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Table of Contents

Chapter 1

Notices

1.1 Notices

1.1.1 Notice of Memorandum of Understanding with the Croatian Financial Services Supervisory Agency Concerning Consultation, Cooperation and the Exchange of Information Related to the Supervision of Cross-Border Alternative Investment Fund Managers

NOTICE OF
MEMORANDUM OF UNDERSTANDING
WITH
THE CROATIAN FINANCIAL SERVICES SUPERVISORY AGENCY ("HANFA")
CONCERNING CONSULTATION, COOPERATION AND THE EXCHANGE OF INFORMATION
RELATED TO THE SUPERVISION OF CROSS-BORDER ALTERNATIVE INVESTMENT FUND MANAGERS

November 25, 2021

The Ontario Securities Commission, together with the Autorité des marchés financiers, Alberta Securities Commission and British Columbia Securities Commission (the "Canadian Authorities"), recently entered into a supervisory Memorandum of Understanding (the "Supervisory MOU") concerning consultation, cooperation and the exchange of information related to the supervision of managers of alternative investment funds with the Croatian Financial Services Supervisory Agency ("Hanfa").

The Canadian Authorities entered into similar supervisory MOUs with other European Union and European Economic Area member state financial securities regulators in 2013. The entering into of such supervisory MOUs was a pre-condition under the EU Alternative Investment Fund Managers Directive ("AIFMD") for allowing non-EU Alternative Investment Fund Managers ("AIFMs") to manage and market Alternative Investment Funds ("AIFs") in the EU and to perform fund management activities on behalf of EU Managers. Under the AIFMD, AIFMs are legal persons whose regular business is the risk and/or portfolio management of AIFs and AIFs are collective investment undertakings other than those that comply with the EU Undertakings for Collective Investment in Transferable Securities Directive.

The purpose of the Supervisory MOU is to facilitate consultation, cooperation and the exchange of information related to the supervision of AIFMs that operate on a cross-border basis in the jurisdictions of both Hanfa and the relevant Canadian Authority.

The Supervisory MOU is subject to the approval of the Minister of Finance and was delivered to the Minister of Finance on November 19, 2021.

Questions may be referred to:

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MoU concerning consultation, cooperation and the exchange of information related to the supervision of Managers of alternative investment funds between the Ontario Securities Commission, the Autorité des marchés financiers (Québec), the Alberta Securities Commission, the British Columbia Securities Commission and the Croatian Financial Services Supervisory Agency.

In view of the growing globalization of the world's financial markets and the increase in cross-border operations and activities of Managers of alternative investment funds, the Ontario Securities Commission, the Autorité des marchés financiers (Québec), the Alberta Securities Commission and the British Columbia Securities Commission on one side, and Croatian Financial Services Supervisory Agency (Croatia) on the other side have reached this Memorandum of Understanding (MoU) regarding mutual assistance in the supervision and oversight of Managers of Covered Funds, and their delegates and depositaries that operate on a cross-border basis in the jurisdictions of the signatories of this MoU. The authorities express, through this MoU, their willingness to cooperate with each other in the interest of fulfilling their respective regulatory mandates, particularly in the areas of investor protection, fostering market and financial integrity, and maintaining confidence and systemic stability. The authorities also express through this MoU, their desire to provide one another with the fullest mutual assistance possible to facilitate the performance of the functions with which they are entrusted within their respective jurisdictions to secure compliance with their laws and regulations.

This MoU is a bilateral arrangement between each Canadian Authority and each EU Authority and should not be considered a bilateral arrangement between each Canadian Authority.

Article 1. Definitions

For the purpose of this MoU:

a) "Authority" means:

i. An EU Authority (including the EEA authorities listed above) or any successor, or any other EU authority which may become a party to this MoU in the manner set out in Article 9; or

ii. The Autorité des marchés financiers (Québec) (***AMF***), the Ontario Securities Commission (***OSC***), the Alberta Securities Commission (***ASC***), the British Columbia Securities Commission (***BCSC***), or any other Canadian securities regulatory authority which may become a party to this MoU in the manner set out in Article 9 (individually a ***Canadian Authority***, or collectively the ***Canadian Authorities***).

b) "Requested Authority" means:

i. Where the Requesting Authority is an EU Authority, the Canadian Authority to which a request is made under this MoU; or

ii. Where the Requesting Authority is a Canadian Authority, the EU Authority to which a request is made under this MoU.

c) "Requesting Authority" means the Authority making a request under this MoU.

