

The Ontario Securities Commission

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The Ontario Securities Commission

Cadillac Fairview Tower
22nd Floor, Box 55
20 Queen Street West
Toronto, Ontario
M5H 3S8

416-593-8314 or Toll Free 1-877-785-1555

Contact Centre – Inquiries, Complaints:

Office of the Secretary:

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Chapter 1

Notices

1.2 Notices of Hearing

1.2.1 Daniel Sheehan – ss. 127, 127.1

FILE NO.: 2020-38

IN THE MATTER OF DANIEL SHEEHAN

NOTICE OF HEARING

Sections 127 and 127.1 of the *Securities Act*, RSO 1990, c S.5

PROCEEDING TYPE: Public Settlement Hearing

HEARING DATE AND TIME: October 7, 2021 at 10:00 a.m.

LOCATION: By videoconference

PURPOSE

The purpose of this hearing is to consider whether it is in the public interest for the Commission to approve the Settlement Agreement dated October 4, 2021, between Staff of the Commission and Daniel Sheehan in respect of the Statement of Allegations filed by Staff of the Commission dated November 3, 2020.

REPRESENTATION

Any party to the proceeding may be represented by a representative at the hearing.

FAILURE TO ATTEND

IF A PARTY DOES NOT ATTEND, THE HEARING MAY PROCEED IN THE PARTY'S ABSENCE AND THE PARTY WILL NOT BE ENTITLED TO ANY FURTHER NOTICE IN THE PROCEEDING.

FRENCH HEARING

This Notice of Hearing is also available in French on request of a party. Participation may be in either French or English. Participants must notify the Secretary's Office in writing as soon as possible if the participant is requesting a proceeding be conducted wholly or partly in French.

AVIS EN FRANÇAIS

L'avis d'audience est disponible en français sur demande d'une partie, que la participation à l'audience peut se faire en français ou en anglais et que les participants doivent aviser le Bureau du secrétaire par écrit dès que possible si le participant demande qu'une instance soit tenue entièrement ou partiellement en français.

Dated at Toronto this 4th day of October 2021.

"Grace Knakowski"
Secretary to the Commission

For more information

Please visit www.osc.ca or contact the Registrar at registrar@osc.gov.on.ca.

**IN THE MATTER OF
TREVOR ROSBOROUGH**

NOTICE OF HEARING

Section 144 of the *Securities Act*, RSO 1990, c S.5

PROCEEDING TYPE: Application for Revocation or Variation of a Decision

HEARING DATE AND TIME: In Writing

PURPOSE

The purpose of this proceeding is to consider the Application dated October 4, 2021 made by Trevor Rosborough to vary the terms of an Order issued by the Commission on August 25, 2021.

The parties have requested to proceed by written hearing pursuant to Rule 23(2) of the Commission's *Rules of Procedure and Forms*.

REPRESENTATION

Any party to the proceeding may be represented by a representative at the hearing.

FAILURE TO PARTICIPATE

IF A PARTY DOES NOT PARTICIPATE, THE HEARING MAY PROCEED IN THE PARTY'S ABSENCE AND THE PARTY WILL NOT BE ENTITLED TO ANY FURTHER NOTICE IN THE PROCEEDING.

FRENCH HEARING

This Notice of Hearing is also available in French on request of a party. Participation may be in either French or English. Participants must notify the Secretary's Office in writing as soon as possible if the participant is requesting a proceeding be conducted wholly or partly in French.

AVIS EN FRANÇAIS

L'avis d'audience est disponible en français sur demande d'une partie, que la participation à l'audience peut se faire en français ou en anglais et que les participants doivent aviser le Bureau du secrétaire par écrit dès que possible si le participant demande qu'une instance soit tenue entièrement ou partiellement en français.

Dated at Toronto this 5th day of October, 2021.

"Grace Knakowski"
Secretary to the Commission

For more information

Please visit www.osc.ca or contact the Registrar at registrar@osc.gov.on.ca.

1.4 Notices from the Office of the Secretary

1.4.1 Daniel Sheehan

FOR IMMEDIATE RELEASE
October 4, 2021

DANIEL SHEEHAN,
File No. 2020-38

TORONTO – The Office of the Secretary issued a Notice of Hearing for a hearing to consider whether it is in the public interest to approve a settlement agreement entered into by Staff of the Commission and Daniel Sheehan in the above named matter. The hearing will be held on October 7, 2021 at 10:00 a.m.

Take notice that the hearing on the merits scheduled to be heard on October 6 and 7, 2021 will not proceed as scheduled. The hearing on the merits shall commence on October 8, 2021 at 10:00 a.m.

A copy of the Notice of Hearing dated October 4, 2021 is available at www.osc.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

For Media Inquiries:

media_inquiries@osc.gov.on.ca

For General Inquiries:

1-877-785-1555 (Toll Free)
inquiries@osc.gov.on.ca

1.4.2 Trevor Rosborough

FOR IMMEDIATE RELEASE
October 5, 2021

TREVOR ROSBOROUGH,
File No. 2021-30

TORONTO – On October 5, 2021, the Commission issued a Notice of Hearing pursuant to Section 144 of the *Securities Act*, RSO 1990, c S.5 to consider the Application made by Trevor Rosborough to vary the terms of an Order issued by the Commission on August 25, 2021.

A copy of the Notice of Hearing dated October 5, 2021 and the Application dated October 4, 2021 are available at www.osc.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

For Media Inquiries:

media_inquiries@osc.gov.on.ca

For General Inquiries:

1-877-785-1555 (Toll Free)
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1.4.3 Aurelio Marrone

FOR IMMEDIATE RELEASE
October 5, 2021

AURELIO MARRONE,
File No. 2020-16

TORONTO – Take notice that the hearing in the above named matter scheduled to be heard on October 28 and 29, 2021 will not proceed as scheduled.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

For Media Inquiries:

media_inquiries@osc.gov.on.ca

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1-877-785-1555 (Toll Free)
inquiries@osc.gov.on.ca

Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 TMC The Metals Company Inc.

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – National Instrument 45-102, s. 3.1 Resale of Securities.

Resale Relief – An issuer that is not a reporting issuer in Canada is seeking first trade relief for securities that it will issue or has issued to Canadian residents – The issuer meets all the conditions of section 2.14 of National Instrument 45-102 Resale of Securities except that residents of Canada own more than 10% of the securities of the class; the issuer's securities are listed on an exchange outside of Canada; there is no market for the issuer's securities in Canada; the issuer has established that, despite being organized under BC corporate law and having a nominal head office in BC, it has minimal connection to Canada in that none of its operations are conducted in Canada, none of its directors are resident in Canada and few of its officers are resident in Canada; the issuer will provide Canadian securityholders with the same continuous disclosure materials that are provided to foreign shareholders.

Permitted Transfer Relief – An issuer that is not a reporting issuer in Canada is seeking first trade relief for securities that it will issue or has issued to Canadian residents – First trades will occur within a limited group of permitted transferees, such as family members of individual security holders, their holding companies and family trusts established for their benefit, or for limited purposes, such as corporate restructuring or compensation purposes, for non-individual security holders; there is no market for the securities and none is expected to develop.

Applicable Legislative Provisions

National Instrument 45-102, s. 3.1 Resale of Securities.
Securities Act, R.S.O. 1990, c. S.5, as am., s. 74.

September 7, 2021

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

AND

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

AND

**IN THE MATTER OF
TMC THE METALS COMPANY INC.
(TMC)**

DECISION

Background

¶ 1 The securities regulatory authority or regulator in each of the Jurisdictions (Decision Maker) has received an application from DeepGreen Metals Inc. (DeepGreen) and Sustainable Opportunities Acquisition Corp. (SOAC and together with DeepGreen, the Filers) on behalf of TMC for a decision under the securities legislation of the Jurisdictions (the Legislation) that the prospectus requirement contained in the Legislation does not apply to:

- (a) the first trade of the Canadian Shares and Canadian Underlying Shares (each as defined below) on a market outside Canada (Resale Relief),

- (b) a Permitted Transfer (as defined below) of Canadian Special Shares (Permitted Transfer Relief).

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

- (a) the British Columbia Securities Commission is the principal regulator for this application;
- (b) the Filers have given notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut; and
- (c) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

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

Representations

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

SOAC

1. SOAC is a blank check company incorporated on December 18, 2019 as a Cayman Islands exempted company for the purpose of effecting a merger, share exchange, asset acquisition, share purchase, reorganization or similar business combination with one or more businesses or entities;
2. the principal executive office of SOAC is located at 1601 Bryan Street, Suite 4141, Dallas, Texas, USA, 75201;
3. SOAC is a registrant with the SEC and is subject to the requirements of the 1934 Act and the rules and regulations of the New York Stock Exchange (the NYSE); SOAC is in compliance with the requirements of the 1934 Act and is in good standing with the rules of the NYSE;
4. SOAC is not a reporting issuer in any jurisdiction of Canada and SOAC has no present intention of becoming a reporting issuer in any jurisdiction of Canada; SOAC is not in default of securities legislation in any jurisdiction;
5. the authorized capital of SOAC currently consists of:
 - (a) 300,000,000 Class A ordinary shares, par value US\$0.0001 per share (Class A Shares), 30,000,000 of which were issued and outstanding as of August 12, 2021, and 28,419,721 of which are subject to possible redemption in connection with the Business Combination (public shares);
 - (b) 30,000,000 Class B ordinary shares, par value US\$0.0001 per share (the Class B Shares), 7,500,000 of which were issued and outstanding as of August 12, 2021; and
 - (c) 1,000,000 preferred shares, par value US\$0.0001 per share (the Preferred Shares), none of which are issued and outstanding as of August 12, 2021;
6. SOAC currently has 9,500,000 private placement warrants, 1,500,000 working capital warrants, and 15,000,000 redeemable public warrants outstanding, each currently exercisable into Class A Shares;
7. on May 8, 2020, SOAC consummated an initial public offering of 30,000,000 units (the SOAC Units) at an offering price of US\$10.00 per unit, with each unit representing one Class A Share and one-half of one warrant to acquire one Class A Share;
8. the Class A Shares are listed and posted for trading on the NYSE under the symbol "SOAC"; the SOAC Units, and redeemable public warrants are also listed on the NYSE under the symbols "SOAC.U," and "SOAC.WS", respectively; other than the foregoing, none of SOAC's securities are listed or quoted on any exchange or market and none are quoted on an exchange or market in Canada;
9. pursuant to SOAC's amended and restated memorandum and articles of association, a holder of SOAC's public shares (a public shareholder) may request that SOAC redeem all or a portion of such public shares for cash if the Business Combination is consummated; holders of units must elect to separate the units into the underlying public shares and warrants prior to exercising redemption rights with respect to the public shares; public

shareholders (other than those who have agreed not to do so by executing that certain sponsor letter agreement with Sustainable Opportunities Holdings LLC, DeepGreen and others) who hold public shares on or before the date that is two business days before the extraordinary general meeting of SOAC may elect to redeem their public shares whether or not they are holders as of the record date, and whether or not they vote in favour of the Business Combination or any of the other proposals set forth in SOAC's proxy statement/prospectus dated August 12, 2021 (the Prospectus); if the Business Combination is consummated, and if a public shareholder properly exercises its right to redeem, TMC will redeem such public shares for a per-share price, payable in cash, equal to the pro rata portion of the trust account established at the consummation of SOAC's initial public offering, calculated as of two business days prior to the consummation of the Business Combination; the redemption will take place following the Continuance (as defined below) and, accordingly, it is TMC Common Shares that will be redeemed immediately after consummation of the Business Combination;

10. notwithstanding the foregoing, a public shareholder, together with any affiliate of such public shareholder or any other person with whom such public shareholder is acting in concert or as a "group" (within the meaning of section 13(d)(3) of the 1934 Act), will be restricted from redeeming its public shares with respect to more than an aggregate of 15% of the public shares; accordingly, if a public shareholder, alone or acting in concert or as a group, seeks to redeem more than 15% of the public shares, then any such shares in excess of that 15% limit would not be redeemed for cash;
11. the holders of the private placement warrants, working capital warrants and redeemable public warrants do not have the right to redeem such warrants in connection with the Business Combination; TMC (not the holders) may have the right to elect to redeem such warrants in accordance with the terms and conditions of such warrants following the Business Combination;

DeepGreen

12. DeepGreen is a private company existing under the laws of British Columbia and engaged in developing battery metals from seafloor polymetallic nodules; DeepGreen has exploration rights to three polymetallic nodule contract areas across the Pacific Ocean's Clarion Clipperton Zone, backed by the Nauru, Kiribati, and Tonga governments;
13. DeepGreen has no significant operations in Canada; DeepGreen's operations in Canada are currently limited to the activities carried out by the Head of Onshore Development and Processing and the Head of Social Performance and Stakeholder Relations, which include managing metallurgy and processing of nodules in partnership with DeepGreen's external consultants, managing relations with stakeholders including various governments and the International Seabed Authority and related compliance, and outreach to DeepGreen's stakeholder communities and other industry competitors;
14. DeepGreen's head and principal executive office is located at 595 Howe Street, 10th Floor, Vancouver, British Columbia, V6C 2T5, being the location of its British Columbia legal counsel; there is no central location from which all of the executive officers of DeepGreen operate, so it does not have a traditional head office environment;
15. the authorized capital of DeepGreen consists of:
 - (a) an unlimited number of common shares (DeepGreen Common Shares), 172,919,849 of which were issued and outstanding as of August 25, 2021; and
 - (b) an unlimited number of class B preferred shares (DeepGreen Preferred Shares), 440,000 of which are issued and outstanding as of August 25, 2021;
16. as at August 25, 2021, there were 21,908,768 options to purchase DeepGreen Common Shares outstanding;
17. on March 4, 2021, DeepGreen issued a warrant to Allseas Group S.A. to purchase between 5,000,000 and 10,000,000 DeepGreen Common Shares, which shall vest upon certain milestones into such number of shares that is based on the formula described therein, and which shall be assumed by TMC and shall become a warrant to purchase TMC Common Shares upon the consummation of the Business Combination, in accordance with its terms;
18. DeepGreen is not a reporting issuer in any jurisdiction of Canada; DeepGreen is not in default of securities legislation in any jurisdiction;

NewCo Sub

19. NewCo Sub is an unlimited liability company existing under the laws of British Columbia and a wholly-owned subsidiary of SOAC that was incorporated for purposes of consummating certain transactions contemplated by the Business Combination Agreement (as defined below);
20. NewCo Sub is not a reporting issuer in any jurisdiction of Canada; NewCo Sub is not in default of securities legislation in any jurisdiction;

The Business Combination

21. on March 4, 2021, SOAC entered into a business combination agreement with NewCo Sub and DeepGreen (as the same may be amended, supplemented or otherwise modified from time to time, the Business Combination Agreement) pursuant to which the parties have agreed to complete the Business Combination;
22. prior to the Effective Time (as defined below), SOAC will migrate and be continued from the Cayman Islands to British Columbia under Part 9, Division 8 of the *Business Corporations Act* (British Columbia) (the BCBCA) and Part XII of the Cayman Islands Companies Act, and will thereafter exist as a company existing under the laws of British Columbia (the Continuance);
23. in connection with the Continuance,
 - (a) the identifying name of the Class A Shares and Class B Shares will be changed to common shares of TMC (the TMC Common Shares) and the Class A Shares and Class B Shares will be changed from shares with par value to shares without par value;
 - (b) the rights and restrictions attached to the renamed Class A Shares and Class B Shares will be deleted and such shares will have the rights and restrictions attached to the TMC Common Shares, to be described in the articles and notice of articles of TMC;
 - (c) the number of authorized TMC Common Shares will be unlimited;
 - (d) each issued and outstanding whole warrant to purchase Class A Shares will automatically represent the right to purchase one TMC Common Share at an exercise price of US\$11.50 per share in accordance with their terms;
 - (e) the notice of articles and articles of TMC will become the governing documents of SOAC;
 - (f) the TMC Special Shares (as defined below) and the Vesting Sponsor Shares (as defined in the Business Combination Agreement) shall be created and authorized; and
 - (g) SOAC's name will change to "TMC the metals company Inc.";
24. the parties to the Business Combination determined to complete the Continuance under the BCBCA in order to provide an opportunity to the shareholders of DeepGreen for tax deferred reorganization treatment on the share exchange under the Business Combination and to eliminate the need for a complex exchangeable share structure;
25. prior to the Effective Time, all DeepGreen Preferred Shares will automatically be converted into DeepGreen Common Shares;
26. not later than immediately prior to the Effective Time, all convertible debentures of DeepGreen will, by election of the holders thereof or automatically in accordance with their terms, be converted into DeepGreen Common Shares; the holders of the convertible debentures are not Canadian residents;
27. immediately prior to the Effective Time, Sustainable Opportunities Holdings LLC, a Delaware limited liability company, will exchange 741,000 TMC Common Shares for 500,000 Class I Special Shares in the capital of TMC and 741,000 Class J Special Shares in the capital of TMC, each of which is automatically convertible into TMC Common Shares on a one-for-one basis (unless adjusted), if certain TMC Common Share price thresholds are met;
28. pursuant to the Business Combination Agreement,
 - (a) SOAC will acquire all of the issued and outstanding DeepGreen Common Shares;

- (b) the shareholders and the optionholders of DeepGreen will be entitled to receive, in exchange for their DeepGreen Common Shares and options to purchase DeepGreen Common Shares (as applicable), an aggregate of: (i) 230,600,000 TMC Common Shares, assuming an adjusted equity value (as defined in the Business Combination Agreement) immediately prior to the Effective Time of approximately US\$2.3 billion, (ii) 5,000,000 Class A Special Shares, (iii) 10,000,000 Class B Special Shares, (iv) 10,000,000 Class C Special Shares, (v) 20,000,000 Class D Special Shares, (vi) 20,000,000 Class E Special Shares, (vii) 20,000,000 Class F Special Shares, (viii) 25,000,000 Class G Special Shares, and (ix) 25,000,000 Class H Special Shares, in each case, in the capital of TMC (collectively, (ii) – (ix) are the TMC Special Shares), or, as applicable, options to purchase such TMC Common Shares and TMC Special Shares upon the exercise of such options (TMC Options, together with the TMC Special Shares, the TMC Convertible Securities); each TMC Special Share is automatically convertible into TMC Common Shares on a one for one basis (unless adjusted as described therein) and on a class basis, with each class of TMC Special Shares converting based on a particular trading price or valuation of the TMC Common Shares, ranging from US\$12.00 to US\$200.00 per TMC Common Shares, as further described in the Prospectus ;
 - (c) DeepGreen will become a wholly-owned subsidiary of TMC; and
 - (d) DeepGreen and NewCo Sub will amalgamate to continue as one unlimited liability company existing under the laws of British Columbia (the Share Exchange and Amalgamation); the time that the Share Exchange and Amalgamation becomes effective is referred to as the Effective Time;
- 29. the TMC Convertible Securities are exercisable for or convertible into TMC Common Shares (TMC Underlying Shares) in accordance with their terms;
 - 30. substantially concurrent with the closing of the Business Combination, SOAC intends to complete a private placement of an aggregate of 33,030,000 TMC Common Shares at a price of US\$10.00 per share, for aggregate gross proceeds of US\$330,300,000 (the PIPE Financing); the TMC Common Shares to be distributed under the PIPE Financing will not be registered under the 1933 Act, in reliance upon the exemption provided in Section 4(a)(2) of the 1933 Act; there is one Canadian investor under the PIPE Financing that has subscribed for 5,000 TMC Common Shares;
 - 31. the PIPE Financing was conducted by global investment banks primarily in the United States and Europe;
 - 32. in order for all of the TMC Special Shares to convert into TMC Common Shares, the TMC Common Shares would need to be trading at a price that is greater than or equal to US\$200.00 over the course of any 20 trading days within any 30 trading day period, or a transaction would need to occur resulting in a Change of Control (as defined in the Prospectus) with a valuation of the TMC Common Shares that is greater than or equal to US\$200.00 per TMC Common Share; for this reason, the Filers do not expect that all of the TMC Special Shares would be converted within the next 12 months;
 - 33. under the proposed terms of the TMC Special Shares (the Share Terms), the TMC Special Shares may only be transferred in very limited circumstances and with the prior approval of the board of directors (a Permitted Transfer); a Permitted Transfer is, in respect of a proposed trade by a holder of TMC Special Shares: (i) in the case of an individual, by gift to a member of one of the individual's immediate family, to a trust, the beneficiaries of which are members of the individual's immediate family or an affiliate of such individual, in each case for estate planning purposes; (ii) in the case of an individual, by virtue of laws of descent and distribution upon death of the individual; (iii) in the case of an individual, pursuant to a qualified domestic relations order; (iv) by virtue of the holder's organizational documents upon liquidation or dissolution of the holder; or (v) a trade made for nominal consideration to the officers or directors of such holder, the members or partners of such holder, any affiliates of such holder or any employee of such affiliate;
 - 34. TMC will distribute the securities pursuant to the Share Exchange and Amalgamation under section 2.11 of National Instrument 45-106 *Prospectus Exemptions* (NI 45-106); securities distributed under section 2.11 are subject to a seasoning period under section 2.6 of National Instrument 45-102 *Resale of Securities* (NI 45-102);
 - 35. TMC will distribute the TMC Common Shares pursuant to the PIPE Financing to the Canadian investor under section 2.3 of NI 45-106; securities distributed under section 2.3 of NI 45-106 are subject to a restricted period under section 2.5 of NI 45-102;
 - 36. it is anticipated that, upon completion of the Business Combination and the PIPE Financing, (i) DeepGreen's shareholders immediately prior to the Effective Time (the Existing DeepGreen Shareholders) and the holders of options to purchase DeepGreen Common Shares (assuming the exercise of such options but excluding the TMC Special Shares and any TMC Common Shares thereunder) will collectively own approximately 76.7% of the outstanding TMC Common Shares, and (ii) SOAC's shareholders immediately prior to the Effective Time

- (the Existing SOAC Shareholders) will own approximately 23.3% of the outstanding TMC Common Shares, in each case, assuming that none of SOAC's outstanding public shares are redeemed in connection with the Business Combination, or approximately 85.3% and 14.7%, respectively, assuming that all of SOAC's outstanding public shares are redeemed in connection with the Business Combination;
37. it is further anticipated that upon completion of the Business Combination and the PIPE Financing, and based on the number of Existing DeepGreen Shareholders and Existing SOAC Shareholders as at August 23, 2021 and March 23, 2021, respectively, a total of 745 Canadian residents (the Canadian Owners) may hold, or be entitled to hold, a total number of TMC Common Shares (the Canadian Shares), TMC Special Shares (the Canadian Special Shares) and TMC Underlying Shares (the Canadian Underlying Shares) that is slightly greater than 10% of the total number of issued and outstanding TMC Common Shares, TMC Special Shares, and TMC Underlying Shares, respectively, given that upon completion of the Business Combination, Canadian Owners:
- (a) may hold in the aggregate (in each case based on an assumed adjusted equity value of approximately US\$2.3 billion and assuming no redemptions of the Class A Shares):
 - (i) 29,790,400 TMC Common Shares, representing approximately 10.89% of the total number of issued and outstanding TMC Common Shares;
 - (ii) such number and class of TMC Special Shares as will be set forth in the allocation schedule as defined in the Business Combination Agreement no later than five business days prior to the completion of the Business Combination, which number is expected to represent approximately 9.23% of the total number of issued and outstanding TMC Special Shares on a class by class basis;
 - (b) are expected to represent approximately:
 - (i) 9.82% of the total number of owners directly or indirectly of TMC Common Shares; and
 - (ii) 25.88% of the total number of owners directly or indirectly of TMC Special Shares;
38. neither the exact number of Canadian Shares, Canadian Special Shares or Canadian Underlying Shares to be issued, nor the exact number of Canadian Owners on completion of the Business Combination can be determined at this time, as the Class A Shares will continue to trade on the NYSE prior to the Effective Time, DeepGreen may grant stock options consistent with past practice, and holders of Class A Shares may exercise the redemption right;
39. assuming (i) no redemptions of the Class A Shares; (ii) 230,600,000 TMC Common Shares are issued to the holders of DeepGreen Common Shares and the holders of the DeepGreen Options (assuming exercise of such options but excluding the TMC Special Shares and any TMC Common Shares thereunder), which would be the number of TMC Common Shares issued to these holders if the adjusted equity value immediately prior to the Effective Date was approximately US\$2.3 billion; (iii) 33,030,000 TMC Common Shares are issued in the PIPE Financing; (iv) no public warrants or private placement warrants to purchase TMC Common Shares that will be outstanding immediately following Closing are exercised; (v) the Allseas Warrant exercisable for TMC Common Shares upon consummation of the Business Combination is not exercised; and (vi) no TMC Special Shares are converted to TMC Common Shares, there will be 301,130,000 TMC Common Shares issued and outstanding immediately following the consummation of the Business Combination;
40. as of the Effective Time, TMC will not be a reporting issuer in any jurisdiction in Canada, and the TMC Common Shares are expected to be listed on the NASDAQ only;
41. as of the Effective Time, it is expected that TMC will have eight directors and five executive officers, all of whom are expected to be located outside of Canada in such jurisdictions as Australia, the United Arab Emirates, the United States, the United Kingdom and Botswana; it is further expected that 22 of TMC's 25 employees and consultants will be located outside of Canada;
42. the business and operations of TMC after the Business Combination will be that of DeepGreen and will substantially be carried on outside of Canada;
43. section 2.14(1) of NI 45-102 provides an exemption from the prospectus requirement for the first trade of a security of an issuer distributed under an exemption from the prospectus requirement provided that:
- (a) the issuer of the security:
 - (i) was not a reporting issuer in any jurisdiction of Canada at the distribution date, or

- (ii) is not a reporting issuer in any jurisdiction of Canada at the date of the trade;
 - (b) at the distribution date, after giving effect to the issue of the security and any other securities of the same class or series that were issued at the same time as or as part of the same distribution as the security, residents of Canada
 - (i) did not own directly or indirectly more than 10% of the outstanding securities of the class or series, and
 - (ii) did not represent in number more than 10% of the total number of owners directly or indirectly of securities of the class or series
- (collectively the Ownership Cap); and
- (c) the trade is made
 - (i) through an exchange, or a market, outside of Canada, or
 - (ii) to a person or company outside of Canada;
44. section 2.14(2) of NI 45-102 provides an exemption from the prospectus requirement for the first trade of an underlying security of an issuer distributed under an exemption from the prospectus requirement provided that:
- (a) the convertible security, exchangeable security or multiple convertible security that, directly or indirectly, entitled or required the holder to acquire the underlying security was distributed under an exemption from the prospectus requirement;
 - (b) the issuer of the underlying security
 - (i) was not a reporting issuer in any jurisdiction of Canada at the distribution date of the convertible security, exchangeable security or multiple convertible security, or
 - (ii) is not a reporting issuer in any jurisdiction of Canada at the date of the trade;
 - (c) the conditions in paragraph 2.14(1)(b) would have been satisfied for the underlying security at the time of the initial distribution of the convertible security, exchangeable security or multiple convertible security; and
 - (d) the condition in paragraph 2.14(1)(c) is satisfied;
45. while the exemptions under section 2.14(1) and 2.14(2) of NI 45-102 are not available in Ontario or Alberta, similar exemptions are available in Ontario and Alberta under subsections 2.7(1) and 2.7(2) of OSC Rule 72-503 *Distributions Outside Canada* and subsections 10(1) and 10(2) of ASC Rule 72-501 *Distributions to Purchasers Outside Alberta*, respectively (collectively with the exemptions under Section 2.14 of NI 45-102, the First Trade Exemptions);
46. in the absence of an order granting the Resale Relief or a First Trade Exemption being available, the first trades in Canadian Shares, Canadian Special Shares, and Canadian Underlying Shares, will be deemed to be a distribution pursuant to NI 45-102, unless, among other things, TMC is and has been a reporting issuer for four months immediately preceding the trade in a jurisdiction of Canada;
47. the first trades of the Canadian Shares, the Canadian Special Shares and the Canadian Underlying Shares will be deemed to be a distribution under NI 45-102 since TMC will not be a reporting issuer in any jurisdiction in Canada at the Effective Time and it has no intention to become a reporting issuer in any jurisdiction in Canada;
48. the First Trade Exemptions will not be available if the Canadian Owners own more than 10% of the outstanding TMC Common Shares or TMC Special Shares, as applicable, or represent more than 10% of the total number of owners of TMC Common Shares or TMC Special Shares, as applicable, upon completion of the Business Combination;
49. the Canadian Owners would have been entitled to rely on section 2.15 of NI 45-102 (or the equivalent provisions in Alberta and Ontario) but for the fact that TMC will be organized under the laws of British Columbia and will have its principal executive office in Vancouver, British Columbia;
50. no market for the TMC Common Shares or TMC Special Shares is expected to exist in Canada on completion of the Business Combination and none is expected to develop; there is no current contemplation that Canada

would be an area of focus for TMC from a capital markets perspective; SOAC does not have a significant presence in Canada nor does it intend to increase its presence in Canada; it does not currently propose to seek a listing on a Canadian stock exchange; in addition, as TMC will be a SEC registrant, it is expected that public offerings will be conducted in the United States and not in Canada;

51. it is intended that (i) any resale of the Canadian Shares or the Canadian Underlying Shares by Canadian Owners will be effected through the facilities of the NASDAQ or any other exchange or market outside of Canada on which TMC Common Shares may be quoted or listed at the time that the trade occurs or to a person or company outside of Canada, in accordance with the rules and regulations of such foreign market, and (ii) any transfer of the Canadian Special Shares by Canadian Owners be effected in very limited circumstances pursuant to a Permitted Transfer;
52. following the Business Combination, TMC's head office and principal executive office is expected to be located in Vancouver, British Columbia, however, this location was chosen merely for administrative purposes as it is where DeepGreen's Canadian legal counsel is located and where TMC's registered records office will be located, in compliance with the requirements of the BCBCA that companies governed by the BCBCA have a records office in British Columbia;
53. TMC will disclose in its public disclosure, including the Form 8-K to be filed with the SEC following the completion of the Business Combination, that it does not have a physical office in Vancouver, British Columbia, its directors and executive officers work remotely in various countries around the world, and the Vancouver, British Columbia address disclosed as its principal executive office is given because it is TMC's records office required under the BCBCA;
54. TMC will not have a material connection to Canada on the basis that:
 - (a) DeepGreen does not have material operations in Canada, no exploration is undertaken in Canadian waters, and the business of DeepGreen and its subsidiaries prior to the consummation of the Business Combination will be the business of TMC following the consummation of the Business Combination;
 - (b) none of TMC's anticipated eight directors or five executive officers, and only three of its 25 employees or contractors, are expected to be located in Canada as of the Effective Time; and
 - (c) SOAC is not continuing from the Cayman Islands to British Columbia for business or operational reasons or to increase its connection to Canada, but for unrelated tax planning purposes; and
55. the Canadian Owners will receive the same level of disclosure as other shareholders of TMC given that:
 - (a) TMC will be an SEC registrant and will be subject to the requirements of the 1934 Act and the rules and regulations of the NASDAQ;
 - (b) in accordance with the current requirements of the NASDAQ, Canadian Owners will receive copies of all shareholder materials provided to all other holders of TMC Common Shares and information about TMC will be available publicly through the SEC's Electronic Data Gathering, Analysis, and Retrieval system (EDGAR); and
 - (c) Canadian Owners would receive substantially the same continuous disclosure materials from TMC that an SEC issuer would be required to provide to Canadian shareholders under National Instrument 51-102 *Continuous Disclosure Obligations*.

Decision

- ¶ 4 Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met.

The decision of the Decision Makers under the Legislation is that:

- (a) the Resale Relief is granted provided that:
 - (i) at the date of the trade, TMC is not a reporting issuer in any jurisdiction of Canada;
 - (ii) the trade of the Canadian Shares or Canadian Underlying Shares is made through an exchange, or a market, outside of Canada or to a person or company outside of Canada;
 - (iii) the trade is not a control distribution, as defined in NI 45-102;

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- (iv) no unusual effort is made to prepare the market or to create a demand for the Canadian Shares or Canadian Underlying Shares that are the subject of the trade;
 - (v) no extraordinary commission or consideration is paid to a person or company in respect of the trade;
 - (vi) if the selling security holder is an insider or officer of TMC, the selling security holder has no reasonable grounds to believe that TMC is in default of securities legislation; and
- (b) the Permitted Transfer Relief is granted provided that the trade of the Canadian Special Shares is made pursuant to a Permitted Transfer.

“Gordon Johnson”
Vice Chair
British Columbia Securities Commission

2.1.2 Graham Income Trust

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – offeror granted exemption from Part 2 of National Instrument 62-104 Take-Over Bids and Issuer Bids and from the insider bid requirements of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions in connection with the offeror's bid for the outstanding securities of a non-reporting issuer.

Applicable Legislative Provisions

National Instrument 62-104 Take-Over Bids and Issuer Bids, Part 2; s. 6.1.

Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions, Part 2; s 9.1.

Citation: *Re Graham Income Trust*, 2021 ABASC 152

September 28, 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
GRAHAM INCOME TRUST
(the Filer or the Trust)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (each a **Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) granting the Filer, in connection with the proposed purchase of trust units of the Filer (**Units**) pursuant to a modified Dutch auction issuer bid (the **Offer**), an exemption from the issuer bid requirements contained in Part 2 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* (the **Exemption Sought**).

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 given notice that it intends to rely on subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System (MI 11-102)* in each jurisdiction 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 an unincorporated, limited purpose, open-ended mutual fund trust established pursuant to the laws of Alberta. The Filer was settled pursuant to a declaration of trust dated as of November 22, 2005, as amended and restated on August 28, 2019 (the **Declaration**).
2. Graham Group Ltd. (the **Administrator**) became the administrator of the Filer pursuant to an administration agreement dated effective January 1, 2006.
3. The head office of each of the Filer and the Administrator is located in Calgary, Alberta.
4. The Filer's securities, including debt securities, are not traded in Canada or any other country on a marketplace or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported.
5. The Filer is not a reporting issuer in any jurisdiction of Canada and has no intention of becoming a reporting issuer in any jurisdiction.
6. Neither the Filer nor the Administrator are in default of securities legislation in any jurisdiction of Canada.
7. The authorized capital of the Filer consists of an unlimited number of Units. As of May 11, 2021, there are 4,694,552 Units issued and outstanding with 1,315 unitholders (the **Unitholders**), of which 1,171 Unitholders are resident in Canada and 144 are resident in the United States. A total of 257 Unitholders are "Exempt Spouses" as defined in paragraph 16 below.
8. The Trustees and the Filer only invite Eligible Investors (as defined below) to subscribe for Units. The amended and restated unanimous unitholders' agreement of the Filer dated August 28, 2019 (the **UUA**) restricts such class to the following persons:
 - (a) an employee, executive officer, trustee (other than any professional trustees which may be engaged by the Filer) or Consultant of the Filer;
 - (b) an employee, executive officer, director, trustee (other than any professional trustees which may be engaged by a related entity of the Filer) or Consultant of a related entity of the Filer;
 - (c) a Permitted Assign of a person referred to in paragraphs (a) or (b); and
 - (d) subject to compliance with applicable securities legislation, any other person, corporate body or entity which is determined by the trustees of the Filer (the **Trustees**) to be an Eligible Investor by virtue of:
 - (i) having a strategic alliance with the Filer or any of the Graham Entities or otherwise and which has been approved to purchase Units by the Trustees; or
 - (ii) having otherwise been an "Eligible Investor" and no longer qualifying by one or more of the preceding criteria to nevertheless be a person permitted to continue to hold Units in accordance with general or specific criteria established from time to time by the Trustees(collectively, the **Eligible Investors**).
9. The following definitions are drawn from the UUA.
 - (a) "**Defined Spouse**" means a Unitholder who is a spouse of an Eligible Investor, which shall include:
 - (i) a person to whom the Eligible Investor is legally married and who is not living separate and apart from the Eligible Investor; or
 - (ii) where the Eligible Investor is not legally married, a person who has lived with the Eligible Investor in a common law relationship for not less than a one year period.
 - (b) "**holding entity**" means a person that is controlled by an individual.
 - (c) "**Permitted Assign**" means, at any time for a person who at such time is an employee, executive officer, director, Trustee or Consultant of the Filer or of a related entity of the Filer:
 - (i) an RRSP, RRIF or TFSA of the person;
 - (ii) a Defined Spouse of this person;

- (iii) an RRSP, RRIF or TFSA of the Defined Spouse of the person; or
 - (iv) a holding entity of the person or of the Defined Spouse of the person.
10. The issued and outstanding Units were issued to Eligible Investors under the exemption from the prospectus requirement in section 2.24 of National Instrument 45-106 *Prospectus Exemptions*. No Units have been issued in reliance on subsection (d) of the definition of Eligible Investor above.
 11. All Unitholders are parties to the UUA which contains restrictions on the transfer of Units. The UUA prohibits Unitholders from selling, assigning or transferring any Units owned or controlled by them to any person, other than where such sale, assignment or transfer is approved by the Trustees and is made to a Permitted Assign of that Eligible Investor who has signed on and agreed to be bound by the terms of the UUA. All Units owned beneficially by Canadian residents are held by a single registered Unitholder, Canaccord Genuity Corp., in an account for those beneficial Unitholders, and all Units of U.S. resident Unitholders are held by Pershing LLC in accounts for those beneficial Unitholders.
 12. The Declaration and the UUA provide for the redemption of Units by the Filer, which redemption would be made in accordance with the determination of a prescribed redemption price in the Declaration and quarterly limits (\$60,000, unless waived from time to time).
 13. The Declaration also provides that the Filer may purchase for cancellation Units by private agreement or pursuant to tenders from time to time, which purchase provision is not restricted to a specific purchase price. This provision (the **Tender Provision**) provides that the Filer may from time to time purchase for cancellation some or all of the Units (or other securities of the Filer which may be issued and outstanding from time to time) by private agreement or pursuant to tenders received by the Filer upon request, provided in each case that the Trustees have determined that such purchases are in the best interests of the Filer.
 14. As the number of Units which have presently been tendered for redemption (or for which a notice of intention to redeem has been given) exceeds the available budget for Unit redemption, in accordance with a policy of the Filer, Units are held in a queue and redeemed on a priority basis in accordance with the principles established in the policy.
 15. The Filer wishes to acquire Units from Eligible Investors who do not otherwise qualify under the applicable Exempt Bid provisions; namely Defined Spouses (and their RRSP, RRIF, TFSA or holding entity) of persons described in paragraph (a) or (b) of the definition of Eligible Investor (the **Exempt Spouses**).
 16. All Unitholders, including the Exempt Spouses, continue to have access to Filer disclosure information including, *inter alia*, audited annual financial statements, quarterly unaudited financial statements and an annual unitholder meeting (and related information circular) for the purposes of electing the Trustees and appointment auditors, and any special business that may be properly brought before a meeting.
 17. The Trustees and Administrator believe that if funds in excess of the general redemption budget are made available for redemptions at a price less than the prescribed redemption price under the Declaration, certain Unitholders will accept that price in order to accelerate the redemption of their Tendered Units. Such a response would benefit the Filer as well as those tendering Unitholders and be equitable to all Unitholders. Accordingly, the Trustees have determined that it is in the best interest of the Filer and its Unitholders to allocate on an unconditional basis a fixed amount of funds (expected to be approximately \$10,000,000) in addition to the general redemption budget (**Bid Funds**) on a one-time basis to initiate the Offer.
 18. The Offer will be a modified Dutch auction issuer bid made to all Unitholders in reliance on the private purchase/tender provision of the Declaration, pursuant to which the Filer will allocate the Bid Funds for repurchase of Units from Unitholders who tender in the range of the Offer price (the **Tendered Units**). In the event that the aggregate purchase price of all Tendered Units exceeds the available Bid Funds, Tendered Units will be repurchased at prices ranging upwards from the lowest price at which such units are tendered until the Bid Funds are exhausted.

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.

“Timothy Robson”
Manager, Legal
Corporate Finance
Alberta Securities Commission

2.1.3 1832 Asset Management L.P. and Dynamic Energy Evolution Fund

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief granted under subsection 62(5) of the Securities Act to permit extension of fund’s prospectus lapse date by 32 days to facilitate consolidation with the manager’s primary fund family prospectus.

Applicable Legislative Provisions

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

September 27, 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
1832 ASSET MANAGEMENT L.P.
(the Filer)

AND

IN THE MATTER OF
DYNAMIC ENERGY EVOLUTION FUND
(the Fund)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Fund for a decision under the securities legislation of the Jurisdiction (the **Legislation**) that the time limits for the renewal of the simplified prospectus, annual information form and fund facts of the Fund (the **Prospectus**) be extended to those time limits that would apply if the lapse date of the Prospectus was November 16, 2021 (the **Requested Relief**).

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

- (i) the Ontario Securities Commission is the principal regulator for this application; and
- (ii) 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 **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 an Ontario limited partnership, which is wholly-owned by the Bank of Nova Scotia (**BNS**). The general partner of the Filer is 1832 Asset Management G.P. Inc., an Ontario corporation wholly-owned by BNS with its head office located in Toronto, Ontario.

Decisions, Orders and Rulings

2. The Filer is registered as (i) a portfolio manager in all of the provinces of Canada and in the Northwest Territories and the Yukon; (ii) an exempt market dealer in all of the provinces of Canada (except Prince Edward Island and Saskatchewan); (iii) an investment fund manager in Ontario, Québec, Newfoundland and Labrador and the Northwest Territories; and (iv) a commodity trading manager in Ontario.
3. The Filer is the investment fund manager of the Fund.
4. The Fund is a mutual fund for purposes of National Instrument 81-102 *Investment Funds* established as a trust under the laws of the Province of Ontario.
5. The Fund is a reporting issuer as defined in the securities legislation of each of the Jurisdictions.
6. Neither the Filer nor the Fund are in default of securities legislation in any of the Jurisdictions.
7. The Fund currently distributes securities in the Jurisdictions under the Prospectus.
8. Pursuant to subsection 62(1) of the Act, the lapse date of the Prospectus is October 15, 2021 (the **Lapse Date**). Accordingly, under subsection 62(2) of the Act, the distribution of securities of the Fund would have to cease on the Lapse Date unless: (i) the Fund files a pro forma prospectus at least 30 days prior to the Lapse Date; (ii) the final prospectus is filed no later than 10 days after the Lapse Date; and (iii) a receipt for the final prospectus is obtained within 20 days of the Lapse Date.
9. The Filer is the investment fund manager of 120 other mutual funds (the **Other Funds** and together with the Fund, the **Funds**) that currently distribute their securities to the public under a simplified prospectus, annual information form and fund facts that has a lapse date of November 16, 2021 (the **Other Funds Prospectus**).
10. The Filer wishes to combine the Prospectus with the Other Funds Prospectus in order to reduce renewal, printing and related costs of the Funds. Offering the Funds under one prospectus would facilitate the distribution of the securities of the Funds in the Jurisdictions and enable the Filer to streamline disclosure across the Filer's fund platform. As the Fund and the Other Funds are managed by the Filer, offering the Funds under the same prospectus will allow investors to more easily compare their features.
11. It would be unreasonable to incur the costs and expenses associated with preparing two separate renewal prospectuses given how close in proximity the lapse dates are to one another.
12. There have been no material changes in the affairs of the Fund since the date of the Prospectus. Accordingly, the Prospectus represents current information regarding the Fund.
13. 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 Prospectus will be amended as required under the Legislation.
14. New investors in the Fund will receive delivery of the most recently filed fund facts of the Fund. The current Prospectus will remain available to investors upon request.
15. The Requested Relief will not affect the accuracy of the information contained in the Prospectus and will therefore 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
Ontario Securities Commission

Application File #: 2021/0521

2.1.4 1832 Asset Management L.P. and the Terminating Fund

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Fund merger approval under paragraph 5.5(1)(b) of NI 81-102 – Fund merger does not meet all the pre-approval criteria because merging funds’ investment objectives may not be considered substantially similar – Merger approval granted subject to obtaining the prior approval of securityholders of the Terminating Fund – National Instrument 81-102 Investment Funds.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 5.5(1)(b), 5.6(1) and 5.7(1)(b).

September 28, 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
1832 ASSET MANAGEMENT L.P.
(the Filer)**

AND

**THE TERMINATING FUND
(as defined below)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of Scotia CanAm Index Fund (the **Terminating Fund**) for a decision under the securities legislation of the Jurisdiction (the **Legislation**) approving the proposed merger (the **Merger**) of the Terminating Fund into Scotia U.S. Equity Index Fund (the **Continuing Fund**) pursuant to paragraph 5.5(1)(b) of National Instrument 81-102 *Investment Funds* (**NI 81-102**) (the **Approval Sought**).

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

1. the Ontario Securities Commission is the principal regulator for this application; and
2. the Filer has provided notice that paragraph 4.7(1)(c) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in all of the provinces and territories of Canada other than the Jurisdiction (together with the Jurisdiction, 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. The following additional terms have the following meanings:

Funds means, individually or collectively, the Terminating Fund and the Continuing Fund.

Representations

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

The Filer

3. The Filer is an Ontario limited partnership, which is wholly-owned by the Bank of Nova Scotia (**BNS**). The general partner of the Filer is 1832 Asset Management G.P. Inc., an Ontario corporation wholly-owned by BNS with its head office located in Toronto, Ontario.
4. The Filer is the manager of the Funds.
5. The Filer is registered as (i) a portfolio manager in all of the provinces of Canada and in the Northwest Territories and the Yukon; (ii) an exempt market dealer in all of the provinces of Canada (except Prince Edward Island and Saskatchewan); (iii) an investment fund manager in Ontario, Québec, Newfoundland and Labrador and the Northwest Territories; and (iv) a commodity trading manager in Ontario.

The Funds

6. Each Fund is a conventional mutual fund for purposes of NI 81-102 established as a trust under the laws of the Province of Ontario.
7. Each of the Funds is a reporting issuer under applicable securities legislation in each of the Jurisdictions.
8. Neither the Filer nor any Fund is in default of securities legislation in any of the Jurisdictions.
9. Each of the Funds follows the standard investment restrictions established under NI 81-102, or an exemption therefrom.
10. Securities of the Terminating Fund were previously offered and distributed in all of the Jurisdictions pursuant to a simplified prospectus, annual information form and fund facts dated November 12, 2014. Securities of the Terminating Fund are no longer in distribution (since July 24, 2015).
11. Securities of the Continuing Fund are currently qualified for sale in each of the Jurisdictions under a simplified prospectus, annual information form and fund facts dated May 21, 2021.
12. The Continuing Fund has a substantially similar valuation procedure and fee structure as the Terminating Fund.
13. The investment objectives of the Terminating Fund and the Continuing Fund are as follows:

Terminating Fund	Continuing Fund
Scotia CanAm Index Fund's objective is long-term capital growth by tracking the performance of a generally recognized U.S. equity index. The fund currently tracks the Standard & Poor's 500 (the "S&P 500") Index. It invests primarily in futures contracts that are linked to the performance of the index and in cash, Government of Canada treasury bills and other short-term debt instruments guaranteed by the Government of Canada.	Scotia U.S. Equity Index Fund's objective is long-term capital growth by tracking the performance of a generally recognized U.S. equity index. It invests primarily in the stocks that are included in the index.

Reason for Approval Sought

14. Regulatory approval of the Merger is required because the Merger does not satisfy all the criteria for pre-approved reorganizations and transfers set out in section 5.6 of NI 81-102. In particular, the fundamental investment objectives of the Continuing Fund may be considered not to be "substantially similar" to the fundamental investment objectives of the Terminating Fund.
15. Except as described above, the proposed Merger will otherwise comply with all the other criteria for pre-approved reorganizations and transfers set out in section 5.6 of NI 81-102.

The Proposed Merger

16. The Merger will be effected as a tax-deferred "qualifying exchange" within the meaning of section 132.2 of the *Income Tax Act* (Canada).

17. Securityholders of each series of the Terminating Fund will receive the same series of securities of the Continuing Fund as they currently own.
18. The proposed Merger was announced in a press release dated August 12, 2021. A material change report with respect to the Merger was also filed via SEDAR on August 16, 2021.
19. As required by National Instrument 81-107 *Independent Review Committee for Investment Funds (NI 81-107)*, the Filer has presented the terms of the Merger to the independent review committee (the **IRC**) for its review. The IRC has reviewed the Merger and has provided a positive recommendation, on the basis that, in the IRC's opinion after reasonable inquiry, the Merger, if implemented, would achieve a fair and reasonable result for each of the Terminating Fund and Continuing Fund.
20. The Filer is convening a special meeting (the **Meeting**) of the securityholders of the Terminating Fund in order to seek the approval of the securityholders of the relevant series of the Terminating Fund to complete the Merger, as required by paragraph 5.1(1)(f) of NI 81-102. The Meeting will be held on or about October 28, 2021.
21. The Filer anticipates that the Merger will not constitute a material change to the Continuing Fund as of the Effective Date (as defined below), and, accordingly, there is no intention to convene a meeting of securityholders of the Continuing Fund to approve the Merger pursuant to paragraph 5.1(1)(g) of NI 81-102.
22. By way of order dated November 4, 2016, the Filer was granted relief (the **Notice-and-Access Relief**) from the requirement set out in paragraph 12.2(2)(a) of National Instrument 81-106 *Investment Fund Continuous Disclosure* to send a printed management information circular to securityholders while proxies are being solicited, and, subject to certain conditions, instead allows a notice-and-access document (as described in the Notice-and-Access Relief) to be sent to such securityholders. In accordance with the Filer's standard of care owed to the Terminating Fund pursuant to securities legislation, the Filer will only use the notice-and-access procedure for a particular meeting where it has concluded it is appropriate and consistent with the purposes of notice-and-access (as described in Companion Policy 54-101CP *Communication with Beneficial Owners of Securities of a Reporting Issuer*) to do so, also taking into account the purpose of the meeting and whether the Terminating Fund would obtain a better participation rate by sending the management information circular with the other proxy-related materials.
23. Pursuant to the requirements of the Notice-and-Access Relief, a notice-and-access document and applicable proxies in connection with the Meeting, along with the most recent fund facts of the relevant series of the Continuing Fund, will be mailed to securityholders of the Terminating Fund on or about September 27, 2021. The notice-and-access document, template form of proxy and the management information circular in respect of the Merger (the **Circular**), which the notice-and-access document will provide a link to, will also be filed via SEDAR at the same time.
24. If all required approvals for the Merger are obtained, it is intended that the Merger will occur on or about November 8, 2021, or such other date as determined by the Filer (the **Effective Date**). The Filer therefore anticipates that each securityholder of the Terminating Fund will become a securityholder of the Continuing Fund after the close of business on the Effective Date. As it is currently anticipated that there will be no holders of any other series of units of the Terminating Fund following the implementation of the Merger, the Terminating Fund will be wound-up as a result of the Merger.
25. The tax implications of the Merger as well as the differences between the investment objectives and other features of the Terminating Fund and the Continuing Fund and the IRC's determination for the Merger, will be set out in the Circular, so that securityholders may make an informed decision before voting on whether to approve the Merger. The Circular will also describe the various ways in which securityholders can obtain a copy of the prospectus of the Continuing Fund and its most recent interim and annual financial statements and management reports of fund performance.
26. All costs and expenses associated with the Merger, including the costs of the Meeting, will be borne by the Filer and will not be charged to the Terminating Fund or the Continuing Fund. No commission or other fee will be charged to securityholders on the issue or exchange of securities of the Terminating Fund and the Continuing Fund, or otherwise in connection with the Merger.
27. No sales charges will be payable by securityholders of the Terminating Fund in connection with the Merger.
28. Following the Merger, all operational services (such as automatic withdrawal plans and pre-authorized contribution plans) will be available to investors with respect to the Continuing Fund. Securityholders of the Terminating Fund who wish to establish one or more systematic plans in respect of their holdings in the Continuing Fund may do so following the implementation of the Merger.
29. The investment portfolio and other assets of the Terminating Fund to be acquired by the Continuing Fund in order to effect the Merger are currently, or will be, acceptable, on or prior to the Effective Date, to the portfolio manager of the Continuing Fund and are, or will be, consistent with the investment objectives of the Continuing Fund.

30. Securityholders of the Terminating Fund will continue to have the right to redeem their securities of the Terminating Fund until the business day immediately prior to the Effective Date. If securityholders of the Terminating Fund approve the Merger at the Meeting, the securityholders of the Terminating Fund who do not wish to participate in the Merger will have the opportunity to redeem their securities prior to the Effective Date.

Steps of the Merger

31. If the necessary approvals are obtained, the Filer will carry out the following steps to complete the Merger:
- (a) Prior to effecting the Merger, the Terminating Fund may sell any investment that is not consistent with the investment objective and investment strategies of the Continuing Fund or acceptable to the portfolio manager of the Continuing Fund. As a result, the Terminating Fund may temporarily hold cash or money market instruments and may not be fully invested in accordance with their investment objectives for a brief period of time prior to the Merger being effected.
 - (b) The value of the Terminating Fund's portfolio and other assets will be determined at the close of business on the Effective Date in accordance with the constating documents of the Terminating Fund.
 - (c) The Continuing Fund will acquire the investment portfolio and other assets of the Terminating Fund in exchange for securities of the Continuing Fund. The securities of the Continuing Fund received by the Terminating Fund will (a) have an aggregate net asset value equal to the value of the net assets transferred by the Terminating Fund and (b) be issued at the net asset value per security of the Continuing Fund as of the close of business on the Effective Date.
 - (d) Immediately thereafter, the securities of the Continuing Fund received by the Terminating Fund will be distributed to securityholders of the Terminating Fund in exchange for their securities in the Terminating Fund on a dollar-for-dollar and series-by-series basis.
 - (e) In each case, the investors in the Terminating Fund will receive the same series of securities of the Continuing Fund as such investors hold in the Terminating Fund.
 - (f) The Continuing Fund will not assume any liabilities of the Terminating Fund and the Terminating Fund will retain sufficient assets to satisfy its estimated liabilities, if any, as of the Effective Date.
 - (g) The Terminating Fund will distribute a sufficient amount of its net income and net realized capital gains, if any, to securityholders to ensure that it will not be subject to tax for its current tax year.
 - (h) The Terminating Fund will be wound up as a result of the Merger.

Benefits of the Merger

32. In the opinion of the Filer, the Merger will be beneficial to securityholders of the Terminating Fund for the following reasons:
- (a) The Merger will provide economies of scale by eliminating duplicative administrative and regulatory costs of operating the Terminating Fund and the Continuing Fund as separate mutual funds.
 - (b) The Terminating Fund has been closed to new and additional purchases since July 24, 2015. The Merger will allow securityholders of the Terminating Fund to resume pre-authorized contributions and/or lump sum purchases in the Continuing Fund.
 - (c) The management fees and fixed administration fees of the Terminating Fund and Continuing Fund are currently the same. If the Merger is approved and implemented, securityholders of the Terminating Fund will benefit from a proposed fixed administration fee reduction of the Continuing Fund from 0.17% to 0.16%.
 - (d) The Merger will be effected on a tax-deferred basis for securityholders.
 - (e) The Terminating Fund will be merged into the Continuing Fund that also tracks the performance of a U.S. equity index and possesses the same risk rating and portfolio manager as the Terminating Fund; and
 - (f) The Merger will result in a more simplified index product line-up that is easier for investors to understand.
33. For the reasons set forth above, in the opinion of the Filer, it will not be prejudicial to the public interest to grant the Approval Sought.

Decision

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

The decision of the principal regulator under the Legislation is that the Approval Sought is granted, provided that the Filer obtains the prior approval of the securityholders of the Terminating Fund for the proposed Merger at the Meeting, or any adjournment thereof.

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

Application File#: 2021/0520

2.1.5 Canopy Growth Corporation and the Supreme Cannabis Company, Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – application for wholly-owned subsidiary (Subsidiary) of parent company (Parent) for a decision under section 13.1 of National Instrument 51-102 Continuous Disclosure Obligations (NI 51-102) exempting Subsidiary from the requirements of NI 51-102; for a decision under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings (NI 52-109) exempting Subsidiary from the requirements of NI 52-109; for a decision under National Instrument 55-104 Insider Reporting Requirements and Exemptions (NI 55-104) exempting insiders of Subsidiary from the insider reporting requirements; and for a decision under National Instrument 55-102 System for Electronic Disclosure by Insiders exempting insiders of Subsidiary from the requirement to file an insider profile; Subsidiary is a reporting issuer and has convertible securities outstanding; convertible securities entitle securityholders to acquire common shares of Parent; convertible securities do not qualify as "designated exchangeable securities" under exemption in section 13.3 of NI 51-102; Subsidiary does not qualify for exemption in section 13.4 of NI 51-102; and relief granted on conditions substantially similar to the conditions contained in sections 13.3 and 13.4 of NI 51-102.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s. 107.

National Instrument 51-102 Continuous Disclosure Obligations, ss. 13.1, 13.3 and 13.4.

National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings, s. 8.6.

National Instrument 55-102 System for Electronic Disclosure by Insiders, s. 6.1.

National Instrument 55-104 Insider Reporting Requirements and Exemptions, s. 10.1.

October 1, 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
CANOPY GROWTH CORPORATION
(Canopy)**

AND

**THE SUPREME CANNABIS COMPANY, INC.
(Supreme)
(together, Filers)**

DECISION

Background

1. The securities regulatory authority in the Jurisdiction (**Decision Maker**) has received an application from the Filers for a decision under the securities legislation of the Jurisdiction (the **Legislation**) that:
 - (a) the requirements of National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**) and Parts XVIII and XXI of the *Securities Act* (Ontario) (**Continuous Disclosure Requirements**) do not apply to Supreme;
 - (b) the requirements of National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (**NI 52-109**) (**Certification Requirements**) do not apply to Supreme; and
 - (c) the insider reporting requirements under the Legislation and the requirement to file an insider profile under National Instrument 55-102 *System for Electronic Disclosure by Insiders* and National Instrument 55-104 *Insider Reporting Requirements and Exemptions* (together, **Insider Reporting Requirements**) do not apply to any insider of Supreme(collectively, 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 Filers have provided notice that Section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, the Northwest Territories, Nunavut and Yukon Territory.

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

1. This decision is based on the following facts represented by the Filers:
2. Supreme
 - (a) Supreme is a company existing under the Canada Business Corporation Act (**CBCA**).
 - (b) The authorized capital of Supreme consists of (i) an unlimited number of common shares (**Supreme Shares**), (ii) 10,000,000 Class A Preferred Shares and (iii) 10,000,000 Class B Preferred Shares. As of July 21, 2021, there were outstanding 773,105,109 Supreme Shares validly issued and outstanding as fully-paid and non-assessable shares of Supreme, all of which are held by Canopy.
 - (c) Supreme also has senior unsecured non-convertible debentures expiring on September 10, 2025 (**Accretion Debentures**) which are governed by a debenture indenture (**Original Accretion Debenture Indenture**) dated September 9, 2020 between Supreme and Computershare Trust Company of Canada (**Computershare**).
 - (d) Following completion of the Arrangement (as defined below), Supreme and Canopy entered into a first supplemental debenture indenture with Computershare dated August 25, 2021 (**First Supplemental Accretion Indenture** and together with the Original Accretion Debenture Indenture, **Accretion Debenture Indenture**). The Accretion Debentures are not listed on any stock exchange.
 - (e) Supreme also has outstanding 8% convertible unsecured subordinated debentures expiring on September 10, 2025 (**Convertible Debentures**) which are governed by a debenture indenture (**Original Indenture**) dated October 19, 2018 as supplemented by the first supplemental indenture made as of September 9, 2020 (**First Supplemental Indenture**) between Supreme and Computershare.
 - (f) In connection with closing of the Arrangement, Supreme and Canopy entered into a second supplemental debenture indenture with Computershare dated June 22, 2021 (**Second Supplemental Indenture**) which provides that from and after the effective date of the Arrangement (**Effective Date**), in accordance with the terms of the Debenture Indenture, each holder of outstanding Convertible Debentures (**Debentureholder**) is entitled to receive upon the conversion of such holder's Convertible Debentures, in lieu of the Supreme Shares to which such Debentureholder was theretofore entitled upon such conversion, the Arrangement Consideration (as defined below).
 - (g) Following completion of the Arrangement, Supreme and Canopy entered into a third supplemental debenture indenture with Computershare dated August 25, 2021 (**Third Supplemental Indenture** and together with the Original Indenture, the First Supplemental Indenture and the Second Supplemental Indenture, **Debenture Indenture**).
 - (h) Each of the Convertible Debentures continues to be governed by and subject to the terms of the Debenture Indenture and Canopy has agreed that upon any conversion of a Convertible Debenture, in accordance with the terms of the Debenture Indenture, Canopy will issue the necessary number of common shares of Canopy (**Canopy Shares**) and pay the Cash Consideration (as defined below) needed to settle such conversion that such holder would have been entitled to be issued and receive if, immediately prior to the Effective Date, such holder had been the registered holder of the number of Supreme Shares to which such holder was theretofore entitled upon conversion of such Convertible Debentures.
 - (i) Supreme also has outstanding common share purchase warrants with an exercise price of \$0.23 per share, expiring on January 29, 2024 (**January Warrants**) and common share purchase warrants with an exercise price of \$0.40 per share, expiring on February 19, 2024 (**February Warrants** and together with the January Warrants,

Warrants). The January Warrants are governed by a warrant indenture (**Original January Indenture**) dated January 29, 2021 between Supreme and Computershare. The February Warrants are governed by a warrant indenture (**Original February Indenture**) dated February 19, 2021 between Supreme and Computershare. The January Warrants are listed on the TSX under the symbol "WEED.WT" and the February Warrants are listed on the TSX under the symbol "WEED.WT.A".

- (j) In connection with closing of the Arrangement, Supreme and Canopy entered into a supplemental indenture to the January Indenture with Computershare dated June 22, 2021 (**January Supplemental Indenture** and together with the Original January Indenture, **January Indenture**) and a supplemental indenture to the February Indenture with Computershare dated June 22, 2021 (**February Supplemental Indenture** and together with the Original February Indenture, **February Indenture**). Each of the January Indenture and the February Indenture (**Warrant Indentures**) provides that from and after the Effective Date, in accordance with the terms of the Warrant Indentures, each holder of outstanding Warrants (**Warrantholder**) is entitled to receive upon the exercise of such holder's Warrants, in lieu of the Supreme Shares to which such Warrantholder was theretofore entitled upon such exercise and for the same aggregate consideration payable therefor, the equivalent number of Canopy Shares, with the Cash Consideration being set off against the applicable exercise price, that such holder would have been entitled to be issued and receive if, immediately prior to the Effective Date, such holder had been the registered holder of the number of Supreme Shares to which such holder was theretofore entitled upon exercise of such Warrants.
- (k) Each of the Warrants will continue to be governed by and subject to the terms of the Warrant Indentures and Canopy has agreed that upon any exercise of a Warrant, in accordance with the terms of the Warrant Indentures, Canopy will issue the necessary number of Canopy Shares needed to settle such exercise.
- (l) Supreme also has outstanding common share purchase warrants with an exercise price of \$0.19 per share, expiring on January 29, 2024 (**January Broker Warrants**) and common share purchase warrants with an exercise price of \$0.31 per share, expiring on February 19, 2024 (**February Broker Warrants** and together with the January Broker Warrants, **Broker Warrants**). The Broker Warrants are governed by definitive warrant certificates (**Broker Warrant Certificates**).
- (m) Each of the Broker Warrants will continue to be governed by and subject to the terms of the Broker Warrant Certificates and, in accordance with the terms of the Broker Warrant Certificates, each holder of outstanding Broker Warrants (**Broker Warrantholder**) is entitled to receive upon the exercise of such holder's Broker Warrants, in lieu of the Supreme Shares to which such Broker Warrantholder was theretofore entitled upon such exercise and for the same aggregate consideration payable therefor, the equivalent number of Canopy Shares, with the Cash Consideration being set off against the applicable exercise price, that such holder would have been entitled to be issued and receive if, immediately prior to the Effective Date, such holder had been the registered holder of the number of Supreme Shares to which such holder was theretofore entitled upon exercise of such Broker Warrants.
- (n) As of July 21, 2021, there were no outstanding restricted share units or deferred share units of Supreme.
- (o) As of July 21, 2021, there were outstanding 12,022,558 Replacement Options (as defined below) exercisable to acquire 140,1556 Canopy Shares.
- (p) As of July 21, 2021, there were outstanding: (i) \$27,045,260 aggregate principal amount of Convertible Debentures convertible into an aggregate of 1,106,361 Canopy Shares; (ii) 60,373,500 January Warrants exercisable for an aggregate of 703,877 Canopy Shares; (iii) 41,745,000 February Warrants exercisable for an aggregate of 486,693 Canopy Shares; (iv) 1,936,784 January Broker Warrants exercisable for an aggregate of 22,580 Canopy Shares; (v) 4,508,460 February Broker Warrants exercisable for an aggregate of 52,562 Canopy Shares; and (vi) \$1,871,942.01 aggregate principal amount of Accretion Debentures.
- (q) Supreme is a "reporting issuer" in each of the provinces and territories of Canada.

3. Canopy

- (a) Canopy is a company existing under the CBCA.
- (b) The authorized capital of Canopy consists of an unlimited number of Canopy Shares. As of July 21, 2021, there were 393,166,799 Canopy Shares outstanding. Canopy also has 139,745,453 common share purchase warrants exercisable for an aggregate of 139,745,453 Canopy Shares and convertible notes that may result in the issuance of up to 12,454,620 Canopy Shares upon conversion.
- (c) Canopy is a "reporting issuer" in each of the provinces and territories of Canada.

- (d) The Canopy Shares are listed on the TSX and the Nasdaq Global Select Market (**Nasdaq**) under the symbols "WEED" and "CGC", respectively.

4. The Plan of Arrangement

- (a) Supreme and Canopy entered into an arrangement agreement dated April 8, 2021, as amended (**Arrangement Agreement**) which provided the terms and conditions under which Canopy would acquire all of the issued and outstanding Supreme Shares pursuant to a court-approved plan of arrangement under the provisions of section 192 of the CBCA (**Arrangement**).
- (b) On May 11, 2021, Supreme obtained an interim order of the Ontario Superior Court of Justice (Commercial List) (**Court**) specifying certain requirements and procedures for a special meeting of the shareholders of Supreme (**Supreme Shareholders**) for the purpose of approving the Arrangement (**Supreme Meeting**).
- (c) In connection with the Arrangement, Supreme mailed to the Supreme Shareholders the management information circular of Supreme dated May 11, 2021 (**Circular**) containing prospectus-level disclosure of the business and affairs of each of Supreme and Canopy and information on the Arrangement, a copy of which has been filed on SEDAR under Supreme's profile. The Circular included disclosure that Canopy intended to apply to have Supreme cease to be a reporting issuer as soon as practicable following the Effective Date.
- (d) Supreme provided the holders of all Convertible Debentures and Warrants with prior notice of the Arrangement and enclosed a copy of the Circular.
- (e) Approval of the Arrangement required at least 66⅔% of the votes cast by Supreme Shareholders present in person or represented by proxy at the Supreme Meeting.
- (f) The Arrangement was approved by the Supreme Shareholders at the Supreme Meeting held on June 10, 2021 as 81.05% of Supreme Shareholders present in person or represented by proxy at the Supreme Meeting voted in favour the Arrangement.
- (g) On June 15, 2021, Supreme received the final order of the Court pursuant to Section 192(3) of the CBCA, approving the Arrangement.
- (h) Pursuant to Articles of Arrangement, the Arrangement became effective on June 22, 2021 and Supreme became a wholly-owned subsidiary of Canopy.
- (i) Under the Arrangement, in addition to other matters, the following occurred:
 - (i) each outstanding deferred share unit of Supreme was deemed to be vested and was exchanged for a cash payment equal to the volume weighted average price of one Supreme Share on the TSX during the five trading days immediately prior to the Effective Date;
 - (ii) each outstanding restricted share unit of Supreme was deemed to be vested and was surrendered to Supreme in exchange for one Supreme Share;
 - (iii) each Supreme Share was cancelled in exchange for (i) 0.01165872 (**Exchange Ratio**) Canopy Shares and (ii) \$0.0001 in cash (**Cash Consideration**) for each Supreme Share held (collectively, **Arrangement Consideration**); and
 - (iv) each outstanding option to acquire Supreme Shares was exchanged for a replacement option (**Replacement Option**) exercisable for Canopy Shares, with the number and price of such Replacement Options adjusted by the Exchange Ratio.
- (j) Upon completion of the Arrangement, the Convertible Debentures remain outstanding as debentures of Supreme and each Convertible Debenture entitles the holder thereof to receive upon the conversion of such holder's Convertible Debentures, in lieu of the Supreme Shares to which such Debentureholder was theretofore entitled upon such conversion, the equivalent number of Canopy Shares and Cash Consideration that such holder would have been entitled to be issued and receive if, immediately prior to the Effective Date, such holder had been the registered holder of the number of Supreme Shares to which such holder was theretofore entitled upon conversion of such Convertible Debentures.
- (k) Upon completion of the Arrangement, the Warrants and Broker Warrants remain outstanding as warrants of Supreme and each Warrant and Broker Warrant entitles the holder thereof to receive upon the exercise of such holder's Warrants or Broker Warrants, as applicable, in lieu of the Supreme Shares to which such holder was theretofore entitled upon such exercise and for the same aggregate consideration payable therefor, the equivalent

number of Canopy Shares, with the Cash Consideration being set off against the applicable exercise price, that such holder would have been entitled to be issued and receive if, immediately prior to the Effective Date, such holder had been the registered holder of the number of Supreme Shares to which such holder was theretofore entitled upon exercise of such Warrants or Broker Warrants.

- (l) Canopy has received approval of the TSX for, and made the necessary filings with the Nasdaq in connection with, the listing of the Canopy Shares that were issued and issuable pursuant to the Arrangement.
- (m) In connection with the closing of the Arrangement, effective June 24, 2021, the Supreme Shares were de-listed from the TSX.
- (n) While the Convertible Debentures and Warrants remain securities issued by Supreme and remain listed on TSX, the TSX required that, following the Effective Date, such securities be listed under the trading symbols "WEED.DB", "WEED.WT" and "WEED.WT.A" despite such securities remaining securities of and issued by Supreme.
- (o) The only securities of Supreme that are held publicly are the Accretion Debentures, the Convertible Debentures, the Warrants and the Broker Warrants. In accordance with the terms of the Second Supplemental Indenture, the Convertible Debentures are convertible into Canopy Shares and all principal and interest payments on the Convertible Debentures are payable in cash. In accordance with the terms of the January Supplemental Indenture and the February Supplemental Indenture, the Warrants are exercisable for Canopy Shares. In accordance with the terms of the Broker Warrant Certificates, the Broker Warrants are exercisable for Canopy Shares. In accordance with the terms of the Accretion Debenture Indenture, all principal and interest payments on the Accretion Debentures are payable in cash.
- (p) In accordance with the terms of the Third Supplemental Indenture, Canopy has guaranteed the full, unconditional and punctual payment of all principal (premium, if any) and interest, due and payable in cash, with respect to the Convertible Debentures.
- (q) In accordance with the terms of the First Supplemental Accretion Indenture, Canopy has guaranteed the full, unconditional and punctual payment of all principal (premium, if any) and interest, due and payable in cash, with respect to the Accretion Debentures.
- (r) The only securities of Supreme that are traded on a marketplace (as defined in National Instrument 21-101 *Marketplace Operation*) are the Convertible Debentures and the Warrants.
- (s) Supreme has provided notice to Computershare and to the holders of the Convertible Debentures, Warrants, Broker Warrants and Accretion Debentures, as applicable, with respect to the Arrangement containing details of the consideration to be received upon the conversion or exercise, as applicable, of the Convertible Debentures, Warrants, Broker Warrants and Accretion Debentures, following the Effective Date.
- (t) Supreme cannot rely on the exemption available in s. 13.3 of NI 51-102 for issuers of exchangeable securities because the Convertible Debentures, Warrants and Broker Warrants are not "designated exchangeable securities" as defined in NI 51-102. None of the holders of the Convertible Debentures, the Warrants or the Broker Warrants have voting rights in respect of Canopy, in their capacity as debentureholders and warrant holders, respectively.
- (u) Supreme cannot rely on the exemption available with respect to the Convertible Debentures and Accretion Debentures in s. 13.4 of NI 51-102 for credit support issuers because Supreme has other securities outstanding that are not held by Canopy or an affiliate of Canopy, including the Warrants and the Broker Warrants.
- (v) The Debenture Indenture, the Accretion Debenture Indenture and the Warrant Indentures each include a covenant that Supreme will use its reasonable commercial efforts to maintain its status as a "reporting issuer" (or the equivalent thereof) not in default of the requirements of the securities laws in each of the provinces and territories of Canada.
- (w) None of the Debenture Indenture, the Accretion Debenture Indenture, the Warrant Indentures or the Broker Warrant Certificates requires Supreme to deliver any continuous disclosure materials of Supreme to Debentureholders or Warrant holders.
- (x) Supreme has no intention of accessing the capital markets in the future by issuing any further securities to the public.
- (y) Following the closing of the Arrangement, it is information relating to Canopy, and not to Supreme, that is of primary importance to holders of Convertible Debentures, Accretion Debentures, Warrants and Broker Warrants

as (i) each of the Warrants and Broker Warrants, is exercisable for Canopy Shares and (ii) pursuant to the Third Supplemental Indenture and the First Supplemental Accretion Indenture, Canopy has guaranteed the full, unconditional and punctual payment of all principal (premium, if any) and interest, due and payable in cash, with respect to the Convertible Debentures and the Accretion Debentures. .

- (z) Following completion of the Arrangement, Supreme became a wholly-owned subsidiary of Canopy and Canopy will consolidate Supreme with Canopy for the purposes of financial statement reporting.

Decision

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

1. The decision of the Decision Maker under the Legislation is that the Continuous Disclosure Requirements do not apply to Supreme provided that:
- (a) Canopy is the beneficial owner of all of the issued and outstanding voting securities of Supreme;
 - (b) Canopy is a reporting issuer in a designated Canadian jurisdiction (as defined in NI 51-102) and has filed all documents it is required to file under NI 51-102;
 - (c) Supreme does not issue any securities, and does not have any securities outstanding, other than:
 - (i) the Convertible Debentures;
 - (ii) the Warrants;
 - (iii) the Broker Warrants;
 - (iv) the Accretion Debentures;
 - (v) securities issued to and held by Canopy or an affiliate of Canopy;
 - (vi) debt securities issued to and held by banks, loan corporations, loan and investment corporations, savings companies, trust corporations, treasury branches, savings or credit unions, financial services cooperatives, insurance companies or other financial institutions; or
 - (vii) securities issued under exemption from the prospectus requirement in section 2.35 of National Instrument 45-106 *Prospectus Exemptions* (NI 45-106);
 - (d) Supreme files in electronic format:
 - (i) if Canopy is a reporting issuer in the local jurisdiction, a notice indicating that it is relying on the continuous disclosure documents filed by Canopy and setting out where those documents can be found in electronic format; or
 - (ii) copies of all documents Canopy is required to file under securities legislation, other than in connection with a distribution, at the same time as the filing by Canopy of those documents with a securities regulatory authority or regulator;
 - (e) Canopy concurrently sends to all holders of Broker Warrants and Warrants all disclosure materials that would be required to be sent to holders of similar warrants of Canopy in the manner and at the time required by securities legislation;
 - (f) Canopy complies with securities legislation in respect of making public disclosure of material information on a timely basis;
 - (g) Canopy immediately issues in Canada and files any news release that discloses a material change in its affairs;
 - (h) Supreme issues in Canada a news release and files a material change report in accordance with Part 7 of NI 51-102 for all material changes in respect of the affairs of Supreme that are not also material changes in the affairs of Canopy; and
 - (i) Supreme complies with the requirements set out in section 13.4 of NI 51-102, other than the requirement in Section 13.4(2)(c)(ii).

2. The further decision of the Decision Maker under the Legislation is that the Certification Requirements do not apply to Supreme provided that:
- (a) Supreme is not required to, and does not, file its own Interim Filings and Annual Filings (as those terms are defined under **NI 52-109**);
 - (b) Supreme files in electronic format under its SEDAR profile either: (i) copies of Canopy's annual certificates and interim certificates at the same time as Canopy is required under NI 52-109 to file such documents; or (ii) a notice indicating that it is relying on Canopy's annual certificates and interim certificates and setting out where those documents can be found for viewing on SEDAR; and
 - (c) Supreme is exempt from or otherwise not subject to the Continuous Disclosure Requirements and Supreme and Canopy are in compliance with the conditions set out in paragraph 1 above.
3. The further decision of the Decision Maker under the Legislation is that the Insider Reporting Requirements do not apply to any insider of Supreme in respect of securities of Supreme provided that:
- (a) if the insider is not Canopy;
 - (i) the insider does not receive, in the ordinary course, information as to material facts or material changes concerning Canopy before the material facts or material changes are generally disclosed;
 - (ii) the insider is not an insider of Canopy in any capacity other than by virtue of being an insider of Supreme;
 - (b) Canopy is the beneficial owner of all of the issued and outstanding voting securities of Supreme;
 - (c) if the insider is Canopy, the insider does not beneficially own any Broker Warrants or Warrants;
 - (d) Canopy is a reporting issuer in a designated Canadian jurisdiction;
 - (e) Supreme has not issued any securities, and does not have any securities outstanding other than:
 - (i) the Convertible Debentures;
 - (ii) the Warrants;
 - (iii) the Broker Warrants;
 - (iv) the Accretion Debentures;
 - (v) securities issued to and held by Canopy or an affiliate of Canopy;
 - (vi) debt securities issued to and held by banks, loan corporations, loan and investment corporations, savings companies, trust corporations, treasury branches, savings or credit unions, financial services cooperatives, insurance companies or other financial institutions; or
 - (vii) securities issued under exemption from the prospectus requirement in section 2.35 of NI 45-106; and
 - (f) Supreme is exempt from or otherwise not subject to the Continuous Disclosure Requirements and Supreme and Canopy are in compliance with the conditions set out in paragraph 1 above.

As to the Exemption Sought (other than from the statutory Insider Reporting Requirements):

"Marie-France Bourret"
Manager, Corporate Finance

As to the Exemption Sought from the statutory Insider Reporting Requirements:

"Cecilia Williams"
Commissioner
Ontario Securities Commission

"Craig Hayman"
Commissioner
Ontario Securities Commission

OSC File #: 2021/0421

2.1.6 L Brands, Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief from prospectus requirements to allow company to spin off shares of its U.S. subsidiary to investors on a pro rata basis and by way of a dividend in specie – distribution not covered by legislative exemptions – company is a public company in the U.S. but is not a reporting issuer in Canada – company has a de minimis presence in Canada – no investment decision required from Canadian shareholders in order to receive shares of the subsidiary.

Applicable Legislative Provisions

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

**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
L BRANDS, INC.
(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**) for an exemption (the **Exemption Sought**) from the prospectus requirement in section 53 of the *Securities Act* (Ontario) in connection with the proposed distribution (the **Spin-Off**) by the Filer of the shares of common stock (**VS Shares**) of Victoria's Secret & Co. (**VS**), a wholly-owned subsidiary of the Filer, by way of a dividend *in specie* to holders (**Filer Shareholders**) of shares of common stock of the Filer (**Filer Shares**) resident in Canada (**Filer Canadian Shareholders**).

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.

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 Delaware corporation that operates the Bath & Body Works, Victoria's Secret and PINK retail brands focused on home fragrance products, body care, soaps and sanitizers, women's intimate and other apparel, and personal and beauty care products. The Filer's principal executive office is located at Three Limited Parkway, Columbus, Ohio, 43230.
2. The Filer is not a reporting issuer, and currently has no intention of becoming a reporting issuer, under the securities laws of any jurisdiction of Canada.

3. The authorized share capital of the Filer consists of 1,000,000,000 Filer Shares, U.S.\$0.50 par value per share, and 10,000,000 shares of preferred stock, U.S.\$1.00 par value per share. As of May 5, 2021, there were 288,445,631 Filer Shares and no preferred shares issued and outstanding.
4. The Filer Shares are listed on the New York Stock Exchange (**NYSE**) and trade under the symbol "LB". Other than the foregoing listing on the NYSE, no securities of the Filer are listed or posted for trading on any exchange or market in Canada or outside of Canada. The Filer has no current intention of listing its securities on any Canadian stock exchange.
5. The Filer is subject to the United States *Securities Exchange Act of 1934*, as amended (the **1934 Act**) and the rules, regulations and orders promulgated thereunder.
6. According to a registered shareholder report prepared for the Filer by American Stock Transfer & Trust Company, LLC, as of May 20, 2021, there were 20 registered Filer Canadian Shareholders, representing approximately 0.07% of the registered shareholders of the Filer worldwide, and holding approximately 2,388 Filer Shares, representing approximately 0.001% of the outstanding Filer Shares. The Filer does not expect these numbers to have materially changed since that date.
7. According to a beneficial ownership report prepared for the Filer by Broadridge Financial Solutions, Inc., as of May 5, 2021, there were 4,998 beneficial Filer Canadian Shareholders, representing approximately 4.26% of the beneficial holders of Filer Shares worldwide, and holding approximately 5,851,362 Filer Shares, representing approximately 2.11% of the outstanding Filer Shares. The Filer does not expect these numbers to have materially changed since that date.
8. Based on the information above, the number of registered and beneficial Filer Canadian Shareholders and the proportion of Filer Shares held by such shareholders are *de minimis*.
9. VS is a Delaware corporation and a wholly-owned subsidiary of the Filer. VS's principal executive office is located at 4 Limited Parkway East, Reynoldsburg, Ohio 43068.
10. All of the issued and outstanding VS Shares are held by the Filer. No other securities of VS are issued and outstanding.
11. On May 11, 2021, the Filer announced that its Board of Directors had approved a plan to separate the company into two independent, public companies: Bath & Body Works and Victoria's Secret, including Victoria's Secret Lingerie, PINK and Victoria's Secret Beauty (the **VS Businesses**). This separation will be effected by way of a transfer of certain assets and liabilities of the VS Businesses to VS or its subsidiaries through certain restructuring transactions and a pro rata distribution of all of the outstanding VS Shares to Filer Shareholders pursuant to the Spin-Off. The Filer will distribute 100% of the VS Shares to the Filer Shareholders as of the record date of the distribution at a fixed distribution rate to be set out in the Information Statement (as defined below) to be sent to the Filer Shareholders. At the time of the Spin-Off, VS will hold, directly or indirectly through its subsidiaries, the VS Businesses.
12. The distribution agent for the distribution will distribute to each Filer Shareholder entitled to VS Shares in connection with the Spin-Off the number of whole VS Shares to which the Filer Shareholder is entitled in the form of a book-entry credit. No fractional VS Shares will be issued in connection with the Spin-Off. The distribution agent will aggregate fractional shares into whole shares, sell the whole shares in the open market at prevailing prices and distribute the net cash proceeds (net of brokerage fees and commissions, transfer taxes and other costs) from the sales pro rata to each Filer Shareholder who would otherwise have been entitled to receive a fractional share in the distribution (net of any required applicable withholding taxes). Recipients of cash in lieu of fractional shares will not be entitled to any interest on the amounts of cash payments made in lieu of fractional shares.
13. Filer Shareholders will not be required to pay any cash, deliver any other consideration or surrender or exchange their Filer Shares, or take any other action in order to receive VS Shares in connection with the Spin-Off. The Spin-Off will occur automatically without any investment decision on the part of Filer Shareholders.
14. Subject to the satisfaction of certain conditions, including the receipt by the Filer of all necessary approvals of the United States Securities and Exchange Commission (the SEC), it is currently anticipated that the Spin-Off will become effective on or about August 2, 2021.
15. Following completion of the Spin-Off, Filer Shareholders as of the record date for the Spin-Off will own 100% of the VS Shares, and VS will cease to be a subsidiary of the Filer and will become an independent, publicly-traded company.
16. Following completion of the Spin-Off, the Filer Shares will continue to be listed for trading on the NYSE.
17. The VS Shares have been approved for listing on the NYSE under the symbol "VSCO".

Decisions, Orders and Rulings

18. VS is not a reporting issuer in any jurisdiction of Canada nor are its securities listed on any stock exchange in Canada. VS has no current intention of becoming a reporting issuer in any jurisdiction of Canada or to list its securities on any stock exchange in Canada after completion of the Spin-Off.
19. The Spin-Off is being effected in accordance with the laws of Delaware.
20. Because the Spin-Off will be effected by way of a dividend of VS Shares to Filer Shareholders, no shareholder approval of the Spin-Off is required or being sought under the laws of Delaware or any applicable United States federal securities laws.
21. On June 21, 2021, VS filed a registration statement on Form 10 with the SEC detailing the proposed Spin-Off (the **Registration Statement**). It is expected that the Registration Statement will be declared effective by the SEC around mid-July, 2021.
22. Filer Shareholders will receive a notice of internet availability of an information statement with respect to VS (the **Information Statement**) detailing the terms and conditions of the Spin-Off. All materials relating to the Spin-Off sent by or on behalf of the Filer to Filer Shareholders resident in the United States (including the Information Statement) will be sent concurrently to Filer Canadian Shareholders.
23. The Information Statement contains prospectus-level disclosure about VS.
24. Filer Canadian Shareholders who receive VS Shares pursuant to the Spin-Off will have the benefit of the same rights and remedies in respect of the disclosure documentation received in connection with the Spin-Off that are available to Filer Shareholders resident in the United States.
25. Following completion of the Spin-Off, VS will be subject to the requirements of the 1934 Act and the rules and regulations of the NYSE. VS will send concurrently to holders of VS Shares resident in Canada the same disclosure materials required to be sent under applicable United States securities laws to holders of VS Shares resident in the United States.
26. There will be no active trading market for the VS Shares in Canada following the Spin-Off and none is expected to develop. Consequently, it is expected that any resale of VS Shares distributed in connection with the Spin-Off will occur through the facilities of the NYSE or any other exchange or market outside of Canada on which the VS Shares may be quoted or listed at the time that the trade occurs or to a person or company outside of Canada.
27. The Spin-Off to Filer Canadian Shareholders would be exempt from the prospectus requirement pursuant to subsection 2.31(2) of National Instrument 45-106 *Prospectus Exemptions* but for the fact that VS is not a reporting issuer under the securities legislation of any jurisdiction in Canada.
28. Neither the Filer nor VS is in default of any securities legislation in any jurisdiction of Canada.

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 first trade in VS Shares acquired pursuant to the Spin-Off will be deemed to be a distribution that is subject to section 2.6 of National Instrument 45-102 *Resale of Securities*.

DATED at Toronto this 16th day of July 2021.

“Cecilia Williams”
Commissioner
Ontario Securities Commission

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

2.1.7 Netcoins Inc.

Headnote

Application for time-limited relief from certain registrant obligations, prospectus requirement and trade reporting requirements – suitability relief to allow the Filer to distribute Crypto Contracts and operate a platform that facilitates the buying, selling and holding of crypto assets – relief granted subject to certain conditions set out in the decision, including investment limits for Crypto Contracts not based on bitcoin, ether, bitcoin cash or litecoin, account appropriateness, disclosure and reporting requirements – investment limits may be amended or removed for other crypto assets as they become more widely traded in regulated markets – relief is time-limited and will expire in two (2) years – to continue to operate after expiry, filer to become IIROC investment dealer – relief granted based on the particular facts and circumstances of the application with the objective of fostering capital raising by innovative businesses in Canada – decision should not be viewed as precedent for other filers in the jurisdictions of Canada.

Applicable Legislative Provisions

Statute Cited

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

Instrument, Rule or Policy Cited

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

National Instrument 21-101 Marketplace Operation, s. 1.1.

National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, ss. 12.1, 13.3.

OSC Rule 91-506 Derivatives: Product Determination, ss. 2, 4.

OSC Rule 91-507 Trade Repositories and Derivatives Data Reporting, Part 3.

September 29, 2021

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA AND
ONTARIO AND
ALBERTA,
MANITOBA,
NEW BRUNSWICK,
NEWFOUNDLAND AND LABRADOR,
NORTHWEST TERRITORIES,
NOVA SCOTIA,
NUNAVUT,
PRINCE EDWARD ISLAND,
QUÉBEC,
SASKATCHEWAN AND
YUKON
(collectively the Jurisdictions)**

AND

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

AND

**IN THE MATTER OF
NETCOINS INC. (the Filer)**

DECISION

Background

¶ 1 As set out in CSA Staff Notice 21-327 *Guidance on the Application of Securities Legislation to Entities Facilitating the Trading of Crypto Assets (CSA SN 21-327)*, securities and derivatives legislation may apply to persons or companies that are in the business of trading contracts or instruments that have an underlying interest in assets that are frequently referred to as crypto assets such as Bitcoin, Ether, and anything commonly considered a crypto asset, digital or virtual

currency, or digital or virtual token that are not themselves securities or derivatives (**Crypto Assets**) because these contracts or instruments (**Crypto Contracts**) satisfy the definition of a security or a derivative as defined by the securities legislation of the Jurisdictions.

To foster innovation and respond to novel circumstances, the CSA has considered an interim, time limited, regulatory framework that would allow persons or companies that are trading Crypto Contracts to operate within a regulated environment, with regulatory requirements tailored to the person or company's operations, as appropriate. The overall goal of the regulatory framework is to strike a balance between being flexible to facilitate innovation in the Canadian capital markets, while upholding the regulatory mandate of promoting investor protection and fair and efficient capital markets.

The Filer has made an application to the CSA Regulatory Sandbox, an initiative of the CSA to support fintech businesses seeking to offer innovative products, services and applications in Canada. It allows firms to test their products, services and applications throughout the Canadian market under a flexible process and on a time-limited basis.

The Filer currently operates a platform that permits clients, including clients residing in Canada, to enter into a Crypto Contract, with the Filer, that results in the client obtaining an interest in relation to a Crypto Asset or divesting such rights. The Filer filed an application to be registered, for an interim period, in the category of restricted dealer and an application to be exempted from certain requirements under applicable securities legislation, while it transitions to a final regulatory framework.

Requested Relief

¶ 2 The securities regulatory authority or regulator in British Columbia and Ontario (**Dual Exemption Decision Makers**) have received an application from the Filer for a decision under the securities legislation of those jurisdictions (the **Legislation**) for a decision exempting the Filer from:

- A. the prospectus requirements under the securities legislation of British Columbia and Ontario in respect of the Filer entering into Crypto Contracts with clients (the **Prospectus Relief**);
- B. the requirement in subsection 12.10(2) of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**NI 31-103**) to deliver annual audited financial statements to the regulator and the requirement in section 13.3 of NI 31-103 to take reasonable steps to ensure that, before it makes a recommendation to or accepts instructions from a client to buy or sell a security, the purchase or sale is suitable for the client (the **Registrant Obligations Relief**);

AND

The securities regulatory authority or regulator in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**), exempting the Filer from certain reporting requirements under the Local Trade Reporting Rules (as defined in Appendix A) (the **Trade Reporting Relief**).

Together, the Prospectus Relief, the Registrant Obligations Relief and the Trade Reporting Relief, are referred to as the **Requested Relief**.

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

- (a) the British Columbia Securities Commission is the principal regulator for this Application (the **Principal Regulator**),
- (b) the decision is the decision of the Principal Regulator and the decision evidences the decision of the securities regulatory authority or regulator in Ontario,
- (c) in respect of the Prospectus Relief and the Registrant Obligations Relief, the Filer has provided notice that, in the Jurisdictions where required, 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 (the **Non-Principal Jurisdictions**), and
- (d) the decision in respect of the Trade Reporting Relief is the decision of the Principal Regulator and evidences the decision of each securities authority or regulator and in each of the other Jurisdictions referred to in Appendix A (together with the Principal Regulator, the **Coordinated Review Decision Makers**).

This decision (the **Decision**) has been tailored for the specific facts and circumstances of the Filer, and the securities regulatory authority or regulator in the Jurisdictions or in any other jurisdiction will not consider this Decision as constituting a precedent for other filers, whether in the Jurisdictions or in any other jurisdiction.

Interpretation

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

Representations

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

The Filer

1. The Filer is a corporation incorporated under the laws of British Columbia, with a head office in Vancouver, British Columbia.
2. The Filer is an indirect wholly owned subsidiary of BIGG Digital Assets Inc. (formerly BIG Blockchain Intelligence Group Inc.) (**BIGG**). The securities of BIGG are publicly traded on the Canadian Securities Exchange, the OTCQX and the Frankfurt Stock Exchange.
3. Concurrent with the application for this Decision, the Filer is seeking registration in the Jurisdictions as a dealer in the category of restricted dealer.
4. The Filer's personnel consists, and will consist, of software engineers, executives and compliance professionals who each have experience operating in a regulated financial services environment and expertise in blockchain technology. All of the Filer's personnel have passed criminal records and credit checks, and new personnel will be hired after they pass criminal records and credit checks.
5. The Filer has adopted a business continuity plan designed to ensure the uninterrupted availability of the resources required to support its essential and critical business activities.
6. The Filer will not be a member firm of the Canadian Investor Protection Fund (**CIPF**). The Filer will retain the services of an independent third-party to hold Crypto Assets that satisfy the Filer's obligations under Crypto Contracts. The Crypto Assets "custodied" with the third party will not qualify for CIPF coverage. The Risk Statement (defined in paragraph 27 of the Representations, below) will include disclosure that there will be no CIPF coverage for the Crypto Assets.
7. Although the Filer does not currently prepare non-consolidated audited financial statements for its business, the financial statements of the Filer are consolidated with the audited financial statements of BIGG, the Filer's indirect parent. The Filer anticipates that it will be able to provide audited financial statements in compliance with subsection 12.10(2) for its 2021-22 fiscal year. During the period of this relief, the Filer will deliver to the Principal Regulator both the annual unaudited non-consolidated financial statements of the Filer and the annual audited financial statements of BIGG.
8. Neither the Filer nor BIGG is in default of securities legislation of any of the Jurisdictions, except in respect of the Filer's trading of Crypto Contracts prior to the date of this Decision.

The Platform

9. The Filer operates a proprietary and fully automated internet-based platform (the **Platform**) that enables clients to enter into Crypto Contracts with the Filer that have, as their underlying interest, crypto assets, been accepted for trading on the Platform in accordance with the Filer's written policies and procedures.
10. The Platform will establish and apply policies and procedures to conduct an assessment of each Crypto Assets that underlies a Crypto Contract that the Platform trades. The assessment will be sufficient to allow the Platform to identify material risks to its clients relating to the Crypto Asset, including any material risks resulting from litigation or enforcement action by a securities regulatory authority in Canada or in a foreign jurisdiction. Each material risk will be disclosed in the platform's Risk Statement referred to in paragraph 27 of these Representations.
11. The Platform will not transact Crypto Contracts based on Crypto Assets that the Platform reasonably determines to be securities or derivatives in any jurisdiction in Canada.

12. The Filer acknowledges that the Principal Regulator may implement additional terms and conditions that will require the Platform to stop trading of any Crypto Contract, where it is in the public interest to do so.
13. The Filer's trading of Crypto Contracts is consistent with activities described in CSA SN 21-327 and constitutes the trading of securities or derivatives.
14. The Filer currently operates the Platform and offers trading access to clients in each Jurisdiction. If the Filer provides access to the platform to clients in jurisdictions outside of Canada, the Filer will take reasonable steps to ensure that the Filer complies with applicable securities or derivatives laws in such jurisdictions before providing such access.
15. Each transaction executed on the Platform results in a Crypto Contract. A Crypto Contract imposes rights and obligations on the Filer and each client. These rights and obligations are set out in an electronic document that is made available to each client (the **Terms of Service**). The client is required to review and accept the Terms of Service at the time the client opens an account. When the Filer intends to make a change to the Terms of Service, the Filer will provide each client with advanced notice of such change. If there is a material change to the Terms of Service applicable to a client, the client will be required to review and accept the new Terms of Service before the client will be allowed to execute a transaction.

Crypto Assets Made Available through the Platform

16. The Filer has established and applies policies and procedures to review Crypto Assets and to determine whether to allow clients on its Platform to enter into Crypto Contracts to buy and sell the Crypto Asset on its Platform. Such review includes, but is not limited to, publicly available information concerning:
 - (a) the creation, governance, usage and design of the Crypto Asset, including the source code, security and roadmap for growth in the developer community and, if applicable, the background of the developer(s) that created the Crypto Asset;
 - (b) the supply, demand, maturity, utility and liquidity of the Crypto Asset;
 - (c) material technical risks associated with the Crypto Asset, including any code defects, security breaches and other threats concerning the Crypto Asset and its supporting blockchain (such as the susceptibility to hacking and impact of forking), or the practices and protocols that apply to them; and
 - (d) legal and regulatory risks associated with the Crypto Asset, including any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of the Crypto Asset.
17. The Filer only offers, and only allows clients to enter into a Crypto Contract to buy and sell, a Crypto Asset that is not, itself, a security or a derivative.
18. The Filer does not allow clients to enter into a Crypto Contract to buy and sell Crypto Assets unless the Filer has taken steps to
 - (a) assess the relevant aspects of the Crypto Asset, including the information specified in paragraph 16, to determine whether it is appropriate for its clients,
 - (b) approve the Crypto Asset, and Crypto Contracts to buy and sell such Crypto Asset, to be made available to clients, and
 - (c) monitor the Crypto Asset for significant changes and review its approval under (b) where a significant change occurs.
19. The Filer is not engaged, and will not engage, in trades that are part of, or designed to facilitate, the creation, issuance or distribution of Crypto Assets by the developer(s) of the Crypto Asset or affiliates or associates of such persons.
20. The Filer has established and applies policies and procedures to determine whether a Crypto Asset available to be bought and sold through a Crypto Contract is a security and/or derivative and is being offered in compliance with securities and derivatives laws, which include but are not limited to:
 - (a) consideration of statements made by any regulators or securities regulatory authorities of the Jurisdictions, other regulators in IOSCO-member jurisdictions, or the regulator with the most significant connection to a Crypto Asset about whether the Crypto Asset, or generally about whether the type of Crypto Asset, is a security or derivative; and

- (b) if the Filer determines it to be necessary, obtaining legal advice as to whether the Crypto Asset is a security or derivative under securities legislation of the Jurisdictions.
- 21. The Filer monitors ongoing developments related to Crypto Assets available on its Platform that may cause a Crypto Asset's legal status, or the assessment conducted by the Filer described in paragraphs 16 and 20 of these Representations, above, to change.
- 22. The Filer acknowledges that any determination made by the Filer as set out in paragraphs 16 to 20 of the Representations does not prejudice the ability of any of the regulators or securities regulatory authorities of any province or territory of Canada to determine that a Crypto Asset that a client may enter into a Crypto Contract to buy and sell is a security or derivative.
- 23. The Filer has established and applies policies and procedures to promptly stop the trading of any Crypto Asset available on its Platform and to allow clients to liquidate their positions in Crypto Contracts with underlying Crypto Assets that the Filer ceases to make available on its Platform.

Account Opening and Risk Disclosure

- 24. The Platform will be available to clients located in Canada and certain foreign jurisdictions, including any individual who is a resident in the Jurisdictions, who has reached the age of majority, and who has the legal capacity to open a securities brokerage account.
- 25. Prospective clients of the Filer will be required to complete an onboarding process which includes identity verification, applicable "know your client" account opening requirements under applicable legislation and the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* and its regulations. If a person is client of the Filer before the date of this Decision, the Filer will ensure that each element of the onboarding process described in the previous sentence is completed for that client prior to allowing the client to execute a transaction.
- 26. For each client, the Filer will, prior to opening the account, use technology to determine whether it is appropriate for the prospective client to use the Platform to enter into a Crypto Contract in order to buy and sell Crypto Assets.
- 27. As part of the account opening process, the Filer will provide a prospective client with a separate statement of risks that clearly explains the following, in plain language (the **Risk Statement**)
 - (a) the Crypto Contracts and Crypto Assets,
 - (b) the risks associated with Crypto Contracts and Crypto Assets,
 - (c) that no securities regulatory authority has expressed an opinion about the Crypto Contracts or any of the Crypto Assets made available through the Platform, including an opinion about whether the Crypto Assets are a security or a derivative,
 - (d) the due diligence performed by the Filer before making a Crypto Asset available through the Platform, including the due diligence taken by the Filer to assess whether the Crypto Asset is a security or derivative under the securities legislation of each of the Jurisdictions and, if applicable, the securities and derivatives laws of the foreign jurisdiction with which the Crypto Asset has the most significant connection, and the risks if the Filer has incorrectly determined that the Crypto Asset is not a security or derivative,
 - (e) that the Filer has prepared a plain language description of each Crypto Asset made available through the Platform, with instructions as to where on the Platform the client may obtain the descriptions (each, a **Crypto Asset Statement**),
 - (f) the Filer's policies for halting, suspending and withdrawing a Crypto Asset from trading on the Platform, including criteria that would be considered by the Filer, options available to clients holding such a Crypto Asset, any notification periods and any risks to clients,
 - (g) how and where the Crypto Assets that are the basis for the Crypto Contracts are held and the benefits and risks to the client of the Crypto Assets being held in that manner,
 - (h) if applicable, the manner in which the Crypto Assets are accessible by the Filer, and the risks and benefits to the client arising from the Filer having access to the Crypto Assets in that manner,

- (i) that the Filer is not a member of the Canadian Investor Protection Fund (CIPF) and the Crypto Contracts and the Crypto Assets will not qualify for CIPF protection, and
- (j) that the statutory rights in sections 131 through 132.2 of the *Securities Act* (British Columbia), and, if applicable, similar statutory rights under the securities legislation of the other Non-Principal Jurisdictions and Ontario, do not apply in respect of the Risk Statement or a Crypto Asset Statement to the extent a Crypto Contract is distributed under the Prospectus Relief.

The statement referenced in paragraph (c) will be prominent.

- 28. The Filer will also provide each person that is a client on the date of this Decision with the Risk Statement. The Filer will obtain an electronic acknowledgment that the client has received, read and understood the Risk Statement prior to allowing the client to execute a transaction.
- 29. In order for a prospective client to open and operate an account with the Filer, the Filer will obtain an electronic acknowledgment from the prospective client confirming that the prospective client has received, read and understood the Risk Statement. Such acknowledgment will be prominent and separate from other acknowledgments provided by the prospective client as part of the account opening process and will be made available to the client on the Filer's website.
- 30. Before a client enters an order relating to Crypto Contract to "buy" a Crypto Asset, the Filer will provide instructions for the client to read the Crypto Asset Statement, which will include a link to the Crypto Asset Statement. The Crypto Asset Statement will include
 - (a) a prominent statement that no securities regulatory authority in Canada has expressed an opinion about any Crypto Contract or Crypto Asset made available through the Platform, including an opinion that the Crypto Assets are not securities or derivatives,
 - (b) a description of the Crypto Asset, including the background of the team that first created the Crypto Asset, if applicable and any risks specific to the Crypto Assets,
 - (c) a description of the due diligence performed by the Filer with respect to the Crypto Asset,
 - (d) a direction to the client to review the Risk Statement for additional discussion of general risks associated with the Crypto Contracts and Crypto Assets,
 - (e) a statement that the statutory rights in sections 131 through 132.2 of the *Securities Act* (British Columbia), and, if applicable, similar statutory rights under the securities legislation of the Non-Principal Jurisdictions and Ontario, do not apply in respect of the Crypto Asset Statement to the extent a Crypto Contract is distributed under the Prospectus Relief,
 - (f) the date on which the information was last updated.
- 31. In addition to the assessment referred to in paragraph 26 of these Representations, the Filer has also established, and will maintain and apply, policies and procedures that are reasonably designed to monitor client activity, and will contact clients to discuss their trading behaviour if it indicates a lack of knowledge or understanding of Crypto Asset trading, in an effort to identify and deter behaviours that may indicate that trading a Crypto Contract is not appropriate for the client, or that additional education is required. The outcome of this engagement with a client may result, in some cases, in a decision by the Filer to close a client's account.
- 32. The Filer has established, and will maintain and apply, policies and procedures that are reasonably designed to update the Risk Statement, to reflect any material changes to the disclosure or include any material risks that may develop with respect to the Crypto Contracts and Crypto Assets, and the Crypto Assets Statement, to reflect any material changes relating to specific Crypto Assets. In the event the Risk Statement or Crypto Asset Statement is updated, existing clients of the Filer will be promptly notified and provided with a copy of the updated Risk Statement or Crypto Asset Statement, as applicable.
- 33. The Filer will also prepare and make available to its clients, on an ongoing basis and in response to emerging issues in Crypto Assets, educational materials and other informational updates about trading on the Platform and the ongoing development of Crypto Assets and Crypto Asset trading markets.

Deposit of Assets

- 34. A client can only execute transactions once the client has deposited assets in an amount that would allow the client to fulfill their obligations under any Crypto Contract that the client enters into.

35. Clients can fund their accounts with fiat currencies (currently, CAD or United States dollars (USD)) or supported Crypto Assets, and can use those funds to execute transactions of Crypto Contracts related to Crypto Assets made available through the Platform.
36. The Filer allows clients to fund their accounts with fiat currency by way of electronic funds transfer, e-transfer, online bill payment and wires, as well as credit card payments which are fulfilled through a third-party service provider. In addition, the Filer allows clients to deposit Crypto Assets through the automatic creation of a sub-wallet which is created solely for the purpose of the client's individual deposit of Crypto Assets, and is held by the custodian (as defined below).

Platform Operations

37. The Filer does not have any authority to act on a discretionary basis on behalf of clients and will not manage any discretionary accounts.
38. A Crypto Contract entered into by a client will either provide the client with an interest in relation to a Crypto Asset (**buy**) or divest the client of an interest in relation to a Crypto Asset (**sell**). Orders to buy and sell Crypto Assets will be placed with the Filer through the Platform. Clients will be able to submit buy and sell orders, either in units of the applicable Crypto Asset or in Canadian dollars, 24 hours a day, seven days a week.
39. The Filer does not provide recommendations or advice to clients or conduct a trade-by-trade determination for clients but rather performs account and product assessments, taking into account the client's experience and knowledge in investing in Crypto Assets, the client's experience in using order execution only online brokerages, a client's financial assets and income, the client's risk tolerance and the Crypto Assets that are the underlying interest of Crypto Contracts traded on the Platform. These will be used by the Filer to
 - (a) evaluate whether entering into a Crypto Contract with the Filer is appropriate for prospective clients before the opening of an account. After completion of the assessments, a prospective client will receive appropriate messaging about using the Platform to enter into a Crypto Contract, which could include messaging to a prospective client that the Filer believes that using the Platform to enter into Crypto Contract is not appropriate for them and that as a result the client will not be permitted to open an account with the Filer, and
 - (b) conduct the analysis described in paragraph 18 of the Representations.
40. The Filer will adopt policies and procedures to conduct an assessment to establish appropriate limits on the losses that a client that is not an permitted client, as that term is defined in NI 31-103, can incur and what limits on losses will apply to such client. After completion of the assessment, the Filer will implement controls to monitor and apply such policies and procedures, including any loss limits established.
41. The Filer will rely upon multiple crypto asset trading firms (**Liquidity Providers**) to act as sellers of Crypto Assets that may be purchased by the Filer to facilitate the Filer's obligations to clients. The Filer has a written agreement in place with each of its Liquidity Providers which govern the commercial terms of the relationship and set out the duties and obligations of each party. Liquidity Providers will also buy any Crypto Assets from the Filer that the Filer has purchased to facilitate the Filer's obligations to its clients or that a client has deposited onto the Platform and wishes to sell.
42. In accordance with the Filer's policies and procedures, after the order has been placed by a client, the Platform will obtain a price for the Crypto Asset from at least two unaffiliated Liquidity Providers, after which the Platform will incorporate a 'spread' to compensate the Filer, and will present this adjusted price to the client as the price at which the Filer is willing to transact with the client.
43. The client will then have approximately 10 seconds to confirm that they want to enter into the Crypto Contract at that price. If the client does not confirm within a 10 second period, the price will automatically refresh using updated information from the Liquidity Providers. If the client finds the price agreeable, the client will accept the price and agree to the trade.
44. In order for a client to initiate a transaction, their account must be pre-funded with the applicable asset (fiat currency or Crypto Asset). When a client initiates a transaction with the Filer, the Filer will in turn enter into a back-to-back transaction with the Liquidity Provider, on a contemporaneous basis, in order to offset the risk to the Filer. The price of the Crypto Contract is equal to an aggregate amount of the cost to the Filer to complete the transaction with the Liquidity Provider and the spread that it charges to the client. As part of the transaction's reconciliation process, once the transaction is confirmed and settled, the Filer instructs the Liquidity Provider to transfer the Crypto Asset to the Filer's custodian for safe-keeping, or in the case of cash, to the Filer to be held in a bank account in the Filer's name.

45. The Filer will not extend margin or otherwise offer leverage to clients.
46. The Filer will not allow clients to enter into a “short position” with respect to any Crypto Asset.
47. In accordance with the Filer’s policies and procedures, the Filer will evaluate the price obtained from its Liquidity Providers on an ongoing basis against global benchmarks to provide fair and reasonable pricing to clients.
48. The Filer has verified or will verify, and has established, and will maintain and apply, policies and procedures that are reasonably designed to verify on an ongoing basis, that each Liquidity Provider is appropriately registered and/or licensed to transact in the Crypto Assets in their home jurisdiction, or that their activities do not require registration in their home jurisdiction, and that they are not in default of securities legislation in the Jurisdictions.
49. The Filer has verified that each Liquidity Provider has effective policies and procedures to address concerns relating to fair price, fraud and market manipulation.
50. A Crypto Contract is a bilateral contract between a client and the Filer. Accordingly, the Filer will be the counterparty to each buy or sell transaction initiated by a client. For each client transaction, the Filer will also be a counterparty to a corresponding Crypto Assets buy or sell transaction with a Liquidity Provider. The Filer will transact as a riskless principal, in that the Filer will not take any proprietary positions when trading with clients or with a Liquidity Provider.
51. The Filer will confirm the transaction with the Liquidity Providers.
52. The Filer will record in its books and records the particulars of each transaction.
53. The Filer will promptly, and no later than two days after the Crypto Contract transaction, settle the related Crypto Asset transactions with a Liquidity Provider on a net basis. Where transactions of Crypto Contracts result in a net increase in a client’s rights in relation to Crypto Assets, the Filer will arrange for the cash to be transferred to the Liquidity Provider and related Crypto Assets to be sent by the Liquidity Provider to the Filer’s custodian. Where transactions of Crypto Contracts result in a net decrease in a client’s rights in relation to Crypto Assets, the Filer will arrange for the related Crypto Assets to be sent from the Filer’s custodian to the Liquidity Provider and will deposit the cash received by the Filer from the Liquidity Providers in the account referred to in paragraph 75 of these Representations.
54. The Platform is an “open loop” system. Clients are permitted to deposit Crypto Assets acquired outside the Platform into their accounts with the Filer. Crypto Assets deposited will be promptly delivered to the custodian to be held in trust for the benefit of the client. Clients also have the right to obtain delivery of Crypto Assets to which they have an interest in pursuant to their Crypto Contracts with the Filer by requesting that the Filer deliver the Crypto Assets.

Reports to Clients

55. Clients will have access to information relating to their Crypto Contract transactions. The Platform has a transaction history screen that provides detailed information about all transactions completed by a client. The Filer will, during each calendar month, send an electronic communication to each client that indicates that information relating to their account is available to the client through the Platform.
56. Clients will receive electronic transaction confirmations and monthly statements setting out the details of the transaction history in their account with the Filer.
57. Clients will, on a continuous basis, except during periods where the Platform is not available due to systems maintenance, have access to information relating to their accounts with the Filer, including:
 - (a) a list of all positions in Crypto Assets including the value of the Crypto Assets;
 - (b) transaction details and history;
 - (c) the amount of all currency deposits into the client’s account;
 - (d) value of all crypto asset deposits to the client’s account as at the time of deposit;
 - (e) the fees paid per transaction.

58. The information made available to clients through the Platform will provide clients with information regarding the transactions conducted through the Platform and their accounts with the Filer, including the following information:
- (a) the quantity and description of each Crypto Asset that is the underlying interest related to a Crypto Contract transacted;
 - (b) the amount, denominated in either CAD or USD, at the client's option, paid or received by the client under the transaction, including the price paid or received for each Crypto Asset that is the underlying interest of the Crypto Contract;
 - (c) the amount of each transaction charge, deferred sales charge or other charge in respect of the transaction and the total amount of all charges in respect of the transaction denominated in either CAD or USD, at the client's option;
 - (d) the date on which the transaction took place;
 - (e) the name and quantity of each Crypto Asset that is the underlying interest related to a Crypto Contract in the client's account;
 - (f) the market value of each Crypto Asset that is the underlying interest related to a Crypto Contract in the client's account;
 - (g) any cash balance in the client's account;
 - (h) the total market value of all cash and Crypto Assets that are the underlying interest related to a Crypto Contract in the account denominated in either CAD or USD, at the client's option.
59. The Filer will provide clients with real-time, continuous access to information relating to each transaction executed by the client on the Platform, including information related to the price for each transaction. The Filer will also provide clients with access to real-time, continuous information relating to assets held in the clients account, including Crypto Assets and fiat currency. This information will be available to the client through the Filer's Platform.

Fees Payable by Clients

60. The Filer will be compensated by the spread on transactions and by charging transaction fees. All transaction fees are disclosed to the clients at the time of a transaction and are available in the Platform's terms of use.

Custody of Crypto Assets and Cash

61. The Filer will not maintain hot or cold wallets to hold Crypto Assets relating to the Crypto Contracts traded by the Filer's clients.
62. The Filer will retain the services of a third party to hold the Crypto Assets purchased by the Filer to facilitate its obligations under each Crypto Contract (the **custodian**).
63. Initially, BitGo Trust Company, Inc. (**BitGo**), a third-party custodian, will act as custodian of the Crypto Assets relating to the Crypto Contracts traded by the Filer's clients. BitGo is a trust company organized under the laws of the State of South Dakota and regulated as a trust company by the Division of Banking in South Dakota, and has completed a SOC 2 Type 2 certification. The Filer has conducted due diligence on BitGo, including a review of the SOC 2 Type 2 examination report, and has not identified any material concerns. The Filer also understands that BitGo is recently obtained New York Trust Charter from the New York State Department of Financial Services (**NYSDFS**) and will be regulated as a trust company by NYSDFS.
64. BitGo meets the requirements of the definition of "foreign custodian" in NI 31-103.
65. BitGo currently maintains a comprehensive insurance policy for digital assets covering \$100,000,000 in losses due to third party hacks, copying, theft or loss of private keys, insider theft or dishonest acts by BitGo employees or executives.
66. BitGo will operate a custody account for the Filer, for the purpose of holding Crypto Assets to ensure that the Filer will meet its obligations under each Crypto Contract. The Filer will ensure that the amount of Crypto Assets held by the custodian will be equal to the obligations of the Filer to clients under Crypto Contracts, subject to delays in the settlement of Crypto Assets transactions with Liquidity Providers. The Filer is not permitted to pledge, re-hypothecate or otherwise use any Crypto Assets held by the custodian or the Filer, that relate to a client's transaction, in the course of its business.

67. BitGo will hold all Crypto Assets, in trust, for the clients of the Filer in an omnibus account. This account will be in the name of the Filer. This account will not be used to hold Crypto Assets of the Filer, the Filer's affiliates or the Crypto Assets of any of BitGo's other clients. Crypto Assets held in trust for clients will be separate and distinct from the Crypto Assets of the Filer, the Filer's affiliates or the Crypto Assets of any of BitGo's other clients.
68. BitGo allows the Filer to generate a unique address for each client account so it can track the client that has an interest in the specific Crypto Assets held by BitGo. When a client opens an account with the Filer, the Filer creates a new BitGo sub-account, which feeds into one main account which is in the name of the Filer.
69. BitGo has established, and will maintain and apply, policies and procedures that are reasonably designed to manage and mitigate the custodial risks, including, but not limited to, an effective system of controls and supervision to safeguard the Crypto Assets for which it acts as custodian and to mitigate security breaches and cyber incidents.
70. BitGo has established, and will maintain and apply, written disaster recovery and business continuity plans.
71. The Filer has assessed the risks and benefits of using BitGo as the custodian for Crypto Assets and, has determined that, in comparison to a Canadian custodian (as that term is defined in NI 31-103), it is more beneficial to its clients to have BitGo, a custodian that is a financial institution that is subject to prudential regulation, hold the Crypto Asset that are the underlying interests of Crypto Contracts, than using an unregulated Canadian custodian.
72. The Filer has assessed BitGo's insurance policy and has determined, based on information that is publicly accessible and on information provided by BitGo and considering the scope of BitGo's business, that the amount of insurance is appropriate.
73. The Filer has established, and will maintain and apply, policies and procedures that are reasonably designed to ensure that BitGo's records relating to the Crypto Assets that BitGo holds in trust for clients of the Filer are accurate and complete.
74. A client can maintain their Crypto Contracts with the Filer indefinitely.
75. All fiat currency owned by clients that is being held by the Filer will be held by a Canadian financial institution in a designated trust account, in the name of the Filer.

Marketplace and Clearing Agency

76. The Filer does not operate a "marketplace" as that term is defined in National Instrument 21-101 *Marketplace Operation* and in Ontario, subsection 1(1) of the *Securities Act* (Ontario).
77. The Filer will not operate a "clearing agency" as defined in securities legislation. Any clearing or settlement activity conducted by the Filer is incidental to the Filer engaging in the business of a Crypto Contract dealer. Any activities of the Filer that may be considered the activities of a clearing agency on behalf of any other person or company other than an affiliate of the Filer are related to the Filer arranging or providing for settlement of obligations resulting from Crypto Contracts entered into on a bilateral basis and without a central clearing counterparty.

Decision

- ¶ 4 Each of the Principal Regulator, the securities regulatory authority or regulator in Ontario and the Coordinated Review Decision Makers is satisfied that the Decision meets the test set out in the Legislation to make the Decision in respect of the Prospectus Relief, the Registrant Obligations Relief, and the Trade Reporting Relief.

The decision of the Dual Exemption Decision Makers and Coordinated Review Decision Makers under the Legislation is that the Requested Relief is granted, provided that:

1. Unless otherwise exempted by a further decision of the Principal Regulator and, if required under securities legislation, the regulator or securities regulatory authority of any other jurisdiction of Canada, the Filer complies with all of the terms, conditions, restrictions and requirements applicable to a registered dealer under securities legislation, including the Legislation, and any other terms, conditions, restrictions or requirements imposed by a securities regulatory authority or regulator on the Filer.
2. The Filer is registered as a restricted dealer or investment dealer in the Jurisdiction and in each Jurisdiction in which a client is a resident.

3. The Filer will work actively and diligently with the Principal Regulator to transition to a final regulatory framework.
4. The Filer, and any representatives of the Filer, will not provide recommendations or advice to any client or prospective client on the Platform.
5. The Filer will only engage in the business of trading Crypto Contracts in relation to Crypto Assets, and in performing its obligations under those contracts. The Filer will seek the appropriate approvals from the Principal Regulator and, if required under securities legislation, the regulator or securities regulatory authority of any other jurisdiction of Canada, prior to undertaking any other activity relating to securities or derivatives.
6. Before trading Crypto Contracts relating to any new Crypto Asset, the Filer will conduct a thorough due diligence relating to the features of and risks relating to the Crypto Asset in accordance with paragraph 16 of the Representations.
7. The Filer will not operate a “marketplace” as the term is defined in National Instrument 21-101 *Marketplace Operation* and in Ontario, in subsection 1(1) of the *Securities Act* (Ontario) or a “clearing agency” as the term is defined in securities legislation.
8. At all times, the Filer’s custodian will hold Crypto Assets in an amount equal to the amount of the Crypto Assets due to clients under Crypto Contracts.
9. The Filer will, before allowing a custodian to hold Crypto Assets relating to obligation under Crypto Contracts, take reasonable steps to verify that the custodian:
 - (a) maintains a comprehensive insurance policy to cover losses of Crypto Assets held by the custodian, including the assets owned by Platform clients;
 - (b) has established, and will maintain and apply, policies and procedures that are reasonably designed to manage and mitigate the custodial risks, including, but not limited to, an effective system of controls and supervision to safeguard the Client Crypto Assets for which it acts as custodian;
 - (c) has obtained a SOC 2 Type 2 report within the previous 12 months, unless the Filer has notified the Principal Regulator and the Principal Regulator has provided written notice that it does not object to the Filer relying on a SOC 1 Type 1 or Type 2 report within the previous 12 months;
 - (d) holds the Crypto Assets in trust for the benefit of the Filer’s clients;
 - (e) holds the Crypto Assets of the Filer’s clients separate and distinct from the Crypto Assets of the Filer.
10. The Filer will promptly notify the Principal Regulator if
 - (a) the U.S. Securities and Exchange Commission, the U.S. Commodity Futures Trading Commission, the Financial Industry Regulatory Authority, the National Futures Association, the Division of Banking in South Dakota or the NYSDFS makes a determination that the Filer’s custodian is not permitted by that regulatory authority to hold client Crypto Assets, or
 - (b) if there is any change in the status of the Filer’s custodian as a regulated financial institution.
11. The Filer will use at least two Liquidity Providers that are not affiliates of the Filer and that each Liquidity Provider is registered and/or licensed, to the extent required, in the jurisdiction or foreign jurisdiction, as applicable, where their head office or principal place of business is located, to execute transactions in the Crypto Assets.
12. The Filer has established, and will maintain and apply, policies and procedures reasonably designed to provide fair and reasonable prices to its clients, including policies and procedures to evaluate the price obtained from its Liquidity Providers on an ongoing basis against global benchmarks and transition to new Liquidity Providers, as appropriate.
13. Before each prospective client opens an account, the Filer will deliver to the client a Risk Statement. The Filer will require the client to provide electronic acknowledgement of having received, read and understood the Risk Statement.
14. For each client with an existing account at the date of the Decision, the Filer will deliver to the client a Risk Statement. The Filer will require the client to provide electronic acknowledgement of having received, read and understood the Risk Statement the next time they log into their account with the Filer.
15. The disclosures referred to in paragraphs 13 and 14 of these Conditions will be prominent and separate from other disclosures given to the client at that time, and the acknowledgement will be separate from other acknowledgements by the client at that time.

16. A copy of the Risk Statement acknowledged by a client will be made available to the client in the same place as the client's other statements on the Platform.
17. The Filer will promptly update the Risk Statement to reflect any material changes to the disclosure or include any material risks that may develop with respect to the Crypto Contracts or Crypto Assets and, in the event of any update to the Risk Statement, will promptly notify each existing client of the update and deliver to them a copy of the updated Risk Statement and will require the client to provide electronic acknowledgement of having received, read and understood the updated Risk Statement.
18. Prior to the Filer delivering a Risk Statement to a client, the Filer will deliver, or will have previously delivered, a copy of that Risk Statement to the Principal Regulator.
19. Before allowing a client to transact a Crypto Contract relating to "buying" a Crypto Asset, the Filer will provide instructions for the client to read the Crypto Asset Statement for the Crypto Asset that will include the information described in paragraph 30 of the Representations. The instructions will include a link to the Crypto Asset Statement on the Filer's website.
20. The Filer will promptly update each Crypto Asset Statement to reflect any material changes to the disclosure or include any material risks that may develop with respect to the Crypto Asset. In the event of an update to a Crypto Asset Statement, the Filer will promptly notify clients of the update, with links provided to the updated Crypto Asset Statement.
21. For each new client, prior to opening an account, and for each pre-existing client, before allowing the client to execute a transaction or to deposit Crypto Assets on the platform, the Filer will perform the assessments as described in paragraphs 26, 39 and 40 of the Representations. The Filer will regularly, and at least once in each 12 month period, review and update the assessment described in paragraphs 26, 39 and 40 of the Representations.
22. In accordance with the requirements in paragraph 31 of the Representations, the Filer will monitor trading activity in client accounts. Clients will be contacted to discuss their trading behaviour where, in the opinion of a reasonable person, their trading activity reflects lack of knowledge or understanding of Crypto Asset trading or is inconsistent with the client's account assessment referred to in paragraph 39 of these Representations. This initiative is meant to deter clients from inappropriate trading activity that can be potentially harmful to them and identify that additional education is required.
23. The Filer will ensure that the maximum amount of Crypto Contracts based on Crypto Assets, other than Crypto Contracts based on Bitcoin, Ether, Bitcoin Cash, or Litecoin, that an Client, except a Client resident in Alberta, British Columbia, Manitoba and Québec, may enter into Crypto Contracts to purchase and sell on the Platform (calculated on a net basis and is an amount not less than \$0) in the preceding 12 months does not exceed a net acquisition cost of \$30,000.
24. In the jurisdictions where the Prospectus Relief is required, the first trade of a Crypto Contract is deemed to be a distribution under securities legislation of that jurisdiction.
25. The Filer will provide the Principal Regulator with at least 10 days' prior written notice of any
 - (a) change to its custodian,
 - (b) change to the fiat currencies that a client can use to fund their accounts,
 - (c) change to its Liquidity Providers, and
 - (d) material changes to the Filer's ownership or its business operations, including its systems, or its business model.
26. The Filer will not implement any of the changes referenced in subparagraphs 25(a), (b) or (c) of these Conditions unless the Principal Regulator has delivered written notice that it does not object to the changes.
27. The Filer will not trade Crypto Contracts based on Crypto Assets that are securities or derivatives except in accordance with paragraph 23 of the Representations.
28. The Filer will not allow clients to transact Crypto Contracts that have Tether as their underlying instrument except if the transaction is required to allow a client to liquidate an existing Crypto Contract that has Tether as its underlying instrument.
29. The Filer will evaluate Crypto Assets as set out in paragraphs 16, 20 and 21 of the Representations.

30. the Filer will establish, apply and monitor policies and procedures that establish appropriate limits on the losses a client can incur, as set out in paragraph 40.
31. The Filer will notify the Principal Regulator, promptly, of any material breach or failure of its custodian's system of controls or supervision, and what steps have been taken by the Filer to address each such breach or failure. The loss of any amount of Crypto Asset will be considered a material breach or failure.
32. The Filer will notify the Principal Regulator, promptly, of any material breach or failure of the Filer's system of controls or supervision and of steps taken to address such breach or failure. The loss of any amount of Crypto Asset or of any fiat currency held on behalf of a client will be considered a material breach or failure.
33. The Filer will ensure that clients have access to information relating to their accounts and to past transaction activity that is updated continuously. The Filer will notify the Principal Regulator if the information is not available to a client for a material period of time.

Data Reporting

34. The Filer will provide the following information to the Principal Regulator, and to the securities regulatory authority or regulator in each of the other Jurisdictions with respect to clients in those jurisdictions individually, within 30 days of the end of each March, June, September and December:
 - (a) aggregate reporting of activity conducted pursuant to Crypto Contracts that will include the following:
 - (i) number of client accounts opened each month in the quarter;
 - (ii) number of client accounts closed each month in the quarter;
 - (iii) number of transactions each month in the quarter;
 - (iv) average value of the transactions each month in the quarter;
 - (v) number of client accounts that hold Crypto Contracts with net acquisitions exceeding \$30,000 of Crypto Assets at the end of each month in the quarter;
 - (vi) number of client accounts with no transactions during the quarter;
 - (vii) number of client accounts that have not been funded at the end of each month in the quarter;
 - (viii) number of client accounts that hold Crypto Contracts at end of each month in the quarter;
 - (b) the details of any client complaints received by the Filer during the calendar quarter and how such complaints were addressed;
 - (c) the details of any fraudulent activity or cybersecurity incidents on the Platform during the calendar quarter, any resulting harms and effects on clients, and the corrective measures taken by the Filer to remediate such activity or incident and prevent similar activities or incidents from occurring in the future;
 - (d) the details of the transaction volume per Liquidity Provider, per Crypto Asset during the quarter.
35. The Filer will deliver to the regulator or the securities regulatory authority in each of the Jurisdictions, in a form and format acceptable to the regulator or the securities regulatory authority, a report that includes the following anonymized account-level data for activity conducted pursuant to a Crypto Contract for each client within 30 days of the end of each March, June, September and December:
 - (i) unique account number and unique client identifier, as applicable;
 - (ii) jurisdiction where the client is located;
 - (iii) the date the account was opened;
 - (iv) cumulative realized gains/losses since account opening in CAD;
 - (v) the amount of fiat currency held with the Filer at the beginning and end of the reporting period;
 - (vi) unrealized gains/losses as of the report end date in CAD;
 - (vii) quantity of Crypto Contracts transacted, deposited and withdrawn during the quarter, in number of units of the underlying Crypto Asset;

- (viii) the type of Crypto Assets that underlie the Crypto Contracts transacted, deposited or withdrawn by the client during the quarter;
 - (ix) quantity of each Crypto Asset that a client has rights to under open Crypto Contracts, in units, as of the report end date;
 - (x) CAD equivalent aggregate value of Crypto Contracts transacted by the client, calculated by multiplying the amount in (vii) multiplied by the market price of the Crypto Asset, as of the report end date.
36. The Filer will deliver to the regulator or the securities regulatory authority in each of the Applicable Jurisdictions, in a form and format acceptable to the regulator or the securities regulatory authority, within 30 days of the end of each March, June, September and December, a report that describes, if applicable, the loss limits established by the Filer for each account.
37. If applicable, within 7 calendar days from the end of each month, the Filer will deliver to the regulator or securities regulatory authority in each of the Applicable Jurisdictions, a report of all accounts for which that may be established pursuant to paragraph 40 of the Representations were exceeded during that month.
38. Until such time as the Filer can reasonably deliver annual audited financial statements in accordance with subsection 12.10(2) of NI 31-103, the Filer will deliver to the Principal Regulator for each financial year, as soon as they are available,
- (a) annual unaudited financial statements of the Filer,
 - (b) annual audited financial statements of BIGG for each financial year, and
 - (c) a completed Form 31-103F1 *Calculation of Excess Working Capital* (**Form 31-103F1**).
39. In addition to any other reporting required by Legislation, the Filer will provide, on a timely basis, any report, data, document or information to the Principal Regulator, including any information about the Filer's custodian and the Crypto Assets held by the Filer's custodian, that may be requested by the Principal Regulator from time to time as reasonably necessary for the purpose of monitoring compliance with Legislation and the Conditions, in a format acceptable to the Principal Regulator.
40. Upon request, the Filer will provide the Principal Regulator, the securities regulatory authority or regulator in Ontario and the securities regulatory authorities or regulators of each of the Non-Principal Jurisdictions with aggregated and/or anonymized data concerning client demographics and activity on the Platform that may be useful to advance the development of the Canadian regulatory framework for trading crypto assets.
41. The Filer will, if it wishes to operate the platform in Ontario and Québec after the expiry of the Decision, take the following steps:
- (a) submit an application to the Principal Regulator, the OSC and the Autorité des marchés financiers (AMF) to become registered as an investment dealer no later than 12 months after the date of the Decision;
 - (b) submit an application to become an IIROC dealer member no later than 12 months after the date of the Decision;
 - (c) work actively and diligently with the Principal Regulator, the OSC, AMF and IIROC to transition the platform to investment dealer registration and obtain IIROC membership.
42. This Decision shall expire two years following the date of this Decision.
43. The Filer will promptly make any changes to its business practices or policies and procedures that may be required to address investor protection concerns that may be identified by the Filer or by the Principal Regulator arising from the operation of the Platform.
44. This Decision may be amended by the Principal Regulator upon prior written notice to the Filer.

"Gordon Johnson"
Vice Chair
British Columbia Securities Commission

OSC File #: 2020/0502

Appendix A – Local Trade Reporting Rules

In this Decision the “Local Trade Reporting Rules” collectively means each of the following:

- a. Part 3, Data Reporting, of Ontario Securities Commission Rule 91-507 *Trade Repositories and Derivatives Data Reporting* (**OSC Rule 91-507**);
- b. Part 3, Data Reporting, of Manitoba Securities Commission Rule 91-507 *Trade Repositories and Derivatives Data Reporting* (**MSC Rule 91-507**); and
- c. Part 3, Data Reporting, of Multilateral Instrument 96-101 *Trade Repositories and Derivatives Data Reporting* in Alberta, British Columbia, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island, Saskatchewan, and Yukon (**MI 96-101**).

2.2 Orders

2.2.1 People Corporation – s. 1(6) of the OBCA

Headnote

Applicant deemed to have ceased to be offering securities to the public under the Business Corporations Act (Ontario).

Applicable Legislative Provisions

Business Corporations Act, R.S.O. 1990, c. B.16 as am., s. 1(6).

DATED at Toronto on this 28th day of September, 2021.

“Cecilia Williams”
Commissioner
Ontario Securities Commission

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

OSC File #: 2021/0147

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

AND

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

**ORDER
(Subsection 1(6) of the OBCA)**

UPON the application of the Applicant to the Ontario Securities Commission (the **Commission**) for an order pursuant to subsection 1(6) of the OBCA to be deemed to have ceased to be offering its securities to the public;

AND UPON the Applicant having represented to the Commission that:

1. The Applicant is an “offering corporation” as defined in subsection 1(1) the OBCA;
2. The Applicant has no intention to seek public financing by way of an offering of securities; and
3. On August 27, 2021 the Applicant was granted an order (the **Reporting Issuer Order**) pursuant to subclause 1(10)(a)(ii) of the *Securities Act* (Ontario) that it is not a reporting issuer in Ontario and is not a reporting issuer or the equivalent in any other jurisdiction in Canada in accordance with the simplified procedure set out in National Policy 11-206 *Process for Cease to be a Reporting Issuer Applications*. The representations set out in the Reporting Issuer Order continue to be true.

AND UPON the Commission being satisfied that to grant this order would not be prejudicial to the public interest;

IT IS HEREBY ORDERED by the Commission pursuant to subsection 1(6) of the OBCA that the Applicant is deemed to have ceased to be offering its securities to the public for the purpose of the OBCA.

2.2.2 Stans Energy Corp.

Headnote

NP 11-207 Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions – Application by an issuer for a revocation of a cease trade order issued by the Commission – Cease trade order issued because the issuer had failed to file certain continuous disclosure materials required by Ontario securities law within the prescribed timeframe – Defaults subsequently remedied by bringing continuous disclosure filings up-to-date – Cease trade order revoked.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s. 144.
National Policy 11-207 Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions.

September 9, 2021

STANS ENERGY CORP.

REVOCATION ORDER
Under the securities legislation of Ontario
(the Legislation)

Background

1. Stans Energy Corp. (the **Issuer**) is subject to a failure-to-file cease trade order (the **FFCTO**) issued by the Ontario Securities Commission (the **Principal Regulator**) on May 6, 2020.
2. The Issuer has applied to the Principal Regulator under National Policy 11-207 *Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions* (**NP 11-207**) for an order revoking the FFCTO.

Interpretation

3. 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.

Representations

4. This decision is based on the following facts represented by the Issuer:
 - (a) The Issuer was incorporated under the laws of the province of Ontario on November 27, 2008.
 - (b) The Issuer's head office is located at 1 Yonge Street Unit #1011 Toronto, Ontario M5E 1E5.
 - (c) The Issuer is a reporting issuer in the provinces of Ontario, British Columbia and Alberta (the **Reporting Jurisdictions**) and Ontario is deemed the Principal Regulator.

- (d) The Issuer's authorized share capital consists of an unlimited number of common shares without par value. As of July 16, 2021: 187,308,586 common shares were issued and outstanding.
- (e) The Issuer's common shares are listed for trading on the TSX Venture Exchange (the **TSXV**) under the symbol "HRE", and are quoted on the OTC Markets under the symbol "HREEF". Other than as outlined in the preceding sentence, the common shares are not listed, quoted or traded on any other exchange, marketplace or other facility for bringing together buyers and sellers in Canada or elsewhere.
- (f) The Issuer's common shares were suspended from trading on the TSXV on May 7, 2020. The Issuer intends to apply for this suspension to be lifted as soon as the FFCTO is revoked.
- (g) The FFCTO was issued due to the failure of the Issuer to file the following, within the required timeframe (collectively, the **Outstanding Filings**):
 - (i) the annual audited financial statements for the year ended December 31, 2019, as required under National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**);
 - (ii) annual management's discussion and analysis for the year ended December 31, 2019, as required under NI 51-102; and
 - (iii) certifications of the annual filings for the year ended December 31, 2019 as required by National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (**NI 52-109**).
- (h) Since the issuance of the FFCTO, the Issuer has filed in the Reporting Jurisdictions the Outstanding Filings as required by NI 51-102 and NI 52-109.
- (i) On May 25, 2021, to correct deficiencies noted by Staff, the Issuer refiled its financial statements and related management's discussion and analysis for the periods ended June 30, 2020 and September 30, 2020, respectively.
- (j) On February 5, 2021, the Issuer filed the statements of executive compensation and the audit committee disclosure by venture issuers for the financial years ended December 31, 2017 to 2019. On August 31, 2021, the Issuer filed the statements of

- executive compensation and the audit committee disclosure by venture issuers for the year ended December 31, 2020. These documents were noted by Staff as being outstanding.
- (k) The Issuer is: (i) up-to-date with all of its continuous disclosure obligations; (ii) not in default of any requirements under applicable securities legislation or the rules and regulations made pursuant thereto in any of the Reporting Jurisdictions, except for the existence of the FFCTO; and (iii) not in default of any of its obligations under the FFCTO.
- (l) The Issuer's issuer profile on the System for Electronic Document Analysis and Retrieval (**SEDAR**) and issuer profile supplement on the System for Electronic Disclosure by Insiders (**SEDI**) are current and accurate.
- (m) The Issuer has paid all outstanding activity, participating and late filing fees that are required to be paid and has filed all forms associated with such payments.
- (n) Since the issuance of the FFCTO, there have not been any material changes in the business, operations or affairs of the Issuer that have not been disclosed by news release and/or material change report filed on SEDAR.
- (o) Other than the FFCTO, the Issuer has not been subject to a cease trade order issued by any securities regulatory authority.
- (p) The Issuer has provided the Principal Regulator with a written undertaking to hold an annual meeting of shareholders within 90 days of the revocation of the FFCTO and to prepare a management information circular in accordance with Form 51-102F5 *Information Circular*, which will be sent to shareholders and filed on SEDAR in accordance with NI 51-102.
- (q) Upon the issuance of this revocation order the Issuer will issue a news release announcing the revocation of the FFCTO, and concurrently file the news release and a material change report on SEDAR.
- (r) The Issuer is not considering, nor is it involved in any discussions relating to a reverse take-over, merger, amalgamation or other form of combination or transaction similar to any of the foregoing.
- (s) The Issuer has given the Principal Regulator a written undertaking that the Issuer will not complete:
- (i) a restructuring transaction involving, directly or indirectly, an existing or proposed, material underlying business which is not located in Canada,
- (ii) a reverse takeover with a reverse takeover acquirer that has a direct or indirect, existing or proposed, material underlying business which is not located in Canada, or
- (iii) significant acquisition involving, directly or indirectly, an existing or proposed, material underlying business which is not located in Canada.
- unless
- (a) The Issuer files a preliminary prospectus and a final prospectus with the Commission and obtains receipts for the preliminary and final prospectus from the Director under the Act,
- (b) The Issuer files or delivers with the preliminary prospectus and the final prospectus the documents required by Part 9 of National Instrument 41-101 *General Prospectus Requirements (NI 41-101)* including a completed personal information form and authorization in the form set out in Appendix A of NI 41-101 for each current and incoming director, executive officer and promoter of the Issuer, and
- (c) The preliminary prospectus and final prospectus containing the information required by applicable securities legislation, including the information required for a probable restructuring transaction, reverse takeover or significant acquisition (as applicable).

Order

5. The Principal Regulator is satisfied that the order to revoke the FFCTO meets the test set out in the Legislation for the Principal Regulator to make the decision.
6. The decision of the Principal Regulator under the Legislation is that the FFCTO is revoked.

"Lina Creta"
 Manager, Corporate Finance Branch
 Ontario Securities Commission

2.2.3 Ely Gold Royalties Inc.

Headnote

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

Applicable Legislative Provisions

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

September 24, 2021

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

AND

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

AND

**IN THE MATTER OF
ELY GOLD ROYALTIES INC.
(the Filer)**

ORDER

Background

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

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

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

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

Representations

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

1. the Filer was incorporated as 694227 Alberta Inc. under the *Business Corporations Act* (Alberta); on June 24, 1996, the Filer changed its name to Kinvara Ventures Inc. and on May 20, 2005, the Filer changed its name to Ivana Ventures Inc. and consolidated its share capital on a five (old) for one (new) basis; on November 2, 2005, the Filer continued under the *Business Corporations Act* (British Columbia) (the BCBCA); on July 4, 2008, the Filer changed its name to Ely Gold & Minerals Inc. and on November 22, 2017, it changed its name to Ely Gold Royalties Inc.;

2. the Filer's head office is located in Vancouver, British Columbia;
3. the Filer is a reporting issuer in the provinces of British Columbia, Alberta and Ontario;
4. the Filer's authorized share capital consists of an unlimited number of common Shares (Common Shares), of which 183,665,693 are issued and outstanding;
5. on August 23, 2021, all of the Common Shares were acquired by Gold Royalty Corp. (GRC) by way of a plan of arrangement under the BCBCA;
6. no securities of the Filer are outstanding other than the Common Shares owned by GRC;
7. on August 23, 2021, the Common Shares were delisted from the TSX Venture Exchange;
8. the Filer is not an OTC reporting issuer under Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*;
9. 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;
10. 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;
11. 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;
12. the Filer is not in default of securities legislation in any jurisdiction, other than the obligation to file on or before August 30, 2021 its interim financial statements and related management's discussion and analysis for the interim period ended June 30, 2021 as required under National Instrument 51-102 *Continuous Disclosure Obligations* and the related certification of such interim filings as required under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (collectively, the Filings);
13. the requirements to file the Filings did not arise until after the Filer became a wholly-owned subsidiary of GRC; and
14. the Filer is not eligible to use the simplified procedure under National Policy 11-206 *Process for Cease to be a Reporting Issuer Applications as the Filer* is in default for failure to file the Filings.

Order

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

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

"Noreen Bent"
Chief, Corporate Finance Legal Services
British Columbia Securities Commission

2.2.4 Cidron Aida Limited

Headnote

National Policy 11-206 Process for Cease to be a Reporting Issuer Applications – Application for an order that the issuer is not a reporting issuer under applicable securities laws – relief granted.

Applicable Legislative Provisions

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

August 20, 2021

**IN THE MATTER OF
THE SECURITIES 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
CIDRON AIDA LIMITED
(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 the jurisdictions of Canada in which it is a reporting issuer (the “**Order Sought**”).

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

- (a) the Ontario Securities Commission 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, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador.

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 jurisdictions of Canada in which it is a reporting issuer; and

5. the Filer is not in default of securities legislation in any jurisdiction.

Order

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 is that the Order Sought is granted.

“Lina Creta”
Manager, Corporate Finance
Ontario Securities Commission

OSC File #: 2021-0322

2.2.5 CMX Gold & Silver Corp.

Headnote

National Policy 11-207 Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions – Application by an issuer for a revocation of a cease trade order – cease trade order issued because the issuer had failed to file certain continuous disclosure materials required under securities law – defaults subsequently remedied by bringing continuous disclosure filings up-to-date – cease trade order revoked.

Applicable Legislative Provisions

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

ALBERTA SECURITIES COMMISSION

REVOCATION ORDER Under the securities legislation of Alberta and Ontario (the Legislation)

CMX GOLD & SILVER CORP.

Citation: *Re CMX Gold & Silver Corp.*, ABSC #5976886

September 29, 2021

Background

1. CMX Gold & Silver Corp. (the **Issuer**) is subject to a failure-to-file cease trade order (the **FFCTO**) issued by the regulator or securities regulatory authority in each of Alberta (the **Principal Regulator**) and Ontario (each a **Decision Maker**), respectively, on 22 June 2020.
2. The Issuer has applied to each of the Decision Makers under National Policy 11-207 *Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions* (**NP 11207**) 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.

Representations

5. This decision is based on the following facts represented by the Issuer:
 - (a) It is a reporting issuer in Alberta, British Columbia, Ontario and Saskatchewan.
 - (b) It has filed with the Principal Regulator all continuous disclosure that it is required to file under the Legislation, except any continuous disclosure that the Principal Regulator elected not to require as contemplated in sections 6 and 7 of National Policy 12-202 *Revocation of Certain Cease Trade Orders*, and has paid all activity, participation and late filing fees that it is required to pay to the Principal Regulator.
 - (c) It has an up-to-date SEDAR profile and SEDI issuer profile supplement.

Order

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

“Tom Graham”, CPA
Director, Corporate Finance
Alberta Securities Commission

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
Silk Road Energy Inc.	February 1, 2019	October 1, 2021
Cadillac Ventures Inc.	October 4, 2021	
CMX Gold & Silver Corp.	June 22, 2020	October 4, 2021

4.2.1 Temporary, Permanent & Rescinding Management Cease Trading Orders

Company Name	Date of Order	Date of Lapse
DGTL Holdings Inc.	September 30, 2021	

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	
DGTL Holdings Inc.	September 30, 2021	

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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:

Mackenzie All China Equity Fund
Mackenzie Anti-Benchmark Global High Yield Fund
Mackenzie Balanced ETF Portfolio
Mackenzie Canadian Bond Fund
Mackenzie Canadian Dividend Fund
Mackenzie Canadian Equity Fund
Mackenzie Canadian Growth Balanced Fund
Mackenzie Canadian Growth Fund
Mackenzie Canadian Money Market Fund
Mackenzie Canadian Short Term Income Fund
Mackenzie Canadian Small Cap Fund
Mackenzie Canadian Sustainable Bond Fund
Mackenzie ChinaAMC Multi-Asset Fund
Mackenzie Conservative ETF Portfolio
Mackenzie Conservative Income ETF Portfolio
Mackenzie Corporate Bond Fund
Mackenzie Cundill Canadian Balanced Fund
Mackenzie Cundill Canadian Security Fund
Mackenzie Cundill Value Fund
Mackenzie Diversified Alternatives Fund
Mackenzie Emerging Markets Fund
Mackenzie Floating Rate Income Fund
Mackenzie Global Dividend Fund
Mackenzie Global Environmental Equity Fund
Mackenzie Global Equity Fund
Mackenzie Global Green Bond Fund
Mackenzie Global Growth Balanced Fund
Mackenzie Global Resource Fund
Mackenzie Global Small-Mid Cap Fund
Mackenzie Global Strategic Income Fund
Mackenzie Global Sustainability and Impact Balanced Fund
Mackenzie Global Sustainable Bond Fund
Mackenzie Global Tactical Bond Fund
Mackenzie Global Tactical Investment Grade Bond Fund
Mackenzie Global Women's Leadership Fund
Mackenzie Greenchip Global Balanced Fund
Mackenzie Greenchip Global Environmental Equity Fund
Mackenzie Growth ETF Portfolio
Mackenzie Income Fund
Mackenzie International Dividend Fund
Mackenzie Investment Grade Floating Rate Fund
Mackenzie Ivy Canadian Balanced Fund
Mackenzie Ivy Canadian Fund
Mackenzie Ivy Foreign Equity Fund
Mackenzie Ivy Global Balanced Fund
Mackenzie Ivy International Fund
Mackenzie Maximum Diversification All World Developed ex North America Index Fund
Mackenzie Maximum Diversification All World Developed Index Fund
Mackenzie Maximum Diversification Developed Europe Index Fund
Mackenzie Maximum Diversification Emerging Markets Index Fund

Mackenzie Maximum Diversification Global Multi-Asset Fund
Mackenzie Maximum Diversification US Index Fund
Mackenzie Moderate Growth ETF Portfolio
Mackenzie Monthly Income Balanced Portfolio
Mackenzie Monthly Income Conservative Portfolio
Mackenzie Monthly Income Growth Portfolio
Mackenzie North American Corporate Bond Fund
Mackenzie Private Canadian Focused Equity Pool
Mackenzie Private Global Conservative Income Balanced Pool
Mackenzie Private Global Equity Pool
Mackenzie Private Global Fixed Income Pool
Mackenzie Private Global Income Balanced Pool
Mackenzie Private Income Balanced Pool
Mackenzie Private US Equity Pool
Mackenzie Strategic Bond Fund
Mackenzie Strategic Income Fund
Mackenzie Unconstrained Fixed Income Fund
Mackenzie US All Cap Growth Fund
Mackenzie US Dividend Fund
Mackenzie US Mid Cap Opportunities Currency Neutral Fund
Mackenzie US Mid Cap Opportunities Fund
Mackenzie USD Global Strategic Income Fund
Mackenzie USD Ultra Short Duration Income Fund
Mackenzie USD Unconstrained Fixed Income Fund
Symmetry Balanced Portfolio
Symmetry Conservative Income Portfolio
Symmetry Conservative Portfolio
Symmetry Fixed Income Portfolio
Symmetry Growth Portfolio
Symmetry Moderate Growth Portfolio
Principal Regulator – Ontario

Type and Date:

Combined Preliminary and Pro Forma Simplified Prospectus dated Sep 29, 2021
NP 11-202 Final Receipt dated Oct 4, 2021

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3262124

Issuer Name:

Purpose Bitcoin ETF
Purpose Ether ETF
Principal Regulator – Ontario

Type and Date:

Preliminary Simplified Prospectus dated Oct 1, 2021
NP 11-202 Final Receipt dated Oct 4, 2021

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3238469

Issuer Name:

Invesco ESG NASDAQ 100 Index ETF
Invesco ESG NASDAQ Next Gen 100 Index ETF
Principal Regulator – Ontario

Type and Date:

Preliminary Long Form Prospectus dated Sep 30, 2021
NP 11-202 Preliminary Receipt dated Sep 30, 2021

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3284394

Issuer Name:

Sun Life KBI Sustainable Infrastructure Private Pool
Sun Life MFS U.S. Mid Cap Growth Fund
Principal Regulator – Ontario

Type and Date:

Preliminary Simplified Prospectus dated Sep 29, 2021
NP 11-202 Preliminary Receipt dated Sep 29, 2021

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3283745

Issuer Name:

Bitcoin Split Trust
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated September 30, 2021

NP 11-202 Preliminary Receipt dated September 30, 2021

Offering Price and Description:

Maximum Offerings: US\$* - * Preferred Securities and *
Capital Unit
Price: \$10.00 per Preferred Securities and \$15.00 per
Capital Unit

Underwriter(s) or Distributor(s):

Canaccord Genuity Corp.
BMO Nesbitt Burns Inc.
Echelon Wealth Partners Inc.
iA Private Wealth Inc.
Leede Jones Gable Inc.
PI Financial Corp.
Research Capital Corporation
Richardson Wealth Limited

Promoter(s):

3iQ Corp.

Project #3284460

Issuer Name:

Dividend 15 Split Corp. II
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated September 27, 2021 to Final Shelf
Prospectus (NI 44-102) dated May 6, 2021
NP 11-202 Receipt dated September 28, 2021

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3207532

Issuer Name:

North American Financial 15 Split Corp.
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated September 27, 2021 to Final Shelf
Prospectus (NI 44-102) dated July 3, 2020
NP 11-202 Receipt dated September 28, 2021

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3073792

NON-INVESTMENT FUNDS

Issuer Name:

Artis Real Estate Investment Trust
Principal Regulator - Manitoba

Type and Date:

Preliminary Shelf Prospectus dated September 29, 2021
NP 11-202 Preliminary Receipt dated October 1, 2021

Offering Price and Description:

\$1,000,000,000.00

Units

Preferred Units

Debt Securities

Warrants

Subscription Receipts

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3284177

Issuer Name:

Aurania Resources Ltd.
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated October 4, 2021
NP 11-202 Preliminary Receipt dated October 4, 2021

Offering Price and Description:

\$10,000,000.00

* Units

PRICE: \$* PER UNIT

Underwriter(s) or Distributor(s):

CANTOR FITZGERALD CANADA CORPORATION

Promoter(s):

Keith Barron

Project #3285199

Issuer Name:

Aureum Exploration Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated September 28, 2021
NP 11-202 Preliminary Receipt dated September 30, 2021

Offering Price and Description:

\$360,000.00 - 3,600,000 Common Shares

Price: \$0.10 per Common Share

Underwriter(s) or Distributor(s):

HAYWOOD SECURITIES INC.

Promoter(s):

Steve Roebuck

Richard Paolone

Project #3283265

Issuer Name:

Blackline Safety Corp.
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated October 1, 2021
NP 11-202 Preliminary Receipt dated October 1, 2021

Offering Price and Description:

\$40,004,000.00

5,480,000 Common Shares

Price: \$7.30 per Common Share

Underwriter(s) or Distributor(s):

PI FINANCIAL CORP.

RAYMOND JAMES LTD.

CANACCORD GENUITY CORP.

NATIONAL BANK FINANCIAL INC.

TD SECURITIES INC.

BEACON SECURITIES LIMITED

ECHELON WEALTH PARTNERS INC.

PETERS & CO. LIMITED

LIGHTYEAR CAPITAL INC.

Promoter(s):

-

Project #3282639

Issuer Name:

Bow Lake Capital Corp.
Principal Regulator - Alberta

Type and Date:

Preliminary CPC Prospectus dated September 28, 2021
NP 11-202 Preliminary Receipt dated October 4, 2021

Offering Price and Description:

\$500,000.00 (5,000,000 COMMON SHARES)

Price: \$0.10 per Common Share

Underwriter(s) or Distributor(s):

CANACCORD GENUITY CORP.

Promoter(s):

-

Project #3284895

Issuer Name:

Cenovus Energy Inc.
Principal Regulator - Alberta

Type and Date:

Preliminary Shelf Prospectus dated September 27, 2021
NP 11-202 Preliminary Receipt dated September 28, 2021

Offering Price and Description:

US\$5,000,000,000.00

Debt Securities
Common Shares
Preferred Shares
Subscription Receipts
Warrants
Share Purchase Contracts
Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3282590

Issuer Name:

FABLED COPPER CORP.
Principal Regulator - British Columbia

Type and Date:

Preliminary Long Form Prospectus dated September 27, 2021
NP 11-202 Preliminary Receipt dated September 28, 2021

Offering Price and Description:

30,274,833 FT Shares and 30,274,833 Warrants on
Conversion of 30,274,833 FT Subscription Receipts
101,670,200 Common Shares and 101,670,200 Warrants
on Conversion of 101,670,200 Conventional Subscription
Receipts

Underwriter(s) or Distributor(s):

RESEARCH CAPITAL CORPORATION

Promoter(s):

-

Project #3282776

Issuer Name:

Fairfax Financial Holdings Limited
Principal Regulator - Ontario

Type and Date:

Preliminary Shelf Prospectus dated October 1, 2021
NP 11-202 Preliminary Receipt dated October 1, 2021

Offering Price and Description:

Cdn\$8,000,000,000.00
Subordinate Voting Shares
Preferred Shares

Debt Securities
Subscription Receipts
Warrants
Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3284764

Issuer Name:

Headwater Exploration Inc. (formerly Corridor Resources
Inc.)

Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated October 1, 2021
NP 11-202 Preliminary Receipt dated October 1, 2021

Offering Price and Description:

\$204,750,000.00
45,000,000 Common Shares
Price: \$4.55 per Common Share

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3282691

Issuer Name:

High Tide Resources Corp.

Type and Date:

Preliminary Long Form Prospectus dated September 28,
2021
(Preliminary) Received on October 1, 2021

Offering Price and Description:

7,332,063 Units issuable without payment upon the
conversion of 7,332,063 Subscription Receipts and the
distribution of 9,360,852 ROC Shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

Steve Roebuck
Project #3284736

Issuer Name:

Horizonte Minerals PLC
Principal Regulator - Ontario

Type and Date:

Amendment dated September 28, 2021 to Preliminary
Shelf Prospectus dated July 2, 2021
NP 11-202 Preliminary Receipt dated September 29, 2021

Offering Price and Description:

\$*
Ordinary Shares
Warrants
Subscription Receipts
Debt Securities
Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3246507

Issuer Name:

iVirtual Technologies Group Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated September 29, 2021

NP 11-202 Preliminary Receipt dated October 1, 2021

Offering Price and Description:

0.00

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3283897

Issuer Name:

Kings Entertainment Group Inc. (formerly, 1242455 B.C. Ltd.)

Principal Regulator - British Columbia

Type and Date:

Amendment dated September 29, 2021 to Preliminary Long Form Prospectus dated July 29, 2021

NP 11-202 Preliminary Receipt dated October 1, 2021

Offering Price and Description:

13,289,000 Common Shares issuable upon deemed exercise of 13,289,000 outstanding Subscription Receipts

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3256195

Issuer Name:

Planet Based Foods Global Inc.

Principal Regulator - British Columbia

Type and Date:

Preliminary Long Form Prospectus dated September 28, 2021

NP 11-202 Preliminary Receipt dated September 28, 2021

Offering Price and Description:

27,043,765 Units Issuable on Conversion of Outstanding Subscription Receipts

Underwriter(s) or Distributor(s):

-

Promoter(s):

Braelyn Davis

Project #3283012

Issuer Name:

Planet X Capital Corp.

Principal Regulator - British Columbia

Type and Date:

Preliminary CPC Prospectus dated September 29, 2021

NP 11-202 Preliminary Receipt dated October 1, 2021

Offering Price and Description:

\$200,000.00

2,000,000 Common Shares

Price: \$0.10 per Common Share

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3284587

Issuer Name:

Planet X II Capital Corp.

Principal Regulator - British Columbia

Type and Date:

Preliminary CPC Prospectus dated September 29, 2021

NP 11-202 Preliminary Receipt dated October 1, 2021

Offering Price and Description:

\$200,000.00

2,000,000 Common Shares

Price: \$0.10 per Common Share

Underwriter(s) or Distributor(s):

RESEARCH CAPITAL CORPORATION

Promoter(s):

Bassam Moubarak

Project #3284590

Issuer Name:

Propel Holdings Inc.

Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated September 29, 2021

NP 11-202 Preliminary Receipt dated September 29, 2021

Offering Price and Description:

C\$60,000,000.00

* Common Shares

Underwriter(s) or Distributor(s):

Canaccord Genuity Corp.

Scotia Capital Inc.

Raymond James Ltd.

TD Securities Inc.

INFOR Financial Inc.

Roth Canada ULC

Stifel Nicolaus Canada Inc.

Promoter(s):

-

Project #3283621

Issuer Name:

Quarterhill Inc. (formerly, Wi-LAN Inc.)
Principal Regulator - Ontario

Type and Date:

Preliminary Shelf Prospectus dated October 4, 2021
NP 11-202 Preliminary Receipt dated October 4, 2021

Offering Price and Description:

\$200,000,000.00

Common Shares

Preferred Shares

Debt Securities

Warrants

Subscription Receipts

Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3285167

Issuer Name:

Skyscape Capital Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated September 27, 2021
NP 11-202 Preliminary Receipt dated September 28, 2021

Offering Price and Description:

Up to \$ * Up to *Units

Price: \$* per Unit

Underwriter(s) or Distributor(s):

CANACCORD GENUITY CORP.

Promoter(s):

Rahim Bhaloo

Project #3282778

Issuer Name:

Softchoice Corporation
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated October 1, 2021
NP 11-202 Preliminary Receipt dated October 1, 2021

Offering Price and Description:

C\$150,007,500.00

5,085,000 Common Shares

Price: C\$29.50 per Common Share

Underwriter(s) or Distributor(s):

TD SECURITIES INC.

GOLDMAN SACHS CANADA INC.

CIBC WORLD MARKETS INC.

RBC DOMINION SECURITIES

NATIONAL BANK FINANCIAL

SCOTIA CAPITAL INC.

BMO NESBITT BURNS INC.

ATB CAPITAL MARKETS INC.

CORMARK SECURITIES INC.

LAURENTIAN BANK SECURITIES INC.

CANACCORD GENUITY CORP.

RAYMOND JAMES LTD.

Promoter(s):

-

Project #3282795

Issuer Name:

StrategX Elements Corp.
Principal Regulator - British Columbia

Type and Date:

Preliminary Long Form Prospectus dated September 29, 2021
NP 11-202 Preliminary Receipt dated September 29, 2021

Offering Price and Description:

1,852,500 COMMON SHARES ISSUABLE UPON THE
EXERCISE OF 1,852,500 PREVIOUSLY ISSUED
SPECIAL WARRANTS

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3283815

Issuer Name:

The Planting Hope Company Inc.
Principal Regulator - British Columbia

Type and Date:

Preliminary Long Form Prospectus dated October 1, 2021
NP 11-202 Preliminary Receipt dated October 4, 2021

Offering Price and Description:

\$0.40 per Subordinate Voting Share Minimum:

\$7,000,000.00 / 17,500,000 Subordinate Voting Shares

Maximum: \$9,000,000 / 22,500,000 Subordinate Voting
Shares

Underwriter(s) or Distributor(s):

Canaccord Genuity Corp.

Promoter(s):

-

Project #3284900

Issuer Name:

Thinkific Labs Inc.
Principal Regulator - British Columbia

Type and Date:

Preliminary Shelf Prospectus dated October 1, 2021
NP 11-202 Preliminary Receipt dated October 1, 2021

Offering Price and Description:

\$300,000,000.00

Subordinate Voting Shares

Preferred Shares

Debt Securities

Warrants

Subscription Receipts

Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3284786

Issuer Name:

TransAlta Renewables Inc.
Principal Regulator - Alberta

Type and Date:

Preliminary Shelf Prospectus dated September 28, 2021
NP 11-202 Preliminary Receipt dated September 29, 2021

Offering Price and Description:

1,000,000,000.00

Common Shares

Preferred Shares

Warrants

Subscription Receipts

Debt Securities

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3283201

Issuer Name:

TUGA Innovations, Inc.
Principal Regulator - British Columbia

Type and Date:

Preliminary Long Form Prospectus dated October 1, 2021
NP 11-202 Preliminary Receipt dated October 4, 2021

Offering Price and Description:

11,118,750 Common Shares and 5,559,375 Warrants

issuable upon deemed conversion of 11,118,750

outstanding Subscription Receipts

Underwriter(s) or Distributor(s):

-

Promoter(s):

John Hagie

Project #3284994

Issuer Name:

UniDoc Health Corp.
Principal Regulator - British Columbia

Type and Date:

Amendment dated September 27, 2021 to Preliminary
Long Form Prospectus dated June 30, 2021

NP 11-202 Preliminary Receipt dated September 28, 2021

Offering Price and Description:

2,752,100 Common Shares and 1,376,050 Warrants upon

exercise or deemed exercise of 2,752,100 Special

Warrants

Underwriter(s) or Distributor(s):

RESEARCH CAPITAL CORP.

Promoter(s):

Antonio Baldassarre

Project #3246089

Issuer Name:

United Lithium Corp. (formerly United Battery Metals Corp.)
Principal Regulator - British Columbia

Type and Date:

Amendment dated September 29, 2021 to Preliminary
Shelf Prospectus dated July 2, 2021

NP 11-202 Preliminary Receipt dated October 1, 2021

Offering Price and Description:

\$150,000,000.00

Common Shares

Debt Securities

Subscription Receipts

Warrants

Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3246576

Issuer Name:

Ventripoint Diagnostics Ltd. (formerly Luca Capital Inc.)
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated October 1, 2021

NP 11-202 Preliminary Receipt dated October 1, 2021

Offering Price and Description:

\$7,004,400.00

13,470,000 Units

Price: \$0.52 per Unit

Underwriter(s) or Distributor(s):

LEEDE JONES GABLE INC.

STIFEL NICOLAUS CANADA INC.

Promoter(s):

-

Project #3282779

Issuer Name:

Willeson Metals Corp.
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated September 28,
2021

NP 11-202 Preliminary Receipt dated September 29, 2021

Offering Price and Description:

\$3,000,000.00

* FT UNITS AT A PRICE \$* PER FT UNIT

\$3,000,000.00

* HD UNITS AT A PRICE \$* PER HD UNIT

Underwriter(s) or Distributor(s):

DESJARDINS SECURITIES INC.

CANACCORD GENUITY CORP.

IA PRIVATE WEALTH INC.

LEEDE JONES GABLE INC.

Promoter(s):

Exiro Minerals Corp.

Project #3283278

Issuer Name:

Alpha Cognition Inc. (formerly Crystal Bridge Enterprises Inc.)

Principal Regulator - British Columbia

Type and Date:

Amendment dated September 28, 2021 to Final Shelf

Prospectus dated August 25, 2021

NP 11-202 Receipt dated September 28, 2021

Offering Price and Description:

\$75,000,000.00

Common Shares

Warrants

Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

Kenneth Cawkell

Project #3253409

Issuer Name:

Altus Group Limited

Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated September 27, 2021

NP 11-202 Receipt dated September 28, 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:

BuzBuz Capital Corp.

Principal Regulator - Ontario

Type and Date:

Final Long Form Prospectus dated September 29, 2021

NP 11-202 Receipt dated September 30, 2021

Offering Price and Description:

0.00

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3225512

Issuer Name:

Frontenac Mortgage Investment Corporation

Principal Regulator - Ontario

Type and Date:

Amendment #4 dated September 28, 2021 to Final Long Form Prospectus dated June 7, 2021

NP 11-202 Receipt dated September 30, 2021

Offering Price and Description:

Unlimited Number of Common Shares

Price: \$30.00 per Common Share

Underwriter(s) or Distributor(s):

-

Promoter(s):

W.A. ROBINSON ASSET MANAGEMENT LTD.

Project #3209666

Issuer Name:

Good2Go4 Corp.

Principal Regulator - Ontario

Type and Date:

Final CPC Prospectus dated September 28, 2021

NP 11-202 Receipt dated September 29, 2021

Offering Price and Description:

\$215,000.00

2,150,000 Common Shares

Price: \$0.10 per Common Share

Underwriter(s) or Distributor(s):

Haywood Securities Inc.

Promoter(s):

James Cassina

Project #3272809

Issuer Name:

Granite Real Estate Investment Trust

Granite REIT Inc.

Principal Regulator - Ontario

Type and Date:

Final Shelf Prospectus dated October 1, 2021

NP 11-202 Receipt dated October 4, 2021

Offering Price and Description:

\$1,500,000,000.00

Stapled Units

Stapled Convertible Debentures

Stapled Subscription Receipts

Stapled Warrants

Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3280918

Issuer Name:

Granite REIT Holdings Limited Partnership
Principal Regulator - Ontario

Type and Date:

Final Shelf Prospectus dated October 1, 2021
NP 11-202 Receipt dated October 4, 2021

Offering Price and Description:

\$1,750,000,000.00

Debt Securities

Unconditionally Guaranteed by Granite Real Estate
Investment Trust and Granite REIT Inc.

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3280934

Issuer Name:

Granite REIT Inc.
Granite Real Estate Investment Trust
Principal Regulator - Ontario

Type and Date:

Final Shelf Prospectus dated October 1, 2021
NP 11-202 Receipt dated October 4, 2021

Offering Price and Description:

\$1,500,000,000.00

Stapled Units

Stapled Convertible Debentures

Stapled Subscription Receipts

Stapled Warrants

Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3280930

Issuer Name:

Manulife Financial Corporation
Principal Regulator - Ontario

Type and Date:

Final Shelf Prospectus dated September 29, 2021
NP 11-202 Receipt dated September 29, 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:

New Media Capital 2.0 Inc.
Principal Regulator - Alberta

Type and Date:

Final CPC Prospectus dated September 28, 2021
NP 11-202 Receipt dated October 1, 2021

Offering Price and Description:

\$500,000.00 (5,000,000 Common Shares)

Price: \$0.10 per Common Share

Underwriter(s) or Distributor(s):

Haywood Securities Inc.

Promoter(s):

-

Project #3276423

Issuer Name:

The Very Good Food Company Inc.
Principal Regulator - British Columbia

Type and Date:

Amendment dated September 30, 2021 to Final Shelf
Prospectus dated September 3, 2021
NP 11-202 Receipt dated October 1, 2021

Offering Price and Description:

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

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3261589

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Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
New Registration	White Falcon Capital Management Ltd.	Portfolio Manager	September 28, 2021
New Registration	Netcoins Inc.	Restricted Dealer	September 29, 2021
New Registration	Arxnovum Investments Inc.	Investment Fund Manager, Portfolio Manager, Commodity Trading Manager and Exempt Market Dealer	October 4, 2021

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Chapter 25

Other Information

25.1 Exemptions

25.1.1 Purpose Bitcoin Fund and the Purpose Ether Fund – ss. 2.1(2), 6.1 of NI 81-101 Mutual Fund Prospectus Disclosure

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Exemption from subsection 2.1(2) of NI 81-101 to file a prospectus more than 90 days after the date of the receipt for the preliminary prospectus.

Applicable Legislative Provisions

National Instrument 81-101 Mutual Fund Prospectus Disclosure, ss. 2.1(2), 6.1.

October 4, 2021

Osler, Hoskin & Harcourt LLP

Attention: Jonathan Lee

Re: Purpose Bitcoin Fund and the Purpose Ether Fund (collectively, the Funds)

Preliminary Simplified Prospectus, Annual Information Form, and Fund Facts dated June 15, 2021

Exemptive Relief Application under Part 6 of National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (NI 81-101)

Application No. 2021/0516; SEDAR Project No. 3238469

By letter dated September 16, 2021 (the **Application**), Purpose Investments Inc., the investment fund manager of the Funds, applied to the Director of the Ontario Securities Commission (the **Director**) under section 6.1 of NI 81-101 for relief from the operation of subsection 2.1(2) of NI 81-101, which prohibits an issuer from filing a prospectus more than 90 days after the date of the receipt for the preliminary prospectus.

This letter confirms that, based on the information and representations made in the Application, and for the purposes described in the Application, the Director intends to grant the requested exemption to be evidenced by the issuance of a receipt for the Funds' prospectus, subject to the condition that the prospectus be filed no later than **October 31, 2021**.

Yours very truly,

"Darren McCall"

Manager, Investment Funds and Structured Products Branch
Ontario Securities Commission

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