issuer's future plans and hopes for its business and how does it plan to get there?*
 - *What is the issuer's management experience in running a business or in the same industry?*
 - *Does the issuer have business premises from which it can operate its business?*
 - *How many employees does the issuer have? How many does it need?*
- (2) *Do not refer to a measure of financial performance, financial position or cash flow in the offering document unless (i) the issuer has made financial statements available for the most recently completed financial year, and (ii) the measure referred to in the offering document is an amount presented in the financial statements or is reconciled to an amount presented in the financial statements.*
- (3) *An issuer must have operations other than to identify and evaluate assets or a business with a view to completing an investment in, merger with, amalgamation with or acquisition of a business, or a purchase of the securities of one or more other issuers. If it has no other operations, it must not raise capital using start-up crowdfunding.*

3.2 Describe the legal structure of the issuer and indicate the jurisdiction where the issuer is incorporated or organized.

Instructions:

- (1) *Indicate whether the issuer is a corporation, a limited partnership, a general partnership, an association (as defined under the Instrument) or other.*
 - (2) *Indicate the province, territory or state where the issuer is incorporated or organized.*
- 3.3 Indicate where the issuer's articles of incorporation, limited partnership agreement, shareholder agreement or similar document is available for purchasers to review.

Instruction: You may provide online access to these documents for investors.

3.4 Indicate which statement(s) best describe(s) the issuer's operations (select all that apply)

The issuer

- has never conducted operations,
- is in the development stage,
- is currently conducting operations.

3.5 Indicate whether the issuer has financial statements available. If yes, include the following statement, in bold type:

"Information for purchasers: If you receive financial statements from an issuer conducting a crowdfunding distribution, you should know that those financial statements have not been provided to or reviewed by a securities regulatory authority or regulator. They are not part of this offering document. You should also consider seeking advice from an accountant or an independent financial adviser about the information in the financial statements."

Instructions:

- (1) *Any financial statements made available in connection with the start-up crowdfunding distribution must be prepared in accordance with Canadian GAAP. These financial statements must present the issuer's results of operations for its most recently completed financial year.*
 - (2) *If an auditor has issued an auditor's report on the financial statements, it must be included with the financial statements. If the financial statements were not audited, the issuer must label the financial statements as unaudited.*
- 3.6 Describe the number and type of securities of the issuer outstanding as at the date of the offering document. If there are securities outstanding other than the eligible securities being offered, describe those securities.

Item 4: MANAGEMENT

4.1 Provide the information in the following table for each founder, director, officer and control person of the issuer:

Full legal name, municipality of residence and position at issuer	Principal occupation for the last 5 years	Expertise, education, and experience that is relevant to the issuer's business	Number and type of securities of the issuer owned	Date securities were acquired and price paid for the securities	Percentage of the issuer's securities held as of the date of this offering document

4.2 Provide the name of the person involved and details of the time, nature and the outcome of the proceedings for each of the persons listed under item 4.1 and the issuer who, as the case may be:

- (a) has ever pleaded guilty to or been found guilty of
 - (i) a summary conviction or indictable offence under the *Criminal Code*,
 - (ii) a quasi-criminal offence in any jurisdiction of Canada or a foreign jurisdiction,
 - (iii) a misdemeanor or felony under the criminal legislation of the United States of America, or any state or territory therein, or
 - (iv) an offence under the criminal legislation of any other foreign jurisdiction,

- (b) is or has been the subject of an order (cease trade or otherwise), judgment, decree, sanction, or administrative penalty imposed by, or has entered into a settlement agreement with, a government agency, administrative agency, self-regulatory organization, civil court, or administrative court of Canada or a foreign jurisdiction in the last 10 years related to:
 - (i) the person's involvement in any securities, insurance or banking activity, or
 - (ii) a claim based in whole or in part on fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct,
- (c) is or has been the subject of an order, judgment, decree, sanction or administrative penalty imposed by a discipline committee, professional order or administrative court of Canada or a foreign jurisdiction in the last ten years related to any professional misconduct,
- (d) is or has ever been the subject of a bankruptcy or insolvency proceeding, or
- (e) is a director, officer, founder or control person of a person or company that is or has been subject to a proceeding described in paragraph (a), (b), (c) or (d) above.

Instruction: A quasi-criminal offence includes offences under the Income Tax Act (Canada), the Immigration and Refugee Protection Act (Canada) or the tax, immigration, drugs, firearms, money laundering or securities legislation of any province or territory of Canada or foreign jurisdiction.

Item 5: CROWDFUNDING DISTRIBUTION

- 5.1 Provide the name of the funding portal the issuer is using to conduct its crowdfunding distribution. If the issuer is using a funding portal that is operated by a registered dealer, provide the name of the registered dealer.

Instruction: This offering document must not be posted on more than one funding portal.

- 5.2 Indicate all the jurisdictions (Canadian provinces and territories) where the issuer intends to raise funds and make this offering document available.

- | | | |
|---|--|---|
| <input type="checkbox"/> Alberta | <input type="checkbox"/> Newfoundland and Labrador | <input type="checkbox"/> Ontario |
| <input type="checkbox"/> British Columbia | <input type="checkbox"/> Northwest Territories | <input type="checkbox"/> Prince Edward Island |
| <input type="checkbox"/> Manitoba | <input type="checkbox"/> Nova Scotia | <input type="checkbox"/> Québec |
| <input type="checkbox"/> New Brunswick | <input type="checkbox"/> Nunavut | <input type="checkbox"/> Saskatchewan |
| | | <input type="checkbox"/> Yukon |

- 5.3 Provide the following information with respect to the crowdfunding distribution:
- (a) the date before which the issuer must have raised the minimum offering amount for the closing of the distribution (no later than 90 days after the date this offering document is first made available on the funding portal);
 - (b) the date(s) and description of amendment(s) made to this offering document, if any.

Instruction: An amendment to the offering document must not change the date referred to under paragraph (a).

- 5.4 Indicate the type of eligible securities offered.
- Common shares
 - Non-convertible preference shares
 - Securities convertible into common shares
 - Securities convertible into non-convertible preference shares
 - Non-convertible debt linked to a fixed interest rate
 - Non-convertible debt linked to a floating interest rate

- Limited partnership units
- Shares in the capital of an association. Specify type of shares (e.g. membership, investment, preference, etc.):

5.5 The securities offered have the following rights, restrictions and conditions:

- voting rights;
- dividends or interests (describe any right to receive dividends or interest);
- rights on dissolution;
- conversion rights (describe what each security is convertible into);
- tag-along rights;
- drag-along rights;
- pre-emptive rights;
- other (describe the rights).

Instruction: This information is found in the organizing documents referred to in item 3.3.

5.6 Provide a brief summary of any other material restrictions or conditions that attach to the eligible securities being offered, such as tag-along, drag along or pre-emptive rights.

Instruction: The restrictions and conditions required to be described here are found in by-laws, shareholder’s agreements or limited partnership agreements.

5.7 In a table, provide the following information:

	Total amount (\$)	Total number of securities issuable
Minimum offering amount		
Maximum offering amount		
Price per security		

5.8 Indicate the minimum investment amount per purchaser, or if the issuer has not set a minimum investment amount, state that fact.

5.9 Include the following statement in bold type:

“Note: The minimum offering amount stated in this offering document may be satisfied with funds that are unconditionally available to [insert name of issuer] that are raised using other prospectus exemptions.”

Item 6: USE OF FUNDS

6.1 Provide the following information on the funds previously raised by the issuer:

- (a) the amount of funds previously raised;
- (b) how the issuer raised those funds;
- (c) if the funds were raised by issuing securities, the prospectus exemption that the issuer relied on to issue those securities;
- (d) how the issuer used those funds.

If the issuer has not previously raised funds, state that fact.

6.2 Using the following table, provide a detailed breakdown of how the issuer will use the funds raised from this crowdfunding distribution. If any of the funds will be paid directly or indirectly to a founder, director, officer or control person of the issuer, disclose in a note to the table the name of the person, the relationship to the issuer and the amount. If more than 10% of

the available funds will be used by the issuer to pay debt and the issuer incurred the debt within the two preceding financial years, describe why the debt was incurred.

Description of intended use of funds listed in order of priority	Assuming minimum offering amount	Assuming maximum offering amount

Item 7: PREVIOUS CROWDFUNDING DISTRIBUTIONS

7.1 For each crowdfunding distribution in which the issuer group and each founder, director, officer and control person of the issuer group have been involved in the past five years, provide the following information:

- (a) the full legal name of the issuer that made the distribution;
- (b) the name of the funding portal;
- (c) whether the distribution successfully closed, was withdrawn by the issuer or did not close because the minimum offering amount was not reached, and the date on which any of these occurred.

Instruction: Provide the information for all previous crowdfunding distributions involving the issuer group and each founder, director, officer and control person of each member of the issuer group, even if the previous crowdfunding distribution was made by an issuer that is not a member of the issuer group.

Item 8: COMPENSATION PAID TO FUNDING PORTAL

8.1 Provide a description of each commission, fee or other amount expected to be paid by the issuer to the funding portal for this crowdfunding distribution and the estimated amount to be paid. If a commission is being paid, indicate the percentage that the commission will represent of the gross proceeds of the offering assuming both the minimum and maximum offering amount.

Item 9: RISK FACTORS

9.1 Describe in order of importance, starting with the most important, the risk factors material to the issuer that a reasonable investor would consider important in deciding whether to buy the issuer’s securities.

9.2 If the securities being distributed are to pay interest, dividends or distributions and the issuer does not have the financial resources to make such payments, (other than from the sale of securities) state in bold type:

“We do not currently have the financial resources to pay [interest, dividends or distributions] to investors. There is no assurance that we will ever have the financial resources to do so.”

Item 10: REPORTING OBLIGATIONS

10.1 Describe the nature and frequency of any disclosure of information the issuer intends to provide to purchasers after the closing of the distribution and explain how purchasers can access this information.

10.2 If the issuer is required by corporate legislation, its constituting documents (e.g., articles of incorporation or by-laws) or otherwise to provide annual financial statements or an information circular/proxy statements to its security holders, state that fact.

10.3 If the issuer is aware, after making reasonable inquiries, of any existing voting trust agreement among certain shareholders of the issuer, provide the information:

- (a) the number of shareholders party to the agreement;
- (b) the percentage of voting shares of the issuer subject to the agreement;
- (c) the name of the person acting as a trustee;
- (d) whether the trustee has been granted any additional powers;
- (e) whether the agreement is limited to a specified period of time.

Item 11: RESALE RESTRICTIONS

11.1 Include the following statement, in bold type:

“The securities you are purchasing are subject to a resale restriction. You might never be able to resell the securities.”

Item 12: PURCHASERS’ RIGHTS

12.1 Include the following statement, in bold type:

“Rights of Action in the Event of a Misrepresentation

If there is a misrepresentation in this offering document, you have a right

- (a) to cancel your agreement with [name of issuer or other term used to refer to issuer] to buy these securities, or**
- (b) to damages against [name of issuer or other term used to refer to issuer] and may, in certain jurisdictions, have the statutory right to damages from other persons.**

These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.

Two-day cancellation right:

You may cancel your agreement to purchase these securities. To do so, you must send a notice to the funding portal not later than midnight on the second business day after you enter into the agreement. If there is an amendment to this offering document, you can cancel your agreement to purchase these securities by sending a notice to the funding portal not later than midnight on the second business day after the funding portal provides you notice of the amendment.”

Item 13: DATE AND CERTIFICATE

13.1 Include the following statement in bold type:

“This offering document does not contain a misrepresentation.”

13.2 Provide the signature, date of the signature, name and position of the authorized individual certifying this offering document.

13.3 If this offering document is signed electronically, include the following statement in bold type:

“I acknowledge that I am signing this offering document electronically and agree that this is the legal equivalent of my handwritten signature.”

**FORM 45-110F2
RISK ACKNOWLEDGEMENT**

Issuer Name:

Type of Eligible Security Offered:

WARNING!
BUYER BEWARE: This investment is risky.
Don't invest unless you can afford to lose all the money you pay for this investment.

	Yes	No
1. Risk acknowledgement		
Risk of loss – Do you understand that this is a risky investment and that you may lose all the money you pay for this investment?	<input type="checkbox"/>	<input type="checkbox"/>
No income – Do you understand that you may not earn any income, such as dividends or interest, on this investment?	<input type="checkbox"/>	<input type="checkbox"/>
Liquidity risk – Do you understand that you may never be able to sell this investment?	<input type="checkbox"/>	<input type="checkbox"/>
Lack of information – Do you understand that you may not be provided with any ongoing information about the issuer and/or this investment?	<input type="checkbox"/>	<input type="checkbox"/>
2. No approval and no advice <i>Instruction: Delete “and no advice” if the funding portal is operated by a registered dealer.</i>		
No approval – Do you understand that this investment has not been reviewed or approved in any way by a securities regulatory authority or regulator?	<input type="checkbox"/>	<input type="checkbox"/>
No advice – Do you understand that you will not receive advice about your investment? <i>Instruction: Delete this row if the funding portal is operated by a registered dealer.</i>	<input type="checkbox"/>	<input type="checkbox"/>
3. Limited legal rights		
Limited legal rights – Do you understand that you will not have the same rights as if you purchased under a prospectus or through a stock exchange? If you want to know more, you may need to seek professional legal advice.	<input type="checkbox"/>	<input type="checkbox"/>
4. Purchaser’s acknowledgement		
Investment risks – Have you read this form and do you understand the risks of making this investment?	<input type="checkbox"/>	<input type="checkbox"/>

	Yes	No
<p>Offering document – Has an offering document relating to this investment been made available to you on the funding portal?</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>The offering document contains important information about this investment. If you have not read the offering document or if you do not understand the information in it, you should not invest. You should retain a copy of the offering document for your records.</p> <p>Have you read and do you understand the information in the offering document?</p>	<input type="checkbox"/>	<input type="checkbox"/>

First and last name:

Electronic signature: By clicking the [I confirm] button, I acknowledge that I am signing this form electronically and agree that this is the legal equivalent of my handwritten signature. I will not at any time in the future claim that my electronic signature is not legally binding. The date of my electronic signature is the same as my acknowledgement.

5. Additional information

- **You have two days to cancel your purchase by sending a notice to the funding portal at:** *Instruction: Provide email address where purchasers can send their notice. Describe any other manner for purchasers to cancel their purchase.*
- **If you want more information about your local securities regulation, go to www.securities-administrators.ca. Securities regulators do not provide advice on investment.**
- **To check if the funding portal is operated by a registered dealer, go to www.aretheyregistered.ca.** *Instruction: Delete if the funding portal is not operated by a registered dealer.*

**FORM 45-110F3
FUNDING PORTAL INFORMATION**

GENERAL INSTRUCTION:

If the funding portal is relying on the start-up crowdfunding registration exemption (section 3 of the Instrument), the funding portal must complete and deliver this form with any attachments and all corresponding Forms 45-110F4 Portal Individual Information to the securities regulatory authority or regulator if the funding portal facilitates or intends to facilitate a crowdfunding distribution.

FUNDING PORTAL INFORMATION

1. Provide the following information regarding the funding portal:
 - (a) full legal name of the funding portal as it appears on the funding portal's organizing documents;
 - (b) name that the funding portal will be operating under;
 - (c) website URL;
 - (d) telephone;
 - (e) email address;
 - (f) head office address;
 - (g) jurisdiction where the head office is located (check).

<input type="checkbox"/> Alberta	<input type="checkbox"/> Newfoundland and Labrador	<input type="checkbox"/> Ontario
<input type="checkbox"/> British Columbia	<input type="checkbox"/> Northwest Territories	<input type="checkbox"/> Prince Edward Island
<input type="checkbox"/> Manitoba	<input type="checkbox"/> Nova Scotia	<input type="checkbox"/> Québec
<input type="checkbox"/> New Brunswick	<input type="checkbox"/> Nunavut	<input type="checkbox"/> Saskatchewan
		<input type="checkbox"/> Yukon

2. Provide the following information regarding the contact person for the funding portal:
 - (a) full legal name (first name, middle name and last name);
 - (b) business address;
 - (c) business Telephone;
 - (d) email address.

3. Provide the following information regarding each founder, director, officer and control person of the funding portal. If necessary, use an attachment signed and dated by the authorized individual certifying this form.
 - (a) full legal name (first name, middle name and last name);
 - (b) position(s) held.

4. Indicate each jurisdiction where the funding portal is delivering this form. The funding portal must deliver this form in the local jurisdiction if it facilitates or intends to facilitate a crowdfunding distribution in that jurisdiction.

<input type="checkbox"/> Alberta	<input type="checkbox"/> Newfoundland and Labrador	<input type="checkbox"/> Ontario
<input type="checkbox"/> British Columbia	<input type="checkbox"/> Northwest Territories	<input type="checkbox"/> Prince Edward Island
<input type="checkbox"/> Manitoba	<input type="checkbox"/> Nova Scotia	<input type="checkbox"/> Québec
<input type="checkbox"/> New Brunswick	<input type="checkbox"/> Nunavut	<input type="checkbox"/> Saskatchewan
		<input type="checkbox"/> Yukon

Rules and Policies

5. Provide the date the funding portal expects to begin to facilitate crowdfunding distributions in the jurisdictions indicated under item 4.
6. If the funding portal is relying on National Instrument 45-110 *Start-up Crowdfunding Registration and Prospectus Exemptions* in any jurisdiction, provide the name(s) of the jurisdiction(s) and the date this Funding Portal Information form was delivered to the securities regulatory authority or regulator.

LEGAL STRUCTURE AND CONSTATING DOCUMENTS

7. Indicate the legal structure of the funding portal.
 - Sole proprietorship
 - Partnership
 - Limited partnership (provide the name of the general partner)
 - Corporation
 - Other (specify)
8. Attach the funding portal's organizing documents: for example, the funding portal's articles and certificate of incorporation, any articles of amendments, partnership agreement or declaration of trust. If the funding portal is a sole proprietorship, provide a copy of the registration of the trade name. The attachment must be signed and dated by the authorized individual certifying this form.
9. Attach a chart showing the funding portal's structure and ownership. Include disclosure for all parents, affiliates and subsidiaries. Include the name of each person or company, and the class, type, amount and voting percentage of ownership of the funding portal's securities. The attachment must be signed and dated by the authorized individual certifying this form.

BUSINESS ACTIVITIES

10. Provide a description of following:
 - (a) the proposed business activities of the funding portal;
 - (b) the marketing strategy of the funding portal;
 - (c) the target issuers, including their sectors;
 - (d) the key risks you identify in operating your funding portal.

CRIMINAL DISCLOSURE

11. Has the funding portal ever been found guilty, pleaded no contest to, or been granted an absolute or conditional discharge from
 - (a) a summary conviction or indictable offence under the *Criminal Code*,
 - (b) a quasi-criminal offence in any jurisdiction of Canada or a foreign jurisdiction,
 - (c) a misdemeanor or felony under the criminal legislation of the United States of America, or any state or territory therein, or
 - (d) an offence under the criminal legislation of any other foreign jurisdiction?

Yes No

If yes, provide all relevant details in an attachment signed and dated by the authorized individual certifying this form that includes the circumstances, relevant dates, names of the parties involved and the final disposition, if a final disposition has been made.

Instruction: A quasi-criminal offence includes an offence under the Income Tax Act (Canada), the Immigration and Refugee Protection Act (Canada) or the tax, immigration, drugs, firearms, money laundering or securities legislation of any province or territory of Canada or foreign jurisdiction.

12. Are there any outstanding or stayed charges against the funding portal alleging a criminal offence that was committed?

Yes No

If yes, provide all relevant details in an attachment signed and dated by the authorized individual certifying this form that includes the circumstances, relevant dates, names of the parties involved and final disposition, if a final disposition has been made.

CIVIL DISCLOSURE

13. Has the funding portal been the subject of an order (cease trade or otherwise), judgment, decree, sanction, or administrative penalty imposed by, or entered into a settlement agreement with, a government agency, administrative agency, self-regulatory organization, civil court, or administrative court of Canada or a foreign jurisdiction in the last 10 years related to a claim based in whole or in part on fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct in Canada or a foreign jurisdiction related to its involvement in any type of securities, derivatives, insurance or banking activity.

Yes No

If yes, provide all relevant details in an attachment signed and dated by the authorized individual certifying this form that includes the circumstances, relevant dates, names of the parties involved and final disposition, if a final disposition has been made.

14. Are there currently any outstanding civil actions alleging fraud, theft, deceit, misrepresentation or similar misconduct against the funding portal?

Yes No

If yes, provide all relevant details in an attachment signed and dated by the authorized individual certifying this form that includes the circumstances, relevant dates, names of the parties involved and final disposition, if a final disposition has been made.

PROCESS AND PROCEDURE FOR HANDLING OF FUNDS

15. Provide all relevant details in an attachment that is signed and dated by the authorized individual certifying this form of the relevant documents on the process and procedure for handling all funds in relation to the crowdfunding distribution in a designated trust account at a Canadian financial institution, including the following:

- (a) the name of the Canadian financial institution the funding portal will use with the designated trust account number;
- (b) the names of the signatories on this account and their role with the funding portal;
- (c) details of how the funds held in this account will be separate and apart from the funding portal's own property;
- (d) a copy of the trust agreement, or details surrounding the establishment of this account. If the funding portal does not have a trust agreement or an account, please explain;
- (e) details regarding how funds will flow
 - (i) from purchasers to the funding portal's account,
 - (ii) from the funding portal's account to the issuer in the event that the crowdfunding distribution closes, and
 - (iii) from the funding portal's account back to the purchasers in the event that the crowdfunding distribution does not close or the purchaser has exercised their right of withdrawal.

COLLECTION AND USE OF INFORMATION

The information required under this form is collected, used and disclosed by the securities regulatory authority or, where applicable, the regulator of the jurisdiction under the authority granted under securities legislation for the purposes of the administration and enforcement of the securities legislation.

Rules and Policies

By submitting this form, the funding portal

- acknowledges that the securities regulatory authority or regulator may collect personal information about the individuals referred to in this form or information about the funding portal,
- confirms that the individuals referred to in this form have been notified that their personal information is disclosed on this form, the legal reason for doing so, how it will be used and who to contact for more information, and
- consents to the posting on the website of the securities regulatory authority or regulator of:
 - (i) the name that the funding portal will be operating under;
 - (ii) the website address for the funding portal; and
 - (iii) the funding portal's reliance on a dealer registration exemption.

If you have any questions about the collection and use of this information, contact the securities regulatory authority or regulator in any jurisdiction in which this form is submitted. Contact information is listed at the end of this form.

CERTIFICATION

By signing this form, the funding portal

- undertakes to comply with all of the applicable conditions set out in National Instrument 45-110 *Start-up Crowdfunding Registration and Prospectus Exemptions*,
- certifies that its platform is complete, ready for viewing in a test environment and designed to comply with National Instrument 45-110 *Start-up Crowdfunding Registration and Prospectus Exemptions*,
- certifies that it has, or reasonably expects to have, sufficient financial resources to continue its operations for at least the next 6 months, and
- acknowledges that the securities regulatory authority or regulator of a jurisdiction in which this form is submitted may access the books and records relating to the carrying on of its activities and may conduct a compliance review.

On behalf of the funding portal, I certify that the statements made in this form, including any attachments, are true and complete.

Full legal name of funding portal: _____

Signature of authorized individual: _____

Date: _____

Print name of authorized individual: _____

Position held: _____

Telephone number: _____

Email: _____

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS FORM

Contact information:

<p>Alberta The Alberta Securities Commission Suite 600, 250 – 5th Street SW Calgary, Alberta T2P 0R4 Telephone: 403-297-6454 Email: registration@asc.ca www.asc.ca</p>	<p>Nova Scotia Nova Scotia Securities Commission Suite 400, 5251 Duke Street Halifax, Nova Scotia B3J 1P3 Telephone: 902-424-7768 Toll free in Nova Scotia: 1-855-424-2499 Email: nssc.crowdfunding@novascotia.ca nssc.novascotia.ca</p>
<p>British Columbia British Columbia Securities Commission P.O. Box 10142, Pacific Centre 701 West Georgia Street Vancouver, British Columbia V7Y 1L2 Telephone: 604-899-6854 Toll free in Canada: 1-800-373-6393 Email: portal@bcsc.bc.ca www.bcsc.bc.ca</p>	<p>Ontario Ontario Securities Commission 20 Queen Street West, 22nd Floor Toronto, Ontario M5H 3S8 Toll free: 1-877-785-1555 Email: inquiries@osc.gov.on.ca www.osc.ca OSC Electronic Filing Portal https://eforms1.osc.gov.on.ca/e-filings/generic/form.do?token=ec7a3cb6-d86d-419d-9c11-f1febe403cb6</p>
<p>Manitoba The Manitoba Securities Commission 500 – 400 St Mary Avenue Winnipeg, Manitoba R3C 4K5 Telephone: 204-945-2548 Toll free in Manitoba: 1-800-655-2548 Email: exemptions.msc@gov.mb.ca www.mbsecurities.ca</p>	<p>Québec Autorité des marchés financiers Direction de l'encadrement des intermédiaires 800, rue du Square-Victoria, 22^e étage C.P. 246, Place Victoria Montréal, Québec H4Z 1G3 Telephone: 514-395-0337 Toll free in Québec: 1-877-525-0337 Email: financement-participatif@lautorite.qc.ca www.lautorite.qc.ca</p>
<p>New Brunswick Financial and Consumer Services Commission 85 Charlotte Street, Suite 300 Saint John, New Brunswick E2L 2J2 Toll free: 1-866-933-2222 Email: emf-md@fcnbc.ca www.fcnbc.ca</p>	<p>Saskatchewan Financial and Consumer Affairs Authority of Saskatchewan Securities Division Suite 601 – 1919 Saskatchewan Drive Regina, Saskatchewan S4P 4H2 Telephone: 306-787-5645 Email: registrationfcaa@gov.sk.ca www.fcaa.gov.sk.ca</p>

**FORM 45-110F4
PORTAL INDIVIDUAL INFORMATION**

GENERAL INSTRUCTIONS:

If the funding portal is relying on the start-up crowdfunding registration exemption (section 3 of the Instrument), each founder, director, officer and control person of the funding portal must complete this form and the funding portal must deliver those completed forms and any attachments, along with the corresponding Form 45-110F3 Funding Portal Information, to the securities regulatory authority or regulator if the funding portal facilitates or intends to facilitate a crowdfunding distribution.

The information provided on this form must be specific to the individual certifying this form.

FUNDING PORTAL INFORMATION

1. Provide the full legal name of the funding portal as it appears on the funding portal's organizing documents.
2. Provide the name that the funding portal will be operating under.
3. Indicate the position(s) you hold with the funding portal.

INDIVIDUAL INFORMATION

4. Full legal name:

First name	Middle name(s)	Last name
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5. Are you currently, or have you ever been, known by any name(s) other than your full legal name stated above, for example nicknames or name changes due to marriage?

Yes No

If yes, provide details.

6. Telephone number and email address:

Residential:	()	Mobile:	
Business:	()	Email:	

7. Provide all residential addresses for the past five years starting with your current residential address.

Number, street, city, province, territory or state, country and postal/ZIP code	From		To	
	MM	YYYY	MM	YYYY

8. If you are not a resident of Canada, you must have one address for service of process in Canada and provide the following information:

Name of agent for service:	
Name of contact person:	
Address for service:	
Telephone:	

9. Date and place of birth:

Date of birth			Place of birth		
MM	DD	YYYY	City	Province/Territory/State	Country

10. Country of citizenship: _____

11. Are you currently or have you ever been registered or licensed in any capacity with any Canadian securities regulatory authority or regulator?

Yes No

If yes, provide your licence or registration type, the securities regulatory authority or regulator, and the start date and ending date, if applicable:

12. Have you ever been dismissed for cause by an employer from a position following allegations that you:

- (a) violated any statutes, regulations, rules or standards of conduct,
- (b) failed to appropriately supervise compliance with any statutes, regulations, rules or standards of conduct, or
- (c) committed fraud or the wrongful taking of property, including, for greater certainty, theft?

Yes No

If yes, provide all relevant details in an attachment signed and dated by the authorized individual certifying this form that includes the circumstances, relevant dates, names of the parties involved and final disposition, if a final disposition has been made.

CRIMINAL DISCLOSURE

13. Have you ever been found guilty, pleaded no contest to, or been granted an absolute or conditional discharge from

- (a) a summary conviction or indictable offence under the *Criminal Code*,
- (b) a quasi-criminal offence in any jurisdiction of Canada or a foreign jurisdiction,
- (c) a misdemeanour or felony under the criminal legislation of the United States of America, or any state or territory therein, or
- (d) an offence under the criminal legislation of any other foreign jurisdiction?

Yes No

If yes, provide all relevant details in an attachment signed and dated by the authorized individual certifying this form that includes the circumstances, relevant dates, names of the parties involved and final disposition, if a final disposition has been made.

Instructions: A quasi-criminal offence includes an offence under the Income Tax Act (Canada), the Immigration and Refugee Protection Act (Canada) or the tax, immigration, drugs, firearms, money laundering or securities legislation of any province or territory of Canada or of a foreign jurisdiction.

14. Are there any outstanding or stayed charges against you alleging a criminal offence that was committed?

Yes No

If yes, provide all relevant details in an attachment signed and dated by the authorized individual certifying this form that includes the circumstances, relevant dates, names of the parties involved and final disposition, if a final disposition has been made.

15. To the best of your knowledge, are there any outstanding or stayed charges against any person or company of which you were, at the time the criminal offence was alleged to have taken place, a founder, director, officer or control person?

Yes No

If yes, provide all relevant details in an attachment signed and dated by the authorized individual certifying this form that includes the circumstances, relevant dates, names of the parties involved and final disposition, if a final disposition has been made.

16. To the best of your knowledge, has any person or company of which you were a founder, or during the period when you were a director, officer or control person, ever been found guilty, pleaded no contest to or been granted an absolute or conditional discharge from a criminal offence that was committed?

Yes No

If yes, provide all relevant details in an attachment signed and dated by the authorized individual certifying this form that includes the circumstances, relevant dates, names of the parties involved and final disposition, if a final disposition has been made.

CIVIL DISCLOSURE

17. Have you or a person or company of which you are or were a founder, director, officer or control person been the subject of an order (cease trade or otherwise), judgment, decree, sanction, or administrative penalty imposed by, or entered into a settlement agreement with, a government agency, administrative agency, self-regulatory organization, civil court, or administrative court of Canada or a foreign jurisdiction in the last 10 years related to a claim based in whole or in part on fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct in Canada or a foreign jurisdiction related to your involvement in any type of securities, derivatives, insurance or banking activity?

Yes No

If yes, provide all relevant details in an attachment signed and dated by the authorized individual certifying this form that includes the circumstances, relevant dates, names of the parties involved and final disposition, if a final disposition has been made.

18. Are there currently any outstanding civil actions alleging fraud, theft, deceit, misrepresentation, or similar misconduct against you or a person or company of which you are or were a founder, director, officer or control person?

Yes No

If yes, provide all relevant details in an attachment signed and dated by the authorized individual certifying this form that includes the circumstances, relevant dates, names of the parties involved and final disposition, if a final disposition has been made.

COLLECTION AND USE OF PERSONAL INFORMATION

The personal information required under this form is collected, used and disclosed by the securities regulatory authority or, where applicable, the regulator of the jurisdiction under the authority granted in securities legislation for the purposes of the administration and enforcement of the securities legislation.

Rules and Policies

By submitting this form, you consent to the collection, use and disclosure of this personal information by the securities regulatory authority or regulator of each jurisdiction in which this form is submitted and any police records, records from other government or non-governmental regulators or self-regulatory organizations, credit records and employment records about you that the securities regulatory authority or regulator may need to determine the completeness of the information submitted in this form and compliance with the conditions of the start-up crowdfunding registration and prospectus exemptions. The securities regulatory authority or regulator may contact government and private bodies or agencies, individuals, corporations and other organizations for information about you.

If you have any questions about the collection and use of this information, contact the securities regulatory authority or regulator of any jurisdiction in which this form is submitted. Contact information is listed at the end of this form.

CERTIFICATION

By submitting this form, I

- certify that the statements made in this form, including any attachments, are true and complete, and
- agree to be subject to the securities legislation of each jurisdiction of Canada where I have submitted this form. This includes the jurisdiction of any tribunals or any proceedings that relate to my activities as a founder, director, officer or control person of a funding portal under applicable securities legislation.

Signature:

Date:

Print name:

Position held:

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS FORM

Contact information:

<p>Alberta The Alberta Securities Commission Suite 600, 250 – 5th Street SW Calgary, Alberta T2P 0R4 Telephone: 403-297-6454 Email: registration@asc.ca www.asc.ca</p>	<p>Nova Scotia Nova Scotia Securities Commission Suite 400, 5251 Duke Street Halifax, Nova Scotia B3J 1P3 Telephone: 902-424-7768 Toll free in Nova Scotia: 1-855-424-2499 Email: nssc.crowdfunding@novascotia.ca nssc.novascotia.ca</p>
<p>British Columbia British Columbia Securities Commission P.O. Box 10142, Pacific Centre 701 West Georgia Street Vancouver, British Columbia V7Y 1L2 Telephone: 604-899-6854 Toll free in Canada: 1-800-373-6393 Email: portal@bcsc.bc.ca www.bcsc.bc.ca</p>	<p>Ontario Ontario Securities Commission 20 Queen Street West, 22nd Floor Toronto, Ontario M5H 3S8 Toll free: 1-877-785-1555 Email: inquiries@osc.gov.on.ca www.osc.ca OSC Electronic Filing Portal https://eforms1.osc.gov.on.ca/e-filings/generic/form.do?token=ec7a3cb6-d86d-419d-9c11-f1febe403cb6</p>
<p>Manitoba The Manitoba Securities Commission 500 – 400 St Mary Avenue Winnipeg, Manitoba R3C 4K5 Telephone: 204-945-2548 Toll free in Manitoba: 1-800-655-2548 Email: exemptions.msc@gov.mb.ca www.mbsecurities.ca</p>	<p>Québec Autorité des marchés financiers Direction de l'encadrement des intermédiaires 800, rue du Square-Victoria, 22^e étage C.P. 246, Place Victoria Montréal, Québec H4Z 1G3 Telephone: 514-395-0337 Toll free in Québec: 1-877-525-0337 Email: financement-participatif@lautorite.qc.ca www.lautorite.qc.ca</p>
<p>New Brunswick Financial and Consumer Services Commission 85 Charlotte Street, Suite 300 Saint John, New Brunswick E2L 2J2 Toll free: 1-866-933-2222 Email: emf-md@fcnbc.ca www.fcnbc.ca</p>	<p>Saskatchewan Financial and Consumer Affairs Authority of Saskatchewan Securities Division Suite 601 – 1919 Saskatchewan Drive Regina, Saskatchewan S4P 4H2 Telephone: 306-787-5645 Email: registrationfcaa@gov.sk.ca www.fcaa.gov.sk.ca</p>

FORM 45-110F5
SEMI-ANNUAL FINANCIAL RESOURCES CERTIFICATION

The funding portal certifies that it has, or reasonably expects to have, sufficient financial resources to continue its operations for at least the next 6 months.

On behalf of the funding portal, I certify that the statement made in this form is true and complete.

Full legal name of funding portal:

Signature of the chief executive officer, chief financial officer or functional equivalent:

Date:

Print name of individual:

Position held:

Telephone number:

Email:

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS FORM

Start-up Crowdfunding Guide for Businesses

Crowdfunding is a process through which an individual or a business can raise money from a large number of people, typically through the Internet. The objective is usually to raise sufficient funds in order to carry out a specific project. There are different types of crowdfunding, such as by donation, pre-selling of products or through selling shares or other securities. This guide discusses securities crowdfunding.

Securities crowdfunding

Securities crowdfunding involves a business raising money by issuing securities (such as shares) to many people through the Internet using a funding portal. This type of crowdfunding must comply with the securities laws of the provinces and territories where the business and potential investors are located.

Legal obligations

In Canada, trading of securities is subject to legal obligations. For example, a business seeking to raise capital by issuing securities must file a prospectus (a comprehensive disclosure document that includes financial statements) with the securities regulator of each of the provinces and territories where its business and its potential investors are located or have an exemption from the prospectus requirement under securities law.

These obligations can be costly for start-ups and early stage businesses. There are a number of exemptions from the prospectus requirement that businesses can use to conduct securities crowdfunding in Canada. However, these exemptions require a fairly comprehensive disclosure and/or limit the types of investors that can invest. Canadian securities regulators have created a streamlined system to allow start-ups and small businesses (**issuers**) to raise small amounts of money from the general public using securities crowdfunding, without filing a prospectus or preparing financial statements (**start-up prospectus exemption**). Instead, the issuer prepares an abbreviated disclosure document that does not require financial statements.

Under securities law in Canada, a business that intends to operate a funding portal, e.g., creating a website that brings together buyers and sellers of securities, must typically be registered as a dealer with the securities regulator. However, if the funding portal restricts itself to certain activities, it can facilitate trades of those securities without having to register as a dealer (**start-up registration exemption**). In this guide, we refer to the start-up prospectus exemption and the start-up registration exemption as the “**start-up crowdfunding exemptions**” or “**start-up crowdfunding**.”

The purpose of this guide is to assist issuers intending to raise funds by relying on the start-up prospectus exemption. In this guide, “**regulator**” means the applicable provincial securities regulator or regulatory authority.

How Start-up Crowdfunding Works

Business
(Issuer)



A small business or a start-up has an idea but needs to raise funds to make it happen. They create a pitch to investors that includes basic information about the business and the offering, how they will use the money, and the risks of the project. Then they set a minimum amount they need to raise to accomplish their goal. The pitch will be found on a crowdfunding website.

Investor



An investor spots an interesting business on a crowdfunding website. After reading all the business information and researching the business and the people involved, the investor can invest up to \$2,500. In certain circumstances, investors can invest up to \$10,000 if a registered dealer has determined that the investment is suitable for that investor. In either case, the investor must acknowledge and understand the risks of the investment.

Crowdfunding
Website
(Portal)



The crowdfunding website holds the money the business raises in trust for investors until the minimum amount is raised. If the business does not raise the money it needs, each investor gets their money back.

In order to raise funds using the start-up prospectus exemption, issuers must prepare and post an offering document on a funding portal's crowdfunding website. Investors can then read about the offering and decide whether to invest. Before investing, investors will have to confirm that they have read the offering document and understand that the investment is risky.

When should an issuer consider start-up crowdfunding?

Before launching a start-up crowdfunding campaign, the management of the issuer will want to:

- evaluate other sources of funding, such as a loan from a financial institution,
- assess whether they are willing to invest the time and effort needed to prepare and run a start-up crowdfunding campaign,
- determine the type and characteristics of securities that will be sold,
- determine the number of securities to be sold and at what price, and
- assess if they can manage a greater number of security holders.

Issuers should also carefully consider the effect of raising capital through the issuance of securities. There are primarily two types of securities: debt instruments, such as non-convertible debt securities linked to an interest rate, and equities, such as common shares. Both types of securities are permitted under the start-up crowdfunding instrument. While debt is essentially a loan from an investor to an issuer, equity provides holders with certain ownership rights in the issuer. Accordingly, if a start-up crowdfunding campaign that involves the sale of shares (or other equity) is successful, the founders or other individuals with an economic interest in the issuer may have to give up part of the ownership of the issuer to investors. Under corporate law, investors that purchase equity securities in an issuer may have certain rights to participate in key decisions relating to the management of the issuer. Investors may also want to be informed about successes and failures of the issuer's business. Management of the issuer should assess whether they are willing to spend the time and effort to maintain contact with investors.

The start-up prospectus exemption is not available to reporting issuers (public companies). Reporting issuers are required to provide ongoing public disclosure of their business activities by filing financial statements and other documents required by securities laws. These types of issuers are considered to be more established than the start-up or early stage issuers that are permitted to use start-up crowdfunding.

In addition, the start-up prospectus exemption is not available to issuers that are raising money without a specific business objective, commonly known as "blind pools". In particular, the start-up prospectus exemption is not available where:

- (a) the issuer has no operations other than to identify and evaluate assets or a business with a view to completing an investment in, merger with, amalgamation with or acquisition of a business, or a purchase of the securities of one or more other issuers; or
- (b) the proceeds of the distribution are intended to be used by the issuer to invest in, merge or amalgamate with or acquire a business that has not been described in the issuer's offering document.

In these circumstances, the issuer will need to raise capital using methods other than the start-up prospectus exemption.

When considering whether these conditions have been met, the regulators may consider, among other things, the disclosure in the offering document to determine what operations the issuer has and how the issuer intends to use the proceeds of the distribution.

Where is start-up crowdfunding available?

The start-up prospectus exemption is available to issuers that have a head office in Canada.

If an issuer wants to raise funds using start-up crowdfunding in a particular province or territory, the funding portal must be permitted to operate in that particular province or territory (see "*Where can I find out more information on whether a funding portal is able to operate?*", below).

What is the maximum amount that can be raised? How often can an issuer raise money using start-up crowdfunding?

An issuer can raise up to \$1,500,000 in the 12-month period before closing of the distribution. It may complete as many distributions per calendar year as fits their business objectives.

For instance, if an issuer has already raised \$250,000 on June 1 and \$300,000 on December 31 using the start-up crowdfunding exemption, it can still raise up to \$950,000 at any point before May 31 of the following year under that exemption.

This maximum amount applies to the issuer, together with any related issuers in its issuer group. The “**issuer group**” has a broad meaning. In addition to the issuer, it also includes any affiliates of the issuer (e.g. related companies) and any other issuer that is engaged in a common enterprise with the issuer or an affiliate, or whose business is founded or organized by the same person or company who founded or organized the issuer.

Does the issuer have to distribute common shares in a start-up crowdfunding offering?

The securities offered in a start-up crowdfunding offering must be among those permitted by the start-up prospectus exemption. An issuer can use start-up crowdfunding to distribute common shares, but it can also distribute non-convertible preference shares, non-convertible debt securities linked to a fixed or floating interest rate, or units of a limited partnership. If the issuer is an association (also commonly known as a co-operative), it can use start-up crowdfunding to distribute shares in the capital of that association provided that it is not restricted from doing so under its enabling legislation.

The issuer can also issue securities that convert into common shares or non-convertible preference shares. These securities may include certain types of warrants, options or simple agreements for future equity.

It is up to the issuer to decide what type of security distribution helps it best achieve its growth and development goals.

Are there any time limitations for completing a crowdfunding offering?

The offering document must indicate a minimum dollar amount that has to be raised before the offering can close. The issuer has a maximum of 90 days to raise the minimum amount, starting on the day the issuer’s offering document is first made available to investors through the funding portal’s website.

Investors will send the funds for their investment to the funding portal. The funding portal will then hold the money in trust. Before releasing the funds to the issuer, the following must have occurred:

- the issuer has secured the minimum amount of the offering and has decided to complete the offering; and
- the time for exercise of all withdrawal rights have expired (see “What if an investor changes their mind?”, below).

If the minimum amount is not reached, or the start-up crowdfunding campaign is withdrawn, the funding portal must return all the money to the investors.

Can an issuer or group of related issuers conduct more than one start-up crowdfunding at once?

No. An issuer group cannot have more than one start-up crowdfunding campaign running at the same time or on different funding portals for the same purpose. The issuer group must wait until the first campaign has ended before launching a second one.

What is the maximum amount an issuer can raise from each investor?

The maximum investment an issuer can accept from an investor is \$2,500 per start-up crowdfunding distribution. However, this amount can be increased to \$10,000 if the investor has been advised by a registered dealer that the investment is suitable for the investor.

The issuer may require a minimum amount per investor, but this amount cannot be over \$2,500 if there is no registered dealer involved.

Launching a Start-up Crowdfunding Campaign

Once an issuer has determined that it will launch a start-up crowdfunding campaign, it will need to prepare an offering document and choose a funding portal to post its offering document. Issuers are required to prepare the offering document using Form 45-110F1 *Offering Document*.

What is a funding portal?

A funding portal is a website that brings buyers and sellers together by listing start-up crowdfunding campaigns on its website and facilitating the payment of the purchase price from the investor to the issuer. The funding portal has a number of responsibilities, including:

- posting the issuer’s offering document;
- providing a risk warning form to potential investors;
- holding all investor funds in trust until the issuer is permitted to close the distribution; and

- returning funds to investors, without deduction, if the issuer does not reach its minimum funding target or if the issuer withdraws the start-up crowdfunding campaign.

Funding portals will generally charge issuers for hosting a start-up crowdfunding campaign on its website.

What types of funding portals are available?

There are two types of funding portals that may facilitate start-up crowdfunding in Canada:

- funding portals that are operated by registered dealers (e.g. investment dealers or exempt market dealers) that must provide advice to investors on whether the investment is suitable to the investor, and
- funding portals that are operated by persons relying on the start-up registration exemption and that are prohibited from providing suitability advice.

An issuer has the choice of which type of funding portal to use for its start-up crowdfunding campaign.

A funding portal should be able to confirm to the issuer that it can provide certain services necessary for start-up crowdfunding, including that it will make the offering document and risk warnings available to the investor through its website.

Where can I find out information on whether a funding portal is able to operate?

The Canadian Securities Administrators maintain a list of funding portals currently permitted to operate in one or more jurisdictions of Canada. The issuer may check to determine whether the funding portal is authorized to operate in jurisdictions in which it proposes to conduct start-up crowdfunding.

In addition, the issuer may want to evaluate other aspects of the funding portal's business, such as the individuals operating the funding portal, how it handles the funds collected from investors, and what fees it will charge the issuer for posting its start-up crowdfunding offering document.

What information needs to be in the offering document?

An issuer must include all the information required by Form 45-110F1 *Offering Document*. This form requires the issuer to disclose basic information about the business and the offering, how it will use the money and the relevant risks of the business or project. The issuer must disclose the minimum amount needed to be raised to accomplish the issuer's business goals. The issuer must provide enough detail in the offering document about the business for an investor to clearly understand what the issuer does or intends to do.

If the issuer raises funds in Québec, the offering document and the risk acknowledgement form must be made available to investors in Québec in French or in French and English.

For additional details on the offering document, including instructions on how to prepare it, please refer to Form 45-110F1 *Offering Document*.

Do I need to include financial statements in the offering document?

The issuer is not required to provide financial statements to investors in connection with a start-up crowdfunding distribution.

However, the issuer can choose to make financial statements available to investors. For example, many investors use financial statements to assess and compare investment opportunities and may be reluctant to invest in a business that does not provide this information. If an issuer chooses to disclose a measure of financial performance (such as sales or expenses), financial position (such as amount of equipment or debt) or cash flow in the offering document, it must make financial statements available for the most recently completed financial year. Any measure referred to in the offering document must be an amount presented in the financial statements or be reconciled to an amount presented in the financial statements.

If the issuer chooses to make financial statements available to investors, it must:

- prepare these financial statements in accordance with Canadian generally accepted accounting principles;
- present the issuer's results of operations for its most recently completed financial year; and
- include the statement provided in item 3.5 in Form 45-110F1 *Offering Document*.

As with any information provided to investors, the financial statements should not be misleading.

The issuer can post the financial statements on its website for the convenience of its investors. **However, if an issuer includes financial statements in its offering document or provides a link to the financial statements in the offering document, there will likely be an obligation under securities laws to prepare the financial statements using Canadian generally accepted accounting principles for publicly accountable enterprises.**

There may be other requirements outside securities laws. For example, corporate legislation in some jurisdictions may require issuers to prepare and disseminate audited annual financial statements to their shareholders. Further, such issuers may be required to hold annual meetings of shareholders and provide certain specified disclosure in an information circular. To determine whether these requirements apply, issuers can refer to applicable corporate law and consult their legal advisers.

Do I need to disclose information about myself or other principals of the issuer?

The offering document must include certain details about the residency, principal occupation, expertise and securityholdings of each founder, director, officer and control person of the issuer.

Director: An individual occupying the position of director with the issuer, or another person acting in a similar capacity.

Officer: Includes the CEO, president, a vice-president, corporate secretary, general manager or any other individual who performs similar functions for the issuer. If the issuer is a limited partnership, information should also be provided for the officers of the general partner.

Founder: A person who, acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer and at the time of the start-up crowdfunding distribution is actively involved in the business of the issuer.

Control person: A person that holds more than 20% of the voting rights, alone or with other persons acting in concert, is generally considered a control person of the issuer.

Does the issuer need to provide information to the investor following the crowdfunding campaign?

Canadian securities laws do not require that the issuer report to investors, but investors will want to be kept informed. The issuer should disclose to investors in the offering document whether and, if so, how it intends to keep investors informed about the business and their investment. Reporting can be through newsletters, social media sites, email, financial statements or similar documents.

What if an investor changes their mind?

Investors have the right to withdraw their investment within two business days following either:

- the investor's subscription; or
- the funding portal notifying the investor of an amendment to the issuer's offering document.

To exercise this right of withdrawal, an investor must deliver a notice to the funding portal not later than midnight on the 2nd business day after the investor's subscription or notification of the amendment, as applicable. The funding portal must return the funds to an investor who exercises this right, without any deduction, within five business days after receiving notice of the withdrawal.

What if the information in the offering document is not, or is no longer, accurate?

The issuer must certify that the offering document does not contain a **misrepresentation**.

A misrepresentation means:

- a statement of material fact that is not true, or
- omitting a material fact that is required or necessary to be stated to prevent a statement in the offering document from being false or misleading in the circumstances in which it was made.

To avoid misrepresentations, the information contained in the offering document may need to be updated during the start-up crowdfunding campaign. If the offering document is no longer accurate and contains a misrepresentation, the issuer must:

- immediately advise the funding portal of this fact; and
- amend the offering document and send the new version to the funding portal as soon as practicable.

The funding portal is required to post the new version of the offering document on its website and promptly notify investors about the amendment. Providing an amended offering document gives an investor the opportunity to withdraw their investment (see “*What if an investor changes their mind?*” above).

The offering document does not need to be updated after the start-up crowdfunding campaign is over.

What if an investor purchases securities when the offering document contained a misrepresentation?

Securities laws in all provinces and territories of Canada provide investors with a **statutory right to sue for damages (typically limited to the amount paid for the securities)** or **rescission (to unwind or reverse the purchase)** in cases where an offering document contains a misrepresentation. These claims may be made against the issuer and in a number of provinces and territories, the directors and other persons that signed the offering document.

This statutory right to sue is available whether or not the investor relied on the misrepresentation. However, there may be various defenses available. In particular, a defense may be available if the investor knew of the misrepresentation when he or she purchased the securities.

Completing a Start-up Crowdfunding Campaign

Once the minimum offering amount has been collected, the issuer may choose to “close the offering” by issuing the securities to investors. However, the issuer must wait until each investor’s 2-day withdrawal period has expired.

An issuer can continue raising additional funds up to the maximum amount indicated in the offering document provided it closes the offering within the 90-day maximum offering period. The issuer must disclose in the offering document what it intends to do with any extra funds raised above the minimum amount.

At the closing of the offering, the funding portal will release the funds raised to the issuer. The issuer should make note of the date on which it closes the offering because certain filings and deliveries must be completed within a certain number of days of the closing.

Can an issuer use another prospectus exemption to meet the minimum amount?

Although an issuer cannot have more than one start-up crowdfunding campaign running at the same time, the issuer can raise funds using other prospectus exemptions during a start-up crowdfunding campaign. For example, the issuer may issue securities to an accredited investor. Other prospectus exemptions, such as the accredited investor exemption, are found in securities laws, including [National Instrument 45-106 Prospectus Exemptions](#). The funds raised under other prospectus exemptions can be counted towards the minimum offering amount if those funds are unconditionally available to the issuer. This would not trigger the requirement for the issuer to amend the offering document.

If an issuer raises funds under other prospectus exemptions, it must comply with the conditions of both the start-up crowdfunding exemptions and the other exemption(s). An issuer should seek professional advice if it has any questions regarding compliance.

After the closing

What documents have to be filed with securities regulators?

The offering document and a [Form 45-106F1 Report of Exempt Distribution](#) must be filed with the regulator in each jurisdiction where investors are located no later than 30 days after the closing of the distribution. For example, if the issuer has raised money in Québec and Nova Scotia, the offering document and report of exempt distribution must be filed with the Autorité des marchés financiers and the Nova Scotia Securities Commission.

In addition, the offering document and report of exempt distribution must be filed with the regulator of the jurisdiction where the issuer’s head office is located, even if no investors were located in this jurisdiction.

Rules and Policies

When filing the offering document, the issuer must include all copies of the offering document including any amended versions.

Participating Jurisdiction	How to File
All CSA jurisdictions, except British Columbia and Ontario	Electronically through SEDAR , in accordance with National Instrument 13-101 <i>System for Electronic Document Analysis and Retrieval</i> (SEDAR) The Canadian Securities Administrators (CSA) has information regarding the SEDAR filing requirements. Please see: CSA Staff Notice 13-323 – Frequently Asked Questions About Making Exempt Market Offering and Disclosure Filings on SEDAR CSA website on Reports of Exempt Distribution contains links to the reports for start-up crowdfunding prospectus exemption for SEDAR filing
British Columbia	Electronically via BC's eServices website (https://eservices.bcsc.bc.ca/). When submitting a report of exempt distribution for a start-up crowdfunding distribution, there will be an option to attach the offering document.
Ontario	Electronically through the OSC Electronic Filing Portal at https://www.osc.ca/en/filing-documents-online

Confirmation notice to investors

Within 30 days after the closing of the offering, the issuer must send a copy of the offering document and a confirmation notice to each investor who purchased securities with the following information:

- the date of subscription and the closing date of the distribution;
- the quantity and description of securities purchased;
- the price paid per security;
- the total commission, fee and any other amounts paid by the issuer to the funding portal in respect of the start-up crowdfunding distribution.

The issuer may choose to have the funding portal send this information to investors if the funding portal platform has this capability.

For more information contact:

For more information, please contact the following:

Alberta	Alberta Securities Commission Telephone: 403-355-4151 E-mail: inquiries@asc.ca Website: www.albertasecurities.com
British Columbia	British Columbia Securities Commission Telephone: 604-899-6854 or 1-800-373-6393 Email: inquiries@bcsc.bc.ca Website: www.bcsc.bc.ca
Saskatchewan	Financial and Consumer Affairs Authority of Saskatchewan Securities Division Telephone: 306-787-5645 E-mail: exemptions@gov.sk.ca Website: www.fcaa.gov.sk.ca
Manitoba	The Manitoba Securities Commission Toll free in Manitoba: 1-800-655-2548 E-mail: exemptions.msc@gov.mb.ca Website: www.msc.gov.mb.ca
Ontario	Ontario Securities Commission Toll free: 1-877-785-1555 E-mail: inquiries@osc.gov.on.ca Website: www.osc.ca

Rules and Policies

Québec	Autorité des marchés financiers Direction du financement des sociétés Toll free in Québec: 1-877-525-0337 E-mail: financement-participatif@lautorite.qc.ca Website: www.lautorite.qc.ca
New Brunswick	Financial and Consumer Services Commission Toll free: 1-866-933-2222 E-mail: emf-md@fcnb.ca Website: www.fcnb.ca
Nova Scotia	Nova Scotia Securities Commission Toll free in Nova Scotia: 1-855-424-2499 E-mail: nssc.crowdfunding@novascotia.ca Website: www.nssc.novascotia.ca

Start-up Crowdfunding Guide for Funding Portals

Introduction and purpose

The purpose of this guide is to assist funding portals that facilitate or intend to facilitate distributions under National Instrument 45-110 *Start-up Crowdfunding Registration and Prospectus Exemptions* (NI 45-110). This guide is intended both for funding portals that rely on the registration exemption in NI 45-110 (an exempt funding portal) and those operated by registered dealers.

This guide describes:

- the requirements that apply to funding portals, and
- how a crowdfunding distribution under NI 45-110 works, including an overview of the responsibilities of an issuer of which the funding portal should be aware.

What is securities crowdfunding?

Securities crowdfunding involves a business raising money by issuing securities (such as shares) to many people through the Internet using a funding portal. This type of crowdfunding must comply with the securities laws of the provinces and territories where the business and potential purchasers are located.

Legal obligations for securities crowdfunding

In Canada, trading of securities is subject to legal obligations. For example, a person or company that operates a funding portal to facilitate securities crowdfunding offerings must be registered in each province or territory where it is carrying on this business, or rely on an exemption from the registration requirement under securities laws. Similarly, a business seeking to raise capital by issuing securities must file a prospectus with the securities regulators or regulatory authorities of each province or territory (the regulators) in which it intends to sell its securities, or have an exemption from the prospectus requirements under securities laws.

These obligations can be costly for start-ups and early stage issuers. There are a number of exemptions from the prospectus requirement that businesses can use to conduct securities crowdfunding in Canada. However, these exemptions require fairly comprehensive disclosure and/or limit the types of investors that can invest. Canadian securities regulators have created a streamlined system to allow start-ups and small businesses to raise small amounts of money from the general public using securities crowdfunding, without filing a prospectus or preparing financial statements.

NI 45-110 provides additional exemptions tailored to start-up and early stage issuers to facilitate securities crowdfunding and make it easier for them to raise money by issuing securities. NI 45-110 allows:

- a start-up or early stage issuer to raise relatively small amounts of capital from the general public by distributing securities to purchasers without filing a prospectus or lengthy offering document and, significantly, without needing to prepare financial statements (the start-up prospectus exemption), and
- a funding portal to facilitate the distribution of those securities without having to register as a dealer (the start-up registration exemption), although a funding portal can be operated by a registered dealer.

Under NI 45-110, all issuers intending to conduct a start-up crowdfunding offering must use a funding portal.

Types of funding portals under NI 45-110

This section describes some of the key characteristics of funding portals operated by registered dealers, and exempt funding portals.

- **Funding portals operated by registered dealers:** Registered dealers generally are required to fulfil certain obligations including know-your-client, know-your-product, and, before accepting an order to buy or sell securities from a client, determining whether that purchase or sale is suitable for the client. Funding portals operated by registered dealers must also meet these obligations. Funding portals operated by registered dealers are allowed to facilitate distributions of securities under the start-up prospectus exemption and other prospectus exemptions. In addition, a purchaser may make a larger investment in an offering conducted through a funding portal operated by a registered dealer.
- **Exempt funding portals:** Exempt funding portals rely on the start-up registration exemption. They are not required to register provided they meet the conditions of the start-up registration exemption, including the filing of certain documents with the regulators. The requirements on exempt funding portals are different from the obligations placed on registered dealers. For example, exempt funding portals are not allowed to provide advice and are only allowed to facilitate distributions that rely on the start-up prospectus exemption.

Operating requirements for exempt funding portals

A person or company operating a funding portal does not have to register as a dealer if they meet all conditions of the start-up registration exemption. The responses to the following questions detail many of these conditions. You should refer to NI 45-110 for the complete list of the conditions that exempt funding portals must follow.

Are there any restrictions on who may operate an exempt funding portal?

A funding portal may not rely on the start-up registration exemption if it or any of its founders¹, directors, officers or control persons² (principals), or any entity it or its principals has been the principal of has had a judgment, sanction or similar order imposed against it based on fraud, theft, breach of trust, insider trading, or allegations of similar conduct.

The funding portal must not be registered with the regulators. As well, it must have its head office in Canada and the majority of its directors must be Canadian residents.

What must an exempt funding portal do for an issuer seeking to conduct a crowdfunding raise?

Make the necessary disclosures available on its website. An issuer looking to raise capital using the start-up prospectus exemption must provide the funding portal with an offering document that meets the conditions of the exemption. The exempt funding portal must post the issuer's offering document on its website. It is intended that posting the document on the exempt funding portal's website will satisfy any requirement to deliver the offering document to a purchaser that may apply under securities legislation.

A funding portal can carry out reviews of issuers before making their offering documents available on its website to protect the funding portal's own interests or reputation.

Confirm the issuer's location. The exempt funding portal must take reasonable measures to confirm that the head office of the issuer is in Canada. For instance, reviewing the incorporating or governing documents may be a reasonable step to confirm the issuer's head office.

What must an exempt funding portal do for purchasers?

Obtain the necessary acknowledgements before a purchaser can access the website. An exempt funding portal must not allow entry to its website until the purchaser acknowledges that they are entering the website of a funding portal that (i) is not operated by a registered dealer under Canadian securities legislation, and (ii) will not provide advice about the suitability or the merits of any investment.

For further information on the mechanics of the acknowledgement, please see the section in this guide entitled *Pop-up Acknowledgement*.

Not provide advice or recommendations. An exempt funding portal must not tell purchasers an investment is suitable for them or otherwise discuss the merits of an investment.

This means the funding portal cannot tell a purchaser that the securities offered are a good investment or that the purchaser should make an investment. The funding portal must refrain from saying or doing anything that might lead a purchaser to think that they should buy the securities because the securities somehow meet their investment needs or objectives.

However, the funding portal can give factual information about the securities. For example, it may tell purchasers the information set out in the offering document about the features of the securities, the risks generally of investing, how start-up crowdfunding works, and other items of a general, factual nature.

Confirm purchaser status. An exempt funding portal can only facilitate a distribution for a purchaser residing in a province or territory where the funding portal meets the conditions of the start-up registration exemption, including having delivered documents to the regulator in that jurisdiction (see *Delivery Requirements for Exempt Funding Portals* below). Accordingly, the exempt funding portal should take reasonable measures to ensure that the purchaser is a resident of a province or territory in which the exempt funding portal is permitted to operate. These reasonable measures may include requiring the purchaser to indicate its address in Canada, including the province or territory of residence, before allowing a subscription for securities.

Obtain the necessary risk acknowledgement before receiving funds. Before taking a purchaser's subscription, an exempt funding portal must ensure that purchasers confirm online that they have read and understood the offering document and risk warning available on the exempt funding portal.

¹ A person or company who founded, organized or significantly reorganized the funding portal is generally considered to be a founder.

² A person or company who holds a sufficient number of voting rights to control the funding portal or who holds more than 20% of the voting rights of the funding portal is generally considered a control person of the funding portal.

What requirements do exempt funding portals have for handling funds?

The exempt funding portal must ensure that a purchaser's payment for securities through its platform is received only by the exempt funding portal. The exempt funding portal must hold purchasers' assets separate from the exempt funding portal's property, in trust for the purchaser and, in the case of cash, at a Canadian financial institution.

What must the exempt funding portal disclose about itself on its website?

The exempt funding portal must prominently display the following information on its website:

- the full legal name, municipality and jurisdiction of residence, business mailing and e-mail address, and business telephone number of each principal of the exempt funding portal,
- that the exempt funding portal is relying on the start-up registration exemption,
- that the exempt funding portal will hold purchasers' assets separate from the funding portal's property, in trust for the purchaser and, in the case of cash, at a Canadian financial institution, and
- the process the exempt funding portal will use to notify purchasers if it becomes insolvent or discontinues operations, and how the exempt funding portal will return the purchasers' assets it is holding to those purchasers.

For instance, clearly displaying this information on one page of the website that is easily accessible (such as a main tab in a drop-down menu) would generally be acceptable.

What other requirements do exempt funding portals have?

Only facilitate start-up crowdfunding distributions under NI 45-110. The exempt funding portal must not facilitate the distribution of securities to purchasers under prospectus exemptions other than the start-up prospectus exemption. A funding portal that intends to facilitate crowdfunding distributions under other prospectus exemptions (e.g. the accredited investor exemption and the offering memorandum exemption) would need to apply for registration as a dealer.

Not receive compensation directly from a purchaser. The exempt funding portal must not receive a commission or fee from a purchaser.

Maintain records. The exempt funding portal must keep its books and records, including its compliance procedures, at its head office for eight years from the date a record is created.

Delivery requirements for exempt funding portals

Attached as Appendix A to this guide is a checklist that includes some of the delivery and timing requirements for exempt funding portals.

What steps must occur before a funding portal can rely on the start-up registration exemption?

At least 30 days before it intends to start operating in reliance on the start-up registration exemption, the funding portal must deliver the following documents to the regulator of each jurisdiction of Canada in which it intends to solicit investors:

- 1) a completed Form 45-110F3 *Funding Portal Information* (funding portal information form),
- 2) completed Forms 45-110F4 *Portal Individual Information* (individual information form) for each principal of the funding portal, and
- 3) the applicable supporting documents (see below).

The regulators will review these documents during the 30-day waiting period and may notify the funding portal, for example, if:

- the documents the funding portal delivered are incomplete, or
- the policies and procedures for handling funds in relation to a start-up crowdfunding distribution described in the funding portal information form and supporting documents does not satisfy the conditions of the start-up exemption.

If the funding portal receives such notification, it has not satisfied the conditions of the start-up registration exemption and cannot operate as an exempt funding portal. If this occurs, the funding portal must file amended documents with the regulators and wait 30 days from the date the revised documents are filed before operating.

What supporting documents are required?

The funding portal information form and individual information form must include the following supporting documents:

- organizing documents such as articles and certificate of incorporation or partnership agreement,
- a chart showing the funding portal's structure and ownership that, at a minimum, includes all parents, affiliates and subsidiaries, as well as the full list of securityholders (including number and type of securities held) of the funding portal,
- details and relevant documents describing the funding portal's process and procedure for handling funds relating to a start-up crowdfunding offering, including:
 - the name of the Canadian financial institution the funding portal will use, together with the designated trust account number,
 - the name of the signatories on this account and their role with the funding portal,
 - a description of how the funds held in this account will be kept separate and apart from the funding portal's own property,
 - a copy of the trust agreement for the funding portal's trust account with a Canadian financial institution or details surrounding the establishment of this account, or, if there is no trust agreement or trust account, an explanation why,
 - how funds will flow from: (i) the purchasers to the trust account; (ii) the trust account to the issuer in the event that the offering closes; and (iii) the trust account back to the purchasers' bank accounts if the offering does not close, or the purchaser has exercised their right of withdrawal (for further information please see the section in this guide entitled *What rights do purchasers have before the start-up crowdfunding distribution closes?*), and
- attachments providing the relevant details sought if the answer to any of questions 11 to 14 of the funding portal information form or questions 11 to 18 of an individual information form is "Yes".

The requirements around the flow of purchaser funds are fundamental to the start-up registration exemption. The regulators may assess if the funding portal complies with these requirements, as well as the other conditions of the start-up crowdfunding exemption, in future compliance exams.

How does a funding portal deliver the funding portal information form and individual information forms to the regulator?

The funding portal must deliver the forms and documents by e-mail to the regulator in each jurisdiction where the funding portal intends to facilitate start-up crowdfunding distributions. For example, a funding portal with a head office in Saskatchewan that intends to seek funds from purchasers in all jurisdictions of Canada must deliver the forms and documents described in this guide to the Financial and Consumer Affairs Authority of Saskatchewan and the regulators in all of the other jurisdictions of Canada.

What needs to be delivered after an exempt funding portal has started operating?

After it has started operating, the exempt funding portal must:

- 1) certify, within 10 days of December 31 each year and again within 10 days of June 30 each year, that it has, or expects to have, sufficient financial resources to continue its operations for at least the next 6 months (See "Financial Resources Certification" below), and
- 2) deliver, within 30 days of a change to any of the information in the funding portal information form or individual information forms, the updated funding portal information form and/or individual forms as applicable.

Financial Resources Certification

An exempt funding portal is required to certify to the regulator that it has, or expects to have, sufficient financial resources to operate for the next 6 months:

- in the completed funding portal information form, and
- in the completed Form 45-110F5 *Semi-Annual Financial Resources Certification* (financial resources certification) that needs to be delivered twice a year, within 10 days of June 30 and within 10 days of December 31.

For example: an exempt funding portal delivers the completed funding portal information form (which includes a form of the financial resources certification) on October 31, 2021. The funding portal ensures that it complies with all the conditions of the start-up registration exemption and begins to facilitate distributions on November 30, 2021.

- The exempt funding portal must then deliver a financial resources certification between January 1, 2022 and January 10, 2022, in order to meet the requirements to operate as an exempt funding portal after January 10, 2022.
- It will need to deliver its next financial resources certification between July 1, 2022 and July 10, 2022, in order to meet the requirements to operate as an exempt funding portal after July 10, 2022.

Sufficient Financial Resources

When an exempt funding portal makes an assessment of its sufficiency of financial resources for a 6 month period, it must take into account all available information about the future, which is at least, but is not limited to, 6 months from the date of certification. The degree of analysis depends on the facts for each exempt funding portal. When an entity has a history of positive cash flows from operations and ready access to financial resources, the exempt funding portal may reach the conclusion it has sufficient financial resources to continue its operations for at least the next 6 months. In other cases, the exempt funding portal may need to consider a wide range of factors relating to current and expected cash flows, such as debt repayment schedules and potential sources of replacement financing before it can assert that there is sufficient financial resources to continue its operations for at least the next 6 months.

When an exempt funding portal considers the feasibility and reasonableness of its plans, it may want to include the following in its consideration:

- Which expenditures will take priority at various levels of operation, and what effect this allocation would have on the exempt funding portal's operations, business objectives and milestones;
- The risks of defaulting on payments as they become due, and what effect the defaults would have on the exempt funding portal's operations; and
- An analysis of the exempt funding portal's ability to generate sufficient amounts of cash and cash equivalents from other sources, the circumstances that could affect those sources and management's assumptions in conducting this analysis.

Good practices for compliance with this condition include:

- Keeping documentation that is regularly maintained to ensure effective monitoring; and
- Establishing, maintaining and applying a system of controls and supervision sufficient to ensure the accuracy of the documents, including financial statements, used to support the funding portal's assessment of financial resources.

Updated Funding Portal Information Form and/or Individual Information Forms

If a change occurs and the information in the forms and documents delivered to a regulator are no longer up-to-date, the exempt funding portal must update the information by delivering a new form or document setting out the change. These updated forms must be provided within 30 days of the change. Failure to deliver these updated forms on time means that the funding portal has not satisfied the conditions of the start-up registration exemption and cannot rely on the exemption.

For example: if management at an exempt funding portal changes on July 1, 2021, an updated funding portal information form, as well as an individual information form for each new officer, must be delivered to the regulators by July 31, 2021.

Assessing compliance for funding portals

Failure to comply with the conditions of NI 45-110 or other securities law requirements is a serious offence that could prevent the funding portal from being able to rely on the start-up registration exemption and expose the funding portal's principals to sanctions. The regulators may conduct compliance reviews on funding portals, including exempt funding portals, to ensure that they comply with the requirements. Funding portals relying on the start-up registration exemption should be prepared to provide documents supporting their compliance with the conditions of the start-up registration exemption.

Funding portals will also be subject to various other laws beyond securities law (e.g. anti-money laundering and privacy laws). We encourage funding portals to consult a lawyer for advice.

Funding portals operated by registered dealers

Registered exempt market dealers and investment dealers are allowed to operate start-up funding portals, provided that they:

- meet their existing registration obligations under securities legislation (including the know-your-client, know-your-product and suitability obligations owed to purchasers, and disclosure of all fees charged to purchasers in accordance with relationship disclosure requirements under National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*),
- meet the requirements in NI 45-110 for portals that rely on the start-up registration exemption that still apply to registered dealers (see the section entitled *What are the requirements in NI 45-110 that apply to funding portals operated by registered dealers, as well as to exempt funding portals?* below),
- confirm to issuers that the funding portal is being operated by a registered dealer, and
- prompt any person entering the funding portal's website to acknowledge that the funding portal is operated by a registered dealer that will provide suitability advice. For more information on the mechanics of this acknowledgement, please see the section of this guide entitled *Pop-Up Acknowledgement*.

An exempt market dealer or investment dealer that wants to operate a start-up funding portal is required to report changes in their business activities by completing and delivering Form 33-109F5 *Change of Registration Information* and updating information previously reported in Form 33-109F6 *Firm Registration* to include operating a start-up funding portal.

What are the requirements in NI 45-110 that apply to funding portals operated by registered dealers, as well as to exempt funding portals?

Registered dealers operating funding portals must meet the conditions set out in section 4 of NI 45-110 (which also apply to exempt funding portals). These include requirements to:

- ensure that a purchaser's payment for securities through the funding portal's platform is received only by the funding portal, and no one else,
- take reasonable measures to ensure the head office of the issuer is in Canada,
- make available the issuers' offering documents and risk warnings on its website, and
- ensure, before it takes a purchaser's subscription, that the purchaser has confirmed they have read and understood the offering document and risk warning available on the funding portal.

Are there different restrictions (e.g. investment limits) placed on start-up crowdfunding distributions facilitated by registered dealers?

An offering conducted through a funding portal operated by a registered dealer is permitted to facilitate a larger investment. Both exempt funding portals and funding portals operated by registered dealers can facilitate investments up to \$2,500 from a purchaser under the start-up prospectus exemption. However, purchasers can purchase up to \$10,000 if the registered dealer has determined that the investment is suitable for the purchaser.

"Pop-up" Acknowledgement

The start-up crowdfunding exemptions require purchasers to acknowledge certain information before entering the platform of a funding portal (pop-up acknowledgement). A platform may include the funding platform's website or app. This requirement does not distinguish between where or how the purchaser enters the funding portal's platform. As a result, funding portals must design their platform so that purchasers acknowledge the required information regardless of whether those purchasers enter the platform through the funding portal's home page or through another page.

The funding portal should also manage the risk that potential purchasers are visiting the funding portal's platform using a shared computer, tablet, or other mobile device. In other words, multiple people in a household may be entering the funding portal's website at different times using the same device. As a result, the funding portal should consider designing their platform so that the pop-up acknowledgement reappears each time the purchaser's internet browser or app is closed and re-opened.

We expect the pop-up acknowledgement to appear in the following circumstances:

The pop-up acknowledgement should appear upon the first and every subsequent time a person enters a funding portal's platform. This means that after opening their internet browser or app:

- (a) If a person lands on any page of a funding portal's platform (home page or other page) the pop-up acknowledgment should appear.
- (b) If the person clicks "I acknowledge" and then immediately closes out of their browser, when the person goes back to any page on a funding portal's platform, the pop-up acknowledgment should appear. The result is that the same person will have to click on "I acknowledge" to go back into the funding portal's platform regardless of the fact that they had just been to that platform.

The pop-up acknowledgement should appear regardless of a person's entry point to the platform (home page or other page). For example:

- (c) If a person were to search the name of the funding portal and finds a link to the funding portal's platform, the link would take the person to the funding portal's home page and a pop-up acknowledgement would appear.
- (d) If a person were to browse directly to the funding portal's issuer-offering page from an external link, the link would take the person to issuer's page on the funding portal's platform and a pop-up acknowledgement would appear.

Once a person clicks "I acknowledge" and enters the funding portal's platform, they can navigate from page to page within the website without the re-appearance of the pop-up acknowledgement.

How does a start-up crowdfunding distribution work?

Issuers are responsible for preparing an offering document that complies with Form 45-110F1 *Offering Document*. In particular, the offering document must indicate the minimum amount necessary to close a start-up crowdfunding distribution. Issuers provide the offering document to the funding portal to post online. Purchasers read the offering document and decide whether or not to invest.

Before accepting an investment, the funding portal collects personal information on the purchaser, including the province or territory where the purchaser resides. The funding portal also obtains confirmation that the purchaser has read and understood the offering document and the risks described in Form 45-110F2 *Risk Acknowledgement Form*.

An issuer cannot close a distribution unless it has raised the minimum amount set out in its offering document and each purchaser's right to withdraw has expired. At the closing:

- the issuer distributes shares or other eligible securities to purchasers, and
- the funding portal releases funds to the issuer.

No later than 15 days following the closing of the distribution, the funding portal notifies purchasers that the funds have been released to the issuer, and provides the issuer with the following information on each purchaser:

- full name,
- address,
- telephone number,
- e-mail address,
- number of securities purchased, and
- total purchase price.

Using this information, no later than 30 days following the closing of the distribution, the issuer files Form 45-106F1 *Report of Exempt Distribution* (the report of exempt distribution) with the regulators. When providing purchaser information to the issuer, funding portals may use the spreadsheet of Schedule 1 of the report of exempt distribution. Please refer to the *Start-up Crowdfunding Guide for Businesses* for more information on the issuer's filing requirements.

As well, no later than 30 days following the closing of the distribution, the issuer sends a confirmation to each purchaser that includes:

- the date of the purchaser's subscription and the closing date,
- the number of securities purchased and a description of the securities purchased,
- the price per security paid,
- the total commission, fee and any other amounts paid by the issuer to the funding portal in respect of the distribution, and
- instructions on how the purchaser can access the offering document.

While the obligation is on the issuer to provide this information to purchasers, we expect that the issuer will arrange for the funding portal to provide this information on its behalf.

If the issuer withdraws its start-up crowdfunding offering or does not raise the minimum amount within 90 days after the funding portal posts the offering document online, all the funds must be returned to purchasers within five business days. No deductions are permitted. The funding portal must also send a notice to the issuer and each purchaser confirming that the funds have been returned to purchasers.

The funding portal may send notices to purchasers and issuers by e-mail.

When must an offering document be amended?

From the time it is posted online until the closing or withdrawal of the offering, an issuer must amend its offering document if the information it contains is no longer accurate and contains a misrepresentation. This could be the case if, for example, an issuer wants to change the price of the securities or the minimum or maximum offering amount. The issuer must send the amended version to the funding portal for posting on the funding portal's website. The funding portal must promptly notify purchasers about the amendment.

Can a funding portal facilitate a start-up crowdfunding distribution for itself or for related parties?

A funding portal cannot act in a start-up crowdfunding distribution if one of its principals is also a principal of the issuer group. The issuer group means the issuer, an affiliate of the issuer, and any other issuer that is engaged in a common enterprise with the issuer or an affiliate, or whose business is founded or organized by the same person or company who founded or organized the issuer.

What rights do purchasers have before the start-up crowdfunding distribution closes?

Purchasers have the right to withdraw their investment up to midnight, two business days following:

- the purchaser's subscription, and
- any notice the funding portal sends to the purchaser of an amendment to the offering document.

For example: a funding portal posts an offering document on July 1, 2021 and a purchaser subscribes on July 5, 2021. The funding portal then notifies the purchaser of amendments to the offering documents on July 14, 2021 and July 28, 2021. The purchaser then has the right to withdraw its investment during the following time periods:

- up to midnight, July 7, 2021 (two business days from subscription),
- between July 14, 2021 and midnight, July 16, 2021 (two business days from the first amendment), and
- between July 28, 2021 and midnight, July 30, 2021 (two business days from the second amendment).

The funding portal must give purchasers the opportunity to exercise this right. The purchaser exercises the right of withdrawal by notifying the funding portal. The funding portal must return the funds to a purchaser who exercises this right, without any deduction, within five business days after the notice.

Does an issuer have to provide financial statements?

Under the start-up prospectus exemption, issuers are not required to provide financial statements to purchasers with the offering document.

Rules and Policies

If an issuer wants to make its financial statements available to purchasers, it can place a hyperlink on the funding portal leading to the financial statements. However, the hyperlink should not appear in the offering document unless the issuer wants the financial statements to form part of it. Please refer to the *Start-Up Crowdfunding Guide for Businesses* for more information on potential reporting requirements relating to making financial statements a part of the issuer's offering document. It should be noted that if an issuer makes its financial statements available to purchasers, those financial statements have to be prepared in accordance with Canadian GAAP.

For more information

For more information, please contact the following:

British Columbia	British Columbia Securities Commission Telephone: 604-899-6854 or 1-800-373-6393 E-mail: inquiries@bcsc.bca Website: www.bcsc.bc.ca
Alberta	Alberta Securities Commission Telephone: 403-355-4151 E-mail: inquiries@asc.ca Website: www.albertasecurities.com
Saskatchewan	Financial and Consumer Affairs Authority of Saskatchewan Securities Division Telephone: 306-787-5645 E-mail: exemptions@gov.sk.ca Website: www.fcaa.gov.sk.ca
Manitoba	The Manitoba Securities Commission Toll free in Manitoba: 1-800-655-2548 E-mail: exemptions.msc@gov.mb.ca Website: http://www.mbsecurities.ca/
Ontario	Ontario Securities Commission Toll free: 1-877-785-1555 E-mail: inquiries@osc.gov.on.ca Website: www.osc.ca
Québec	Autorité des marchés financiers Direction du financement des sociétés Toll free in Québec: 1-877-525-0337 E-mail: financement-participatif@lautorite.qc.ca Website: www.lautorite.qc.ca
New Brunswick	Financial and Consumer Services Commission Toll free: 1-866-933-2222 E-mail: emf-md@fcnb.ca Website: www.fcnb.ca
Nova Scotia	Nova Scotia Securities Commission Toll free in Nova Scotia: 1-855-424-2499 E-mail: nssc.crowdfunding@novascotia.ca Website: nssc.novascotia.ca

The information in this Guide is for educational purposes only and does not constitute legal advice.

If any information in this Guide is inconsistent with NI 45-110 Start-up Crowdfunding Registration and Prospectus Exemptions, please follow the instrument and the related forms.

Appendix A

Checklist for Exempt Funding Portals

Documents required to be delivered to the regulators before a funding portal can rely on the start-up registration exemption:

- A completed Form 45-110F3 *Funding Portal Information* (portal information form), with the following documents attached, signed and dated by the authorized individual certifying the portal information form:
 - The funding portal's organizing documents (Item 8 of the portal information form)
 - A chart showing the funding portal's structure and ownership (Item 9 of the portal information form)
 - Details and the relevant documents on the process and procedure for handling all funds relating to a start-up crowdfunding offering (Item 15 of the portal information form)
 - If any of the answers to questions 11 to 14 of the portal information form is "Yes", complete details pertaining to such matters
 - Completed Forms 45-110F4 *Portal Individual Information* (individual information form) for each principal of the funding portal.
 - If any of the answers to questions 11 to 18 of an individual information form is "Yes", complete details pertaining to such matters must be attached to that individual information form; except for attachments pertaining to question 11, these attachments must be signed and dated by the authorized individual certifying the individual information form.

Date the funding portal has delivered a completed portal information form and individual information forms, with necessary attachments, to the regulators: _____

Date the funding portal may begin operations if it has not received a notification from the regulator that it is not allowed to rely on the start-up registration exemption (30 days from the date the funding portal delivered the completed portal information form and individual information forms, with necessary attachments, to the regulators): _____

Documents required to be delivered to the regulators after an exempt funding portal has started operations:

- Two completed Forms 45-110F5 *Semi-Annual Financial Resources Certification* (financial resources certification) each calendar year, one within 10 days of June 30, and the other within 10 days of December 31

Note: particular guidance on this requirement can be found in the *Start-Up Crowdfunding Guide for Funding Portals*, under the sections titled "Financial Resources Certification" and "Sufficient Financial Resources" beginning on page 8.

- Updated portal information forms or individual information forms if there is a change to any of the information previously provided in these forms, within 30 days of the change.

5.1.2 Ontario Securities Commission Rule 11-501 Electronic Delivery of Documents to the Ontario Securities Commission

**AMENDMENTS TO
ONTARIO SECURITIES COMMISSION RULE 11-501
ELECTRONIC DELIVERY OF DOCUMENTS TO THE ONTARIO SECURITIES COMMISSION**

1. *Ontario Securities Commission Rule 11-501 Electronic Delivery of Documents to the Ontario Securities Commission is amended by this Instrument.*

2. *Appendix A is amended by*

(a) *inserting the following row to the table immediately following the row “45-106 s. 2.9(17.5)”:*

45-106 s. 2.9(19.4)	Filing of an appraisal report pursuant to subsection 2.9(19.4) of National Instrument 45-106 <i>Prospectus Exemptions</i>
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(b) *inserting the following rows to the table immediately following the row “45-108F1”:*

45-110F1	Form 45-110F1 <i>Offering Document</i>
45-110F3	Form 45-110F3 <i>Funding Portal Information</i>
45-110F4	Form 45-110F4 <i>Portal Individual Information</i>
45-110F5	Form 45-110F5 <i>Semi-Annual Financial Resources Certification</i>

3. This Instrument comes into force on September 21, 2021.

5.1.3 Ontario Securities Commission Rule 13-502 Fees

**AMENDMENTS TO
ONTARIO SECURITIES COMMISSION RULE 13-502 FEES**

1. ***Ontario Securities Commission Rule 13-502 Fees is amended by this Instrument.***
2. ***The definition of “unregistered capital markets participant” in section 1.1 is replaced by the following:***
“unregistered capital markets participant” means
 - (a) an unregistered investment fund manager;
 - (b) an unregistered exempt international firm; or
 - (c) a funding portal relying on the exemption in section 3 of National Instrument 45-110 *Start-up Crowdfunding Registration and Prospectus Exemptions*.
3. This Instrument comes into force on September 21, 2021.

5.1.4 Ontario Securities Commission Rule 45-501 Ontario Prospectus and Registration Exemptions

**AMENDMENTS TO
ONTARIO SECURITIES COMMISSION RULE 45-501
ONTARIO PROSPECTUS AND REGISTRATION EXEMPTIONS**

1. ***Ontario Securities Commission Rule 45-501 Ontario Prospectus and Registration Exemptions is amended by this Instrument.***
2. ***Section 5.1 is amended by deleting “and” at the end of paragraph (f.1), and by adding the following paragraph:***
 - (f.2) section 5 of National Instrument 45-110 *Start-up Crowdfunding Registration and Prospectus Exemptions*, and
3. ***The following subsection is added after subsection 5.2(1):***
 - (1.1) For the purposes of section 130.1 of the Act, the method of furnishing or delivering an offering document under Multilateral Instrument 45-108 *Crowdfunding* or National Instrument 45-110 *Start-up Crowdfunding Registration and Prospectus Exemptions* to a prospective purchaser includes making the offering document available to the prospective purchaser through a funding portal, as defined in the respective instruments.
4. ***Subsection 5.4(2) is replaced by the following:***
 - (2) The requirement in subsection (1) does not apply to an offering memorandum prepared and filed with the Commission in accordance with section 2.9 of NI 45-106, Multilateral Instrument 45-108 *Crowdfunding*, or National Instrument 45-110 *Start-up Crowdfunding Registration and Prospectus Exemptions*.
5. This Instrument comes into force on September 21, 2021.

5.1.5 Companion Policy 45-501CP – Ontario Securities Commission Rule 45-501 Ontario Prospectus and Registration Exemptions

**CHANGES TO
COMPANION POLICY 45-501CP – ONTARIO SECURITIES COMMISSION RULE 45-501
ONTARIO PROSPECTUS AND REGISTRATION EXEMPTIONS**

1. ***Companion Policy 45-501CP – to Ontario Securities Commission Rule 45-501 Ontario Prospectus and Registration Exemptions is changed by this Instrument.***

2. ***Subsection 5.3(1) is replaced by the following:***

5.3 Right of action for damages and right of rescission – (1) Part 5 of the Rule provides for the application of the rights referred to in section 130.1 of the Act if an offering memorandum is delivered to a prospective purchaser in connection with a distribution made in reliance on a prospectus exemption listed in section 5.1 of the Rule.

The rights apply when the offering memorandum is delivered mandatorily in connection with a distribution made in reliance on a prospectus exemption listed in paragraphs (d.1), (f.1), (f.2) or (g) of section 5.1 of the Rule, or voluntarily in connection with a distribution made in reliance on a prospectus exemption listed in paragraphs 5.1(a), (b), (b.1), (d), (e) or (f) of the Rule.

3. ***Subsection 5.4(1) is replaced by the following:***

5.4 Content of offering memorandum – (1) Other than in the case of an offering memorandum delivered in connection with a distribution made in reliance on a prospectus exemption listed in paragraphs 5.1(d.1), (f.1), (f.2) or (g) of the Rule, and subject to subsection (2), Ontario securities legislation does not prescribe the content of an offering memorandum. The decision relating to the appropriate disclosure in an offering memorandum rests with the issuer, the selling security holder and their advisors.

4. ***Subsection 5.5(1) is changed as follows:***

5.5 Review of offering memorandum – (1) Staff may review an offering memorandum filed in connection with a distribution made in reliance on

- the exemption in section 2.9 of NI 45-106 [*Offering memorandum*],
- the exemption in section 5 of Multilateral Instrument 45-108 *Crowdfunding*, or
- the exemption in section 5 of National Instrument 45-110 *Start-up Crowdfunding Registration and Prospectus Exemptions*.

They may also review an offering memorandum if it is delivered in connection with a distribution made in reliance on another exemption referred to in Part 5 of the Rule. When Staff reviews an offering memorandum, they review its form and content for the purpose of determining whether the issuer has complied with the requirements, conditions and restrictions of the exemption relied on for the distribution.

5. These changes become effective on September 21, 2021.

5.1.6 Ontario Instrument 45-506 Start-Up Crowdfunding Registration and Prospectus Exemptions (Interim Class Order)

**AMENDMENTS TO
ONTARIO INSTRUMENT 45-506
START-UP CROWDFUNDING REGISTRATION AND PROSPECTUS EXEMPTIONS (INTERIM CLASS ORDER)**

1. ***Ontario Instrument 45-506 Start-Up Crowdfunding Registration and Prospectus Exemptions (Interim Class Order) is amended by this Instrument.***
2. ***The language under “Effective Date and term” is replaced by the following:***

This decision comes into effect on this 30th day of July, 2020 and will cease to be effective on the earlier of the following:

 - (a) the date that is 18 months after the date of this Order unless extended by the Commission, and
 - (b) the date that is 90-days after the effective date of the Proposed Instrument.
3. This Instrument comes into force on April 27, 2021.

5.1.7 National Instrument 45-102 Resale of Securities

**AMENDMENTS TO
NATIONAL INSTRUMENT 45-102 RESALE OF SECURITIES**

1. ***National Instrument 45-102 Resale of Securities is amended by this Instrument.***
2. ***Appendix D is amended by adding, before the heading “Transitional and Other Provisions”, the following section:***
 3. Except in Manitoba, the exemption from the prospectus requirement in section 5 [Exemption from prospectus requirement for issuers] of National Instrument 45-110 *Start-up Crowdfunding Registration and Prospectus Exemptions*.
3. (1) This Instrument comes into force on September 21, 2021.
(2) In Saskatchewan, despite subsection (1), if this Instrument is filed with the Registrar of Regulations after September 21, 2021, this Instrument comes into force on the day on which they are filed with the Registrar of Regulations.

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Chapter 7

Insider Reporting

This chapter is available in the print version of the OSC Bulletin, as well as in Thomson Reuters Canada's internet service SecuritiesSource (see www.westlawnextcanada.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:

Manulife Balanced Dividend ETF Bundle
Principal Regulator – Ontario

Type and Date:

Preliminary Simplified Prospectus dated Sep 14, 2021
NP 11-202 Preliminary Receipt dated Sep 14, 2021

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3278676

Issuer Name:

TruX Exogenous Risk Pool
Principal Regulator – Ontario

Type and Date:

Preliminary Simplified Prospectus dated Sep 14, 2021
NP 11-202 Preliminary Receipt dated Sep 14, 2021

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3278743

Issuer Name:

IG Climate Action Portfolio - Global Equity
IG Climate Action Portfolio - Global Equity Balanced
IG Climate Action Portfolio - Global Fixed Income Balanced
IG Climate Action Portfolio - Global Neutral Balanced
PIMCO - IG Climate Bond Pool
Putnam - IG Sustainable Leaders Pool
Rockefeller - IG Climate Solutions Pool
T. Rowe Price - IG Global Impact Pool
Principal Regulator – Manitoba

Type and Date:

Preliminary Simplified Prospectus dated Sep 15, 2021
NP 11-202 Preliminary Receipt dated Sep 15, 2021

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3279160

Issuer Name:

Fidelity Disruptive Automation Class
Fidelity Disruptive Automation Investment Trust
Fidelity Disruptors Class
Fidelity Inflation-Focused Fund
Principal Regulator – Ontario

Type and Date:

Preliminary Simplified Prospectus dated Sep 13, 2021
NP 11-202 Final Receipt dated Sep 15, 2021

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3256569

Issuer Name:

Guardian Directed Equity Path ETF
Guardian Directed Premium Yield ETF
Guardian i3 Global Quality Growth ETF
Guardian i3 US Quality Growth ETF
Guardian i3 Global REIT ETF
Guardian Fundamental All Country Equity ETF
Guardian Fundamental Emerging Markets Equity ETF
Guardian Canadian Bond ETF
Guardian Canadian Sector Controlled Equity Fund
Principal Regulator - Ontario

Type and Date:

Amendment #1 to Final Long Form Prospectus dated
September 14, 2021

NP 11-202 Final Receipt dated Sep 17, 2021

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3239260

Issuer Name:

Mackenzie Betterworld Canadian Equity Fund
Mackenzie Betterworld Global Equity Fund
Principal Regulator - Ontario

Type and Date:

Amendment #1 to Final Simplified Prospectus dated
September 14, 2021
NP 11-202 Final Receipt dated Sep 15, 2021

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3229016

Issuer Name:

Fidelity Technology Innovators Class
Principal Regulator - Ontario

Type and Date:

Amendment #2 to Final Simplified Prospectus and
Amendment #3 to AIF dated September 13, 2021
NP 11-202 Final Receipt dated Sep 17, 2021

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3187283

NON-INVESTMENT FUNDS

Issuer Name:

Abaxx Technologies Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Shelf Prospectus dated September 17, 2021
NP 11-202 Preliminary Receipt dated September 20, 2021

Offering Price and Description:

\$50,000,000.00
Common Shares
Warrants
Subscription Receipts
Units
Debt Securities
Share Purchase Contracts

Underwriter(s) or Distributor(s):

-

Promoter(s):

Joshua Crumb

Project #3280182

Issuer Name:

AIRBOSS OF AMERICA CORP.
Principal Regulator - Ontario

Type and Date:

Preliminary Shelf Prospectus dated September 15, 2021
NP 11-202 Preliminary Receipt dated September 15, 2021

Offering Price and Description:

C\$200,000,000.00
Class A Shares (designated as Common Shares)
Class B Shares
Debt Securities
Warrants
Subscription Receipts
Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3279076

Issuer Name:

Altus Group Limited
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated September 20, 2021

NP 11-202 Preliminary Receipt dated September 20, 2021

Offering Price and Description:

\$150,040,000.00
2,420,000 Common Shares
Price: \$62.00 per Offered Share

Underwriter(s) or Distributor(s):

TD Securities Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
Canaccord Genuity Corp.
CIBC World Markets Inc.
Cormark Securities Inc.
HSBC Securities (Canada) Inc.
Stifel Nicolaus Canada Inc.

Promoter(s):

-

Project #3278894

Issuer Name:

Bee Vectoring Technologies International Inc.
Principal Regulator - Ontario

Type and Date:

Amendment dated September 16, 2021 to Preliminary
Shelf Prospectus dated June 18, 2021
NP 11-202 Preliminary Receipt dated September 17, 2021

Offering Price and Description:

\$15,000,000.00
COMMON SHARES
PREFERRED SHARES
DEBT SECURITIES
SUBSCRIPTION RECEIPTS
WARRANTS
UNITS

Underwriter(s) or Distributor(s):

-

Promoter(s):

Ashish Malik
Michael Collinson
Project #3239822

Issuer Name:

Canadian North Resources Inc.
Principal Regulator - Ontario

Type and Date:

Amendment dated September 13, 2021 to Preliminary
Long Form Prospectus dated June 16, 2021
NP 11-202 Preliminary Receipt dated September 14, 2021

Offering Price and Description:

2,223,698 Common Shares on deemed exercise of
2,223,698 Special Warrants

Underwriter(s) or Distributor(s):

-

Promoter(s):

Lee Q. Shim

Project #3238901

Issuer Name:

Copperleaf Technologies Inc.
Principal Regulator - British Columbia

Type and Date:

Preliminary Long Form Prospectus dated September 15,
2021
NP 11-202 Preliminary Receipt dated September 16, 2021

Offering Price and Description:

* COMMON SHARES

\$*

Price: \$* per Offered Share

Underwriter(s) or Distributor(s):

MERRILL LYNCH CANADA INC.
BMO NESBITT BURNS INC.
CIBC WORLD MARKETS INC.
RBC DOMINION SECURITIES INC.
CANACCORD GENUITY CORP.
CORMARK SECURITIES INC.

Promoter(s):

-

Project #3279315

Issuer Name:

Environmental Waste International Inc.
Principal Regulator - Ontario

Type and Date:

Amendment dated September 17, 2021 to Preliminary
Shelf Prospectus dated June 22, 2021
NP 11-202 Preliminary Receipt dated September 17, 2021

Offering Price and Description:

C\$20,000,000.00

Common Shares

Warrants

Subscription Receipts

Debt Securities

Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3240539

Issuer Name:

European Residential Real Estate Investment Trust
Principal Regulator - Ontario

Type and Date:

Preliminary Shelf Prospectus dated September 15, 2021
NP 11-202 Preliminary Receipt dated September 16, 2021

Offering Price and Description:

\$1,000,000,000.00

Units

Preferred Units

Debt Securities

Subscription Receipts

Warrants

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3279354

Issuer Name:

HighGold Mining Inc.
Principal Regulator - British Columbia

Type and Date:

Preliminary Shelf Prospectus dated September 15, 2021
NP 11-202 Preliminary Receipt dated September 16, 2021

Offering Price and Description:

Up to \$75,000,000.00

Common Shares

Warrants

Debt Securities

Subscriptions Receipts

Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3279359

Issuer Name:

Knowlton Development Corporation, Inc.
Principal Regulator - Quebec

Type and Date:

Amendment dated September 14, 2021 to Preliminary
Long Form Prospectus dated July 12, 2021
NP 11-202 Preliminary Receipt dated September 14, 2021

Offering Price and Description:

US\$*

57,142,857 Common Shares

Price: US\$* per Common Share

Underwriter(s) or Distributor(s):

GOLDMAN SACHS CANADA INC.
J.P. MORGAN SECURITIES CANADA INC.
UBS SECURITIES CANADA INC.
BMO NESBITT BURNS INC .
MERRILL LYNCH CANADA INC.
JEFFERIES SECURITIES, INC.
MORGAN STANLEY CANADA LIMITED
RBC DOMINION SECURITIES INC.

Promoter(s):

-

Project #3249026

Issuer Name:

KP3993 Resources Inc.
Principal Regulator - British Columbia

Type and Date:

Preliminary CPC Prospectus dated September 15, 2021
NP 11-202 Preliminary Receipt dated September 17, 2021

Offering Price and Description:

5,000,000 Common Shares - \$500,000.00

Price: \$0.10 per Common Share

Underwriter(s) or Distributor(s):

Research Capital Corporation

Promoter(s):

-

Project #3279635

Issuer Name:

Mandalay Resources Corporation
Principal Regulator - Ontario

Type and Date:

Preliminary Shelf Prospectus dated September 13, 2021
NP 11-202 Preliminary Receipt dated September 14, 2021

Offering Price and Description:

C\$300,000,000.00

Common Shares

Debt Securities

Subscription Receipts

Warrants

Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3278497

Issuer Name:

Manulife Financial Corporation
Principal Regulator - Ontario

Type and Date:

Preliminary Shelf Prospectus dated September 15, 2021
NP 11-202 Preliminary Receipt dated September 15, 2021

Offering Price and Description:

\$10,000,000,000.00

Debt Securities

Class A Shares

Class B Shares

Class 1 Shares

Common Shares

Subscription Receipts

Warrants

Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3279104

Issuer Name:

Mineros S.A.
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated September 16,
2021

NP 11-202 Preliminary Receipt dated September 17, 2021

Offering Price and Description:

US\$25,000,000.00

* Common Shares

US\$* per Common Share

Underwriter(s) or Distributor(s):

SCOTIA CAPITAL INC.

SPROTT CAPITAL PARTNERS LP

Promoter(s):

-

Project #3279662

Issuer Name:

My Site Developments Inc.
Principal Regulator - British Columbia

Type and Date:

Preliminary Long Form Prospectus dated September 15,
2021

NP 11-202 Preliminary Receipt dated September 15, 2021

Offering Price and Description:

Minimum of 5,000,000 Common Shares and up to a

Maximum of 7,000,000 Common Shares

Price: \$0.10 per Common Share

Minimum of \$500,000.00 and up to a Maximum of
\$700,000.00

Underwriter(s) or Distributor(s):

PI FINANCIAL CORP.

Promoter(s):

Solomon Friedman

Itamar David

Project #3279237

Issuer Name:

Northern Genesis Climate Solutions Corporation
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated September 20, 2021

NP 11-202 Preliminary Receipt dated September 20, 2021

Offering Price and Description:

\$*

(* Units)

Offering Price: \$* per Offered Unit

Underwriter(s) or Distributor(s):

TD SECURITIES INC.

RBC DOMINION SECURITIES INC.

SCOTIA CAPITAL INC.

CIBC WORLD MARKETS INC.

BMO NESBITT BURNS INC.

NATIONAL BANK FINANCIAL INC.

DESJARDINS SECURITIES INC.

RAYMOND JAMES LTD.

iA PRIVATE WEALTH INC.

Promoter(s):

NORTHERN GENESIS INVESTMENTS CORPORATION

Project #3280281

Issuer Name:

Pet Valu Holdings Ltd.

Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated September 16, 2021

NP 11-202 Preliminary Receipt dated September 16, 2021

Offering Price and Description:

\$225,750,000.00

7,000,000 Common Shares

Price: \$32.25 per Offered Share

Underwriter(s) or Distributor(s):

RBC DOMINION SECURITIES INC.

BARCLAYS CAPITAL CANADA INC.

CIBC WORLD MARKETS INC.

NATIONAL BANK FINANCIAL INC.

TD SECURITIES INC.

ATB CAPITAL MARKETS INC.

LAURENTIAN BANK SECURITIES INC.

RAYMOND JAMES LTD.

Promoter(s):

-

Project #3278883

Issuer Name:

PMML Corp.

Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated September 13, 2021

NP 11-202 Preliminary Receipt dated September 14, 2021

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3278551

Issuer Name:

Pure Gold Mining Inc.

Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated September 14, 2021

NP 11-202 Preliminary Receipt dated September 14, 2021

Offering Price and Description:

\$20,000,400.00

19,048,000 Units

Price \$1.05 per Unit

Underwriter(s) or Distributor(s):

NATIONAL BANK FINANCIAL INC.

CLARUS SECURITIES INC.

DESJARDINS SECURITIES INC.

STIFEL NICOLAUS CANADA INC.

HAYWOOD SECURITIES INC.

PI FINANCIAL CORP.

SPROTT CAPITAL PARTNERS L.P., by its General

Partner, SPROTT CAPITAL PARTNERS GP INC.

Promoter(s):

-

Project #3277166

Issuer Name:

Seven Oaks Capital Corp.

Principal Regulator - Ontario

Type and Date:

Preliminary CPC Prospectus dated September 15, 2021

NP 11-202 Preliminary Receipt dated September 16, 2021

Offering Price and Description:

\$250,000.00

2,500,000 Common Shares

Price: \$0.10 per Common Share

Underwriter(s) or Distributor(s):

Canaccord Genuity Corp.

Promoter(s):

-

Project #3278792

Issuer Name:

Way of Will Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated September 10, 2021
NP 11-202 Preliminary Receipt dated September 14, 2021

Offering Price and Description:

4,788,681 Common Shares of the Company 175,625
Common Shares Issuable Upon the Deemed Exercise of
175,625 Special Warrants
\$14,050
Price per Special Warrant: \$0.08

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3278564

Issuer Name:

Wesana Health Holdings Inc. (formerly Debut Diamonds Inc.)

Principal Regulator - Ontario

Type and Date:

Preliminary Shelf Prospectus dated September 15, 2021
NP 11-202 Preliminary Receipt dated September 15, 2021

Offering Price and Description:

\$130,000,000.00
Subordinate Voting Shares
Multiple Voting Shares
Preferred Shares
Debt Securities
Subscription Receipts
Warrants
Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

DANIEL CARCILLO
Project #3279124

Issuer Name:

Canadian Imperial Bank of Commerce
Principal Regulator - Ontario

Type and Date:

Final Shelf Prospectus dated September 17, 2021
NP 11-202 Receipt dated September 20, 2021

Offering Price and Description:

\$7,000,000,000.00
Medium Term Notes (Principal at Risk Structured Notes)

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3276343

Issuer Name:

Delic Holdings Corp. (formerly Delic Holdings Inc.)
Principal Regulator - British Columbia

Type and Date:

Final Shelf Prospectus dated September 14, 2021
NP 11-202 Receipt dated September 15, 2021

Offering Price and Description:

\$50,000,000.00
Subordinate Voting Shares
Multiple Voting Shares
Warrants
Subscription Receipts
Debt Securities
Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3275687

Issuer Name:

Denison Mines Corp.
Principal Regulator - Ontario

Type and Date:

Final Shelf Prospectus dated September 16, 2021
NP 11-202 Receipt dated September 16, 2021

Offering Price and Description:

C\$250,000,000.00
Common Shares
Subscription Receipts
Units
Debt Securities
Share Purchase Contracts
Warrants

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3264413

Issuer Name:

HealthSpace Data Systems Ltd.
Principal Regulator - British Columbia

Type and Date:

Final Shelf Prospectus dated September 14, 2021
NP 11-202 Receipt dated September 16, 2021

Offering Price and Description:

CAD\$100,000,000.00
Common Shares
Warrants
Subscription Receipts
Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3258694

Issuer Name:

LexaGene Holdings Inc. (formerly, Wolfeye Resource Corp.)

Principal Regulator - British Columbia

Type and Date:

Final Shelf Prospectus dated September 17, 2021

NP 11-202 Receipt dated September 17, 2021

Offering Price and Description:

\$25,000,000.00

Common Shares

Warrants

Subscription Receipts

Debt Securities

Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3276032

Issuer Name:

Nevada Lithium Resources Inc. (formerly, Hermes Acquisition Corp.)

Principal Regulator - British Columbia

Type and Date:

Final Long Form Prospectus dated September 14, 2021

NP 11-202 Receipt dated September 17, 2021

Offering Price and Description:

No securities are being offered pursuant to this Prospectus

Underwriter(s) or Distributor(s):

-

Promoter(s):

Ravinder Kang

Ronald Bauer

Project #3222243

Issuer Name:

PMML Corp.

Principal Regulator - Ontario

Type and Date:

Final Long Form Prospectus dated September 17, 2021

NP 11-202 Receipt dated September 17, 2021

Offering Price and Description:

37,814,655 Underlying Shares issuable without payment upon the conversion of 37,814,655 Subscription Receipts

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3278551

Issuer Name:

Taura Gold Inc.

Principal Regulator - British Columbia

Type and Date:

Amendment dated September 13, 2021 to Final Long Form

Prospectus dated July 6, 2021

NP 11-202 Receipt dated September 15, 2021

Offering Price and Description:

\$750,000.00

5,000,000 COMMON SHARES

Price: \$0.15 per Offered Share

Underwriter(s) or Distributor(s):

PI Financial Corp.

Promoter(s):

Dominic Verdejo

Project #3222699

Issuer Name:

Taurus Gold Corp.

Principal Regulator - Alberta

Type and Date:

Amendment dated September 9, 2021 to Final Long Form

Prospectus dated June 14, 2021

NP 11-202 Receipt dated September 14, 2021

Offering Price and Description:

\$2,000,000.00

8,000,000 Units

\$0.25 per Unit

Underwriter(s) or Distributor(s):

Canaccord Genuity Corp.

Promoter(s):

Robert Sim

Project #3199872

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Voluntary Surrender	MMCAP Management Inc.	Investment Fund Manager	September 9, 2021
New Registration	Topaz Capital Ltd.	Portfolio Manager, Exempt Market Dealer and Investment Fund Manager	September 14, 2021
New Registration	Advantage Capital Strategies Group Inc.	Portfolio Manager, Exempt Market Dealer and Investment Fund Manager	September 17, 2021
New Registration	Genesis Wealth Management Corporation	Exempt Market Dealer	September 20, 2021
New Registration	OneVest Management Inc.	Portfolio Manager and Investment Fund Manager	September 20, 2021

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Chapter 13

SROs, Marketplaces, Clearing Agencies and Trade Repositories

13.2 Marketplaces

13.2.1 Nasdaq CXC Limited – Notice of Proposed Changes and Request for Comment

NASDAQ CXC LIMITED

NOTICE OF PROPOSED CHANGES AND REQUEST FOR COMMENT

Nasdaq CXC Limited (Nasdaq Canada) has announced plans to implement the changes described below in Q1, 2022 subject to regulatory approval. Nasdaq Canada is publishing this Notice of Proposed Changes in accordance with the requirements set out in the Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits Thereto (Exchange Protocol). Pursuant to the Exchange Protocol, market participants are invited to provide the Commission with comment on the proposed changes.

Comment on the proposed changes should be in writing and submitted by October 25, 2021 to:

Market Regulation Branch
Ontario Securities Commission
20 Queen Street West, 22nd Floor
Toronto, ON M5H 3S8
Fax 416 595 8940
Email: marketregulation@osc.gov.on.ca

And to:

Matt Thompson
Chief Compliance Officer
Nasdaq CXC Limited
25 York St., Suite 900
Toronto, ON M5J 2V5
Email: matthew.thompson@nasdaq.com

Comments received will be made public on the OSC website. Upon completion of the review by OSC staff, and in the absence of any regulatory concerns, notice will be published to confirm the completion of Commission staff's review and to outline the intended implementation date of the changes.

NASDAQ CXC LIMITED

NOTICE OF PROPOSED CHANGES

Nasdaq Canada has announced plans to introduce the following change in Q1, 2022 subject to regulatory approval. Nasdaq Canada is publishing this Notice of Proposed Changes in accordance with the requirements set out in the Exchange Protocol.

Summary of Proposed Changes

Nasdaq Canada is proposing to introduce an Odd Lot order book for the CXD Trading Book ("CXD Odd Lot Book" and "Proposed Change") that will operate in tandem with the Odd Lot Trading Program that is already supported today on CXD (also supported on CXC and CX2). All Nasdaq Canada members electing to access CXD will also be provided access to the CXD Odd Lot Book seamlessly. The CXD Odd Lot Book will support two types of orders that will interact with one another; Odd Lot Liquidity Providing orders ("OLP") and active Odd Lot Orders.

ODD LOT LIQUIDITY PROVIDING ORDERS

OLP orders provide liquidity at the passive side of the protected National Best Bid and Offer ("NBBO"). Like Primary Peg orders supported today, the price of OLP orders is pegged to the passive side of the NBBO and adjusted accordingly when the price of the NBBO changes. Members have the option of specifying a limit price when entering an OLP order at which price the order will stay if the NBBO moves above/below the limit price. Each OLP order must meet a minimum size of one Board Lot less one share. If the size of an OLP order falls below the minimum size it will be cancelled back to the member.

OLP orders can be entered on an unlimited number of securities. However, members are limited to booking only one OLP order per Trader ID per side per security at any one time during the trading day. If a second order is entered by the same Trader ID on the same side for the same security, the order will be rejected.

MATCHING PRIORITY

Matching priority for OLP orders will follow broker/time priority and use a nested round robin methodology. Priority is given to orders entered by the same member first followed by orders entered in the time sequence they were received. However, due to the round robin methodology, when an OLP order receives an execution it is moved to the end of the order queue. Multiple orders from the same member (with different Trader IDs) are grouped together for the purpose of the round robin (a "Member Group"). All orders in a Member Group are moved to the end of the order queue when the first order in a Member Group receives an execution. The order within a Member Group that receives an execution is also moved to the end of the order queue of orders in that Member Group. This nested round robin methodology ensures that there is an even distribution of executions between members regardless of the number of Trader IDs that are used to enter OLP orders.

Similar to CXD order handling practices today, OLP orders are attributed by default. Members may elect to enter OLP orders without attribution by selecting the anonymous order marker. Both attributed and unattributed OLP orders are eligible for broker preferencing automatically.

OLP orders are assigned time priority based on the time an order is received during regular trading hours between 9:30 a.m. and 4:00 p.m. OLP orders received before 9:30 a.m. will also be prioritized based on the time they are received; however, they will not be eligible to trade until 9:30 a.m. An OLP order with a limit price above/below the NBBO that is unmarketable will be placed at the end of the order queue when it becomes eligible to trade again when the NBBO moves back within its limit price.

The CXD Odd Lot Book will accept Odd Lot orders entered as either market orders or limit orders. Marketable Odd Lot orders (market orders or limit orders with a limit price that is marketable) will interact with posted OLP orders at the NBBO. Odd Lot orders with limit prices that are not marketable will be booked in the CXD Odd Lot Book at their limit price. Booked orders will interact with OLP orders when they become marketable – they will not interact with one another.

In the event that a marketable active Odd Lot order is entered when there are no OLP orders resting in the Odd Lot book providing liquidity, the Odd Lot order will receive a guaranteed auto-execution (similar to what occurs today) from the designated Odd Lot Member for that security.¹

¹ Nasdaq Canada Odd Lot Members are responsible for guaranteeing auto executions for Designated Securities across all Nasdaq Canada Trading Books.

How it Works

Example 1 Odd Lot Market Order – Time Priority

		BID	ASK	
NBBO		10.10	10.13	
	BID Size	BID	ASK	ASK Size
Odd Lot Book		10.10	10.13	
	50,000 OLP (009) (P1)			25,000 OLP (079) (P1)
	30,000 OLP (005) (P2)			35,000 OLP (065) (P2)
	25,000 OLP (007) (P3)			50,000 OLP (100) (P3)
Odd Lot Order		Volume	Price	
Sell (Market) (065)		72	10.10	

Action: An Odd Lot market order is entered to sell 72 shares at 10.10 by Member 065.

Result: The Odd Lot order executes against the 50,000 share OLP buy order entered by Member 009 because it was entered first and has time priority. Following the execution this order will move to the end of the order queue.

		BID	ASK	
NBBO		10.10	10.13	
	BID Size	BID	ASK	ASK Size
Odd Lot Book		10.10	10.13	
	30,000 OLP (005) (P1)			25,000 OLP (079) (P1)
	25,000 OLP (007) (P2)			35,000 OLP (065) (P2)
	49,928 OLP (009) (P3)			50,000 OLP (100) (P3)

Example 2 Odd Lot Market Order – Broker Priority

		BID	ASK	
NBBO		10.10	10.13	
	BID Size	BID	ASK	ASK Size
Odd Lot Book		10.10	10.13	
	50,000 OLP (009) (P1)			25,000 OLP (079) (P1)
	30,000 OLP (005) (P2)			35,000 OLP (065) (P2)
	25,000 OLP (007) (P3)			50,000 OLP (100) (P3)

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Odd Lot Order	Volume	Price
Buy (Market) (065)	58	10.13

Action: An Odd Lot market order is entered to buy 58 shares at 10.13 by Member 065.

Result: The Odd Lot order executes against the 35,000 share OLP sell order entered by Member 065. Although this order does not have time priority (it was entered after the first OLP order) it receives execution priority because the order was entered by the same Member (065). Following the execution this order will move to the end of the order queue.

	BID	ASK
NBBO	10.10	10.13
BID Size	BID	ASK
Odd Lot Book	10.10	10.13
50,000 OLP (009) (P1)		25,000 OLP (079) (P1)
30,000 OLP (005) (P2)		50,000 OLP (100) (P2)
25,000 OLP (007) (P3)		34,942 OLP (065) (P3)

Example 3 Odd Lot Limit Order – Single Order Booked in Odd Lot Book

	BID	ASK
NBBO	10.10	10.13
BID Size	BID	ASK
Odd Lot Book	10.10	10.13
50,000 OLP (009) (P1)		25,000 OLP (079) (P1)
30,000 OLP (005) (P2)		35,000 OLP (065) (P2)
25,000 OLP (007) (P3)		50,000 OLP (100) (P3)
Odd Lot Order	Volume	Price
Sell (Limit) (065)	65	10.11

Action: An Odd Lot limit order is entered to sell 65 shares at 10.11 by Member 065.

Result: The Odd Lot limit order is not marketable and therefore is posted in the Odd Lot Book at its limit price (10.11).

	BID	ASK
NBBO	10.10	10.13
BID Size	BID	ASK
Odd Lot Book	10.10	10.11
50,000 OLP (009) (P1)		65 (065) Limit Order

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	30,000 OLP (005) (P2)			
	25,000 OLP (007) (P3)			

Action: The NBB moves higher from 10.10 to 10.11.

Result: Each of the three OLP buy orders are repriced to 10.11 when the NBB changes resulting in the Odd Lot sell limit order at 10.11 becoming marketable. The Odd Lot limit sell executes against the 50,000 share OLP buy order entered by 009 because it has time priority. Following the execution this order will move to the end of the order queue.

		BID	ASK	
NBBO		10.11	10.13	
	BID Size	BID	ASK	ASK Size
Odd Lot Book		10.11	10.13	
	30,000 OLP (005) (P1)			25,000 OLP (079) (P1)
	25,000 OLP (007) (P2)			35,000 OLP (065) (P2)
	49,935 OLP (009) (P3)			50,000 OLP (100) (P3)

Example 4 Odd Lot Limit Order – Multiple Orders Booked in Odd Lot Book

		BID	ASK	
NBBO		10.10	10.13	
	BID Size	BID	ASK	ASK Size
Odd Lot Book		10.10	10.13	
	50,000 OLP (009) (P1)			25,000 OLP (079) (P1)
	30,000 OLP (005) (P2)			35,000 OLP (065) (P2)
	25,000 OLP (007) (P3)			50,000 OLP (100) (P3)
Odd Lot Order		Volume	Price	
Buy (Limit) (009)		75	10.12	

Action: An Odd Lot limit order is entered to buy 75 shares at 10.12 by Member 009.

Result: The Odd Lot limit order is not marketable and therefore is posted in the Odd Lot Book at its limit price (10.12).

		BID	ASK	
NBBO		10.10	10.13	
	BID Size	BID	ASK	ASK Size
Odd Lot Book		10.12	10.13	
	75 (009) Limit Order			25,000 OLP (079) (P1)

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				35,000 OLP (065) (P2)
				50,000 OLP (100) (P3)
Odd Lot Order		Volume	Price	
Sell (Limit) (007)		65	10.12	

Action: An Odd Lot limit order is entered to sell 65 shares at 10.12 by Member 007.

Result: The Odd Lot limit order is not marketable and therefore is posted in the Odd Lot Book at its limit price (10.12) resulting in a locked book.

		BID	ASK	
NBBO		10.10	10.13	
	BID Size	BID	ASK	ASK Size
Odd Lot Book		10.12	10.12	
	75 (009) Limit Order			65 (007) Limit Order

Action: The NBO moves lower from 10.13 to 10.12.

Result: All three OLP sell orders are repriced to 10.12 when the NBO changes resulting in the Odd Lot buy limit order at 10.12 becoming marketable. The Odd Lot limit buy order executes against the 25,000 share OLP sell order entered by 079 because it has time priority. Following the execution this order will move to the end of the order queue.

		BID	ASK	
NBBO		10.10	10.12	
	BID Size	BID	ASK	ASK Size
Odd Lot Book		10.10	10.12	
	50,000 OLP (009) (P1)			65 (007) Limit Order
	30,000 OLP (005) (P2)			35,000 OLP (065) (P1)
	25,000 OLP (007) (P3)			50,000 OLP (100) (P2)
				24,925 OLP (079) (P3)

Action: The NBBO moves higher from 10.10 – 10.12 to 10.12 – 10.14.

Result: All three OLP buy orders are repriced to 10.12 when the NBBO changes from 10.10 – 10.12 to 10.12 – 10.14 resulting in the Odd Lot limit sell order at 10.12 becoming marketable. The Odd Lot limit sell order executes against the 50,000 share OLP buy order entered by 007 because the order was entered by the same Member. Following the execution this order will move to the end of the order queue.

		BID	ASK	
NBBO		10.12	10.14	
	BID Size	BID	ASK	ASK Size

Odd Lot Book		10.12	10.14	
	50,000 OLP (009) (P1)			24,925 OLP (079) (P1)
	30,000 OLP (005) (P2)			35,000 OLP (065) (P2)
	24,935 OLP (007) (P3)			50,000 OLP (100) (P3)

Example 5 Nested Round Robin Methodology

		BID	ASK	
NBBO		10.10	10.13	
	BID Size	BID	ASK	ASK Size
Odd Lot Book		10.10	10.13	
	50,000 OLP (009) (P1)			25,000 OLP (079) (P1)
	30,000 OLP (005) (P2,B1)			35,000 OLP (065) (P2)
	25,000 OLP (005) (P2,B2)			50,000 OLP (100) (P3)
	10,000 OLP (005) (P2,B3)			
	25,000 OLP (007) (P3)			
Odd Lot Order		Volume	Price	
Sell (Market) (005)		72	10.10	

Action: An Odd Lot market order is entered to sell 72 shares at 10.10 by Member 005.

Result: The Odd Lot order executes against the 30,000 share OLP buy order entered by Member 005 because it was entered by the same Member (005) and was the first order entered in the Member Group. Following the execution, all orders in the Member Group will move to the end of the order queue. The 30,000 share OLP buy order that received the execution will also move to the end of the order queue in this Member Group.

		BID	ASK	
NBBO		10.10	10.13	
	BID Size	BID	ASK	ASK Size
Odd Lot Book		10.10	10.13	
	50,000 OLP (009) (P1)			25,000 OLP (079) (P1)
	25,000 OLP (007) (P2)			35,000 OLP (100) (P2)
	25,000 OLP (005) (P3,B1)			50,000 OLP (065) (P3)
	10,000 OLP (005) (P3,B2)			
	29,928 OLP (005) (P3,B3)			

Example 6 Odd Lot Market Order – No OLPs in the Odd Lot Book

		BID	ASK	
NBBO		10.10	10.13	
	BID Size	BID	ASK	ASK Size
Odd Lot Book		10.10	10.13	
	49,935 OLP (009) (P1)			
	30,000 OLP (005) (P2)			
Odd Lot Order		Volume	Price	
Buy (Market)		85	10.13	

Action: An Odd Lot order is entered to buy 85 shares at 10.13 by Member 009.

Result: There are no OLP sell orders in the Odd Lot Book. The order therefore receives an auto-execution from the Odd Lot Member assigned responsibility for the security.

Rationale for the Proposal

The Proposed Change is being made to ensure CXD can effectively compete with ATs that support similar odd lot trading models today while continuing to ensure members are provided a guarantee Odd Lot auto-execution across the entire universe of securities made available for trading by Nasdaq Canada on the CXD Trading Book.²

Liquidity provision for odd lot trading results in different economic outcomes for different individual securities. While trading Odd Lot orders in certain securities may prove to be profitable, trading Odd Lot orders in other securities will result in financial loss. Because of these asymmetrical outcomes, the commitment of guaranteeing executions for marketable Odd Lot orders across a basket of assigned securities is generally included as an obligation imposed on market makers. A balance is created between the benefit of trading profitably in certain names and the benefit to all other members that are given the assurance of a guaranteed execution for odd lot orders across all securities including those securities resulting in trading losses for market makers.

MATCHNow currently supports an Odd Lot order book where liquidity providers are able to enter orders on any symbol a voluntary basis, without having to meet any obligations. There are no designated market makers that are assigned symbols or have requirements to guarantee a two-sided market.³ Liquidity providers retain the freedom to cancel their orders at any time which results in no guarantee of liquidity provision on a security at any time during a trading day. Odd Lot order book matching applies across all brokers in the order that orders are received (time priority), with the exception of broker preferencing which is considered first.

Because of the application of broker preferencing and the absence of any firm trading commitments MATCHNow's model offers dealers the ability to internalize Odd Lot orders with minimal risk of interference or exposure to trading with another counterparty. Orders can be posted with the intention to trade against an incoming Odd Lot order from the same dealer and will do so because of broker preferencing. Any residual shares can then be cancelled.

The Proposed Change is therefore being made to ensure CXD can effectively compete with MATCHNow by providing members with similar opportunities to internalize Odd Lot orders while also guaranteeing auto-executions for members sending active Odd Lot orders. By continuing to support Nasdaq Canada's existing Odd Lot Trading functionality on CXD, auto-executions for marketable active Odd Lot orders will be guaranteed when there are no OLP orders in the book to provide liquidity. As part of Nasdaq Canada's current Odd Lot Trading model, Odd Lot Members have a contractual obligation to guarantee auto-executions on securities of assignment.

² Not including debentures and other debt-like securities.

³ <http://matchnow.ca/assets/MATCHNow-In-Detail.pdf>

Expected Date of Implementation

Subject to regulatory approval, the introduction of the Proposed Change is planned for Q1, 2022.

Expected Impact on Market Structure

Members are already familiar with the model MATCHNow uses today which the Proposed Change seeks to replicate. When implemented, the Proposed Change will provide an alternative to MATCHNow for Odd Lot liquidity providers. There is no expected impact on members that send marketable Odd Lot orders in that they will continue to be guaranteed auto-executions across all securities made available for trading on CXD. There is also no expected impact on the current level of Odd Lot trading activity from the Proposed Change.

Expected Impact on Nasdaq Canada's Compliance with Ontario Securities Law

There is no impact from the Proposed Changes on Nasdaq Canada's compliance with fair access or its ability to maintain a fair and orderly market. All exchange members will be provided an equal opportunity to enter orders in the Odd Lot Book with the same operational outcomes applying to all members.

Estimated Time Required by Subscribers and Vendors (or why a reasonable estimate is not provided)

There are no changes required by members or vendors to make to their Systems in response of the Proposed Change.

Will Proposed Fee Change or Significant Change introduce a Fee Model or Feature that Currently Exists in other Markets or Jurisdictions

Yes. As discussed earlier, MATCHNow currently employs an Odd Lot book.

Any questions regarding these changes should be addressed to Matt Thompson, Nasdaq CXC Limited: matthew.thompson@nasdaq.com, T: 647-243-6242

Appendix A

Text of the Public Interest Rule Change to Nasdaq Canada Trading Rules and Policies

5.6 Order Types and Attributes

5.6.3 Instructional Attributes

Pricing	Odd Lot Liquidity Providing (OLP)	OLP orders act like a primary peg order providing liquidity to Odd Lot orders. Traders have the option of entering a limit price with an OLP order. OLP orders must meet a minimum size requirement as determined by the Exchange.
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5.11 Odd Lot Trading

Odd Lot trading has the following features:

1. Odd Lot execution is available between 9:30 am and 4:00 pm ET or as otherwise determined by the Exchange.
2. Odd Lot execution is not allowed when a security is in a locked or crossed market condition.
3. Members are not permitted to send two or more orders that would trigger auto-execution by Odd Lot Members as this would violate the just and equitable principles imposed by UMIR Policy 2.1. This would include, for example, shredding a Board Lot order.
- ~~4. Members may not enter the Odd Lot portion of a Mixed Lot order immediately prior to entering the Board Lot portion.~~
4. Odd Lot trading is subject to the policies imposed by UMIR prohibiting unfair trading practices, including but not limited to the following activities:
 - a. Effecting pre-arranged wash sales in Odd Lots, which are trades in which an offer to buy is coupled with an offer to sell back at the same or advanced price (or vice versa).
 - b. Entering orders for the purpose of affecting the execution price of the Odd Lot trades.
5. If a Member is engaged in Odd Lot trading activity that is unfair, the Exchange may restrict the Member or suspend the Approved Trader from Odd Lot Activity or take other action that is appropriate under the circumstances.

5.11.1 Odd Lot Auto-Execution

1. Each Nasdaq Canada Trading Book provides Members with guaranteed fills at the NBBO for Odd Lot IOC marketable orders.
2. Odd Lot orders that are not IOC and immediately marketable are ineligible to receive guaranteed fills at the NBBO.
3. The Exchange System will accept either Mixed Lots or Odd Lots that are marked IOC.

5.11.2 CXD Odd Lot Trading Book

1. Members can trade Odd Lots on CXD in the CXD Odd Lot Trading Book where Odd Lot Liquidity Providing orders interact with Odd Lot orders.
2. Odd Lot orders that are immediately marketable will trade against Odd Lot Liquidity Providing Orders. If there are no Odd Lot Liquidity Providing Orders available to trade with then the Exchange's Odd Lot Auto-Execution functionality in 5.11.1 will apply.
3. Odd Lot orders that are not immediately marketable are booked until they either become marketable or are cancelled.
4. Matching is based on broker/time and follows a round robin methodology.

13.3 Clearing Agencies

13.3.1 Canadian Derivatives Clearing Corporation (CDCC) – Proposed Amendments to the Rules and Manuals of CDCC to Accommodate the Extension of the Trading to the Asian Hours at Bourse de Montréal Inc. – Notice of Commission Approval

CANADIAN DERIVATIVES CLEARING CORPORATION (CDCC)

NOTICE OF COMMISSION APPROVAL

**PROPOSED AMENDMENTS TO
THE RULES AND MANUALS OF CDCC TO
ACCOMMODATE THE EXTENSION OF
THE TRADING TO THE ASIAN HOURS AT BOURSE DE MONTREAL INC.**

In accordance with the Rule Protocol between the Ontario Securities Commission (Commission) and the Canadian Derivatives Clearing Corporation (CDCC), the Commission approved the Amendments to the Rules and Manuals of CDCC to Accommodate the Extension of the Trading to the Asian hours at Bourse de Montréal Inc. (MX).

A copy of the CDCC notice was published for comment on August 13, 2020 on the Commission's website at: <http://www.osc.ca>.

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