d) "EU competent authority": means any authority appointed in an EU or an European Economic Area (EEA) Member State in accordance with Article 44 of the AIFMD for the supervision of Managers, delegates, depositaries and, where applicable, Covered Funds.[1]

e) "AIFMD" means the Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010.

f) "Manager" means a legal person whose regular business is managing one or more Covered Funds in accordance with the AIFMD or a person or company that acts as an adviser or as an investment fund manager, as those terms are defined by the Securities Act of the relevant Canadian Authority, to one or more Covered Funds. For clarity, an "EU Manager" means a Manager that is established in an EU member state and a "Canadian Manager" means a Manager that is registered in one or more jurisdictions of a Canadian Authority.

g) "Covered Fund" means a collective investment undertaking, including investment compartments thereof, which: (i) raises capital from a number of investors, with a view to investing it in accordance with a defined investment policy for the benefit of those investors; and (ii) is not a UCITS. For clarity, an "EU Covered Fund" means a Covered Fund that is domiciled in an EU member state and a "Canadian Covered Fund" means a Covered Fund that is domiciled in one or more jurisdictions of a Canadian Authority.

[1] Some EU Member States have more than one competent authority designated to carry out the duties provided under the AIFMD.

h) "UCITS" means an undertaking for collective investment in transferable securities authorised in accordance with Article 5 of Directive 2009/65/EC.

i) "Delegate" means an entity to which a Manager delegates the tasks of carrying out the portfolio management or risk management of one or more Covered Funds under its management.

j) "Depositary" means an entity appointed to perform the depositary functions of a Covered Fund.

k) "Operate(s) on a cross-border basis" includes the following situations:

i. EU Managers managing Canadian Covered Funds,

ii. EU Managers marketing Canadian Covered Funds in an EU Member State,

iii. EU Managers marketing Canadian and/or non-Canadian Covered Funds in Canada,

iv. Canadian Managers marketing EU Covered Funds and/or non-EU Covered Funds, including Canadian Covered Funds, in an EU Member State,

v. EU Managers marketing Canadian Covered Funds in the EU with a passport,

vi. Canadian Managers managing EU Covered Funds,

vii. Canadian Managers marketing EU Covered Funds in the EU with a passport,

viii. Canadian Managers marketing non-EU Covered Funds in the EU with a passport,

ix. Non-EU Managers marketing Canadian Covered Funds in the EU with a passport,

x. Non-Canadian managers marketing EU Covered Funds in Canada

l) Insofar as there is a link to the activity of the Managers and the Covered Funds, the MoU also covers delegates and depositaries as defined in letters i) and j) of this Article. "Covered Entity" means a Manager that operates on a cross border basis, a Covered Fund, where applicable, and, insofar as there is a link to the Manager and the Covered Fund, delegates and depositaries as defined in letters i) and j) of this Article, including the persons employed by such entities, provided that these entities are subject to the regulatory authority of an EU Authority or a Canadian Authority, as applicable.

m) "Cross-border on-site visit" means any regulatory visit by one Authority to the premises of a Covered Entity located in the other Authority's jurisdiction, for the purposes of on-going supervision.

n) "Governmental Entity" means:

i. Those Ministries of Finance, Central Banks and other national prudential authorities listed in Appendix A, if the Requesting Authority is an EU Authority;

ii. The Bank of Canada or the Office of the Superintendent of Financial Institutions of Canada, if the Requesting Authority is the ASC, BCSC or OSC;

iii. The Alberta Ministry of Treasury Board and Finance, if the Requesting Authority is the ASC;

iv. The British Columbia Ministry of Finance, if the Requesting Authority is the BCSC;

v. The Ontario Ministry of Finance, if the Requesting Authority is the OSC;

vi. The Québec ministère des Finances, if the Requesting Authority is the AMF; and

vii. Such other entity, as agreed to by the signatories, as may be responsible for any other Canadian Authority which may become a party to this MoU in the manner set out in Article 9.

o) "Local Authority" means the Authority in whose jurisdiction a Covered Entity is physically located.

p) "Emergency Situation" means:

i. In the EU, the occurrence of an event that could materially impair the financial or operational condition of a Covered Entity, investors or the markets, independently from a decision of the European Council within the meaning of Article 18 of the ESMA Regulation (Regulation 1095/2010/EU); and

ii. In Canada, the occurrence of an event that could materially impair the financial or operational condition of a Covered Entity, investors or the markets

q) "ESMA" means the European Securities and Markets Authority established by Regulation (EU) No 1095/2010 of the European Parliament and of the Council, of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority).

r) "ESRB" means the European Systemic Risk Board established by Regulation (EU) No 1092/2010 of the European Parliament and of the Council of 24 November 2010 on European Union macro-prudential oversight of the financial system and establishing a European Systemic Risk Board.

Article 2. General provisions

1) This MoU is a statement of intent to consult, cooperate and exchange information in connection with the supervision and oversight of Covered Entities that operate on a cross-border basis in the jurisdictions of the signatories, in a manner consistent with, and permitted by, the laws, regulations and requirements that govern the Authorities. This MoU provides for consultation, cooperation and exchange of information related to the supervision and oversight of Covered Entities between each EU Authority and each Canadian Authority individually. The Authorities anticipate that cooperation will be primarily achieved through on-going, informal, oral consultations, supplemented by more in-depth, ad hoc cooperation. The provisions of this MoU are intended to support such informal and oral communication as well as to facilitate the written exchange of non-public information where necessary.

2) This MoU does not create any legally binding obligations, confer any rights, or supersede domestic laws and regulations. This MoU does not confer upon any person the right or ability directly or indirectly to obtain, suppress, or exclude any information or to challenge the execution of a request for assistance under this MoU.

3) This MoU does not intend to limit an Authority to taking solely those measures described herein in fulfilment of its supervisory or oversight functions. In particular, this MoU does not affect any right of any Authority to communicate with, or obtain information or documents from, any person or Covered Entity subject to its jurisdiction that is established in the territory of the other Authority.

4) This MoU complements, but does not alter the terms and conditions of the IOSCO Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information (the "IOSCO MMoU"), to which the Authorities are signatories, which also covers information-sharing in the context of enforcement investigations; and any of the existing arrangements concerning cooperation in securities matters between the signatories.

5) The Authorities will, within the framework of this MoU, provide one another with the fullest cooperation permissible under the law in relation to the supervision and oversight of Covered Entities. Following consultation, cooperation may be denied:

   a) Where the cooperation would require an Authority to act in a manner that would violate domestic law;

   b) Where a request for assistance is not made in accordance with the terms of the MoU; or

   c) On the grounds of the public interest.

6) No domestic banking secrecy, blocking laws or regulations should prevent an Authority from providing assistance to other Authority.

7) The Authorities will periodically review the functioning and effectiveness of the cooperation arrangements between the Authorities with a view, *inter alia*, to expanding or altering the scope or operation of this MoU should that be judged necessary.

8) To facilitate cooperation under this MoU, the Authorities hereby designate contact persons as set forth in Appendix B.

Article 3. Scope of cooperation

1) The Authorities recognize the importance of close communication concerning Covered Entities, and intend to consult at the staff level where appropriate regarding: (i) general supervisory issues, including with respect to regulatory, oversight or other program developments; (ii) issues relevant to the operations, activities, and regulation of Covered Entities; and (iii) any other areas of mutual supervisory interest.

2) Cooperation will be most useful in, but is not limited to, the following circumstances where issues of regulatory concern may arise:

a) The initial application with an Authority for authorization, designation, recognition, qualification, registration or exemption therefrom by a Covered Entity that is authorized, designated, recognized, qualified or registered by an Authority in another jurisdiction;

b) The on-going oversight of a Covered Entity; or

c) Regulatory approvals or supervisory actions taken in relation to a Covered Entity by one Authority that may impact the operations of the entity in the other jurisdiction.

3) *Notification*. Each Authority will, where such information is known and accessible to the Authority, inform the other Authority as soon as practicable of

a) Any known material event that could have a significant adverse impact on a Covered Entity; and

b) Enforcement or regulatory actions or sanctions, including the revocation, suspension or modification of relevant licenses or registration, concerning or related to a Covered Entity which may have, in its reasonable opinion, material effect on the Covered Entity.

4) *Exchange of Information.* To supplement informal consultations, each Authority intends to provide the other Authority, upon written request, with assistance in obtaining information accessible to the Requested Authority and not otherwise available to the Requesting Authority, and, where needed, interpreting such information so as to assist the Requesting Authority to assess compliance with its laws and regulations. The information covered by this paragraph includes, without limitation, information such as:

a) Information that would assist the Requesting Authority to verify that the Covered Entities covered by this MoU comply with the relevant obligations and requirements of the laws and regulations of the Requesting Authority;

b) Information relevant for monitoring and responding to the potential implications of the activities of an individual Manager, or Managers collectively, for the stability of systemically relevant financial institutions and the orderly functioning of markets in which Managers are active;

c) Information relevant to the financial and operational condition of a Covered Entity, including, for example, reports of capital reserves, liquidity or other prudential measures, and internal controls procedures;

d) Relevant regulatory information and filings that a Covered Entity is required to submit to an Authority including, for example: interim and annual financial statements and early warning notices; and

e) Regulatory reports prepared by an Authority, including for example: examination reports, findings, or information drawn from such reports regarding Covered Entities.

Article 4. Cross-border on-site visits

1) Authorities should discuss and reach understanding on the terms regarding cross-border on-site visits, taking into full account each other's sovereignty, legal framework and statutory obligations, in particular, in determining the respective roles and responsibilities of the Authorities. The Authorities will act in accordance with the following procedure before conducting a cross-border on-site visit.

a) The Authorities will consult with a view to reaching an understanding on the intended timeframe for and scope of any cross-border on-site visit. The Local Authority shall decide whether the visiting officials shall be accompanied by its officials during the visit.

b) When establishing the scope of any proposed visit, the Authority seeking to conduct the visit will give due and full consideration to the supervisory activities of the other Authority and any information that was made available or is capable of being made available by that Authority.

c) The Authorities intend to assist each other in obtaining, reviewing, and interpreting the contents of public and non-public documents and obtaining information from directors and senior management of Covered Entities.

Article 5. Execution of requests for assistance

1) To the extent possible, a request for written information pursuant to Article 3(4) should be made in writing, and addressed to the relevant contact person identified in Appendix B. A request generally should specify the following:

   a) The information sought by the Requesting Authority, including specific questions to be asked and an indication of any sensitivity about the request;

   b) A concise description of the facts underlying the request and the supervisory purpose for which the information is sought, including the applicable regulations and relevant provisions behind the supervisory activity; and

   c) The desired time period for reply and, where appropriate, the urgency thereof.

2) In Emergency Situations, the Authorities will endeavour to notify each other of the Emergency Situation and communicate information to the other as would be appropriate in the particular circumstances, taking into account all relevant factors, including the status of efforts to address the Emergency Situation. During Emergency Situations, requests for information may be made in any form, including orally, provided such communication is confirmed in writing as promptly as possible following such notification.

Article 6 is intentionally omitted

Article 7. Permissible uses of information

1) The Requesting Authority may use non-public information obtained under this MoU solely for the purpose of supervising Covered Entities and seeking to ensure compliance with the laws or regulations of the Requesting Authority, including assessing and identifying systemic risk in the financial markets or the risk of disorderly markets.

2) This MoU is intended to complement, but does not alter the terms and conditions of the existing arrangements between Authorities concerning cooperation in securities matters, including the IOSCO MMoU. The Authorities recognize that while information is not to be gathered under this MoU for enforcement purposes, subsequently the Authorities may want to use the information for law enforcement purposes. In such cases, further use of the information should be governed by the terms and conditions of the IOSCO MMoU.

Article 8. Confidentiality and onward sharing of information

1) Except for disclosures in accordance with this MoU, including permissible uses of information under Article 7, each Authority will keep confidential to the extent permitted by law information shared under this MoU, requests made under this MoU, the contents of such requests, and any other matters arising under this MoU. The terms of this MoU are not confidential.

2) To the extent legally permissible, the Requesting Authority will notify the Requested Authority of any legally enforceable demand from a third party for non-public information that has been furnished under this MoU. Prior to compliance with the demand, the Requesting Authority intends to assert all appropriate legal exemptions or privileges with respect to such information as may be available.

3) In certain circumstances, and as required by law, it may become necessary for the Requesting Authority to share information obtained under this MoU with other Governmental Entities in its jurisdiction. In these circumstances and to the extent permitted by law:

   a) The Requesting Authority will notify the Requested Authority.

   b) Prior to passing on the information, the Requested Authority will receive adequate assurances concerning the Governmental Entity's use and confidential treatment of the information, including, as necessary, assurances that the information will not be shared with other parties without getting the prior consent of the Requested Authority.

4) Except as provided in paragraphs 2 and 6, the Requesting Authority must obtain the prior consent of the Requested Authority before disclosing non-public information received under this MoU to any other party. If consent is not obtained from the Requested Authority, the Authorities will discuss the reasons for withholding approval of such use and the circumstances, if any, under which the intended use by the Requesting Authority might be allowed.

5) The Authorities intend that the sharing or disclosure of non-public information, including but not limited to deliberative and consultative materials, pursuant to the terms of this MoU, will not constitute a waiver of privilege or confidentiality of such information.

6) Onward sharing of information between signatories of this MoU, ESMA and the ESRB shall be permitted in the following circumstances:

a) In accordance with Article 25(2) of the AIFMD, an EU Authority may need to share information received from a non-EU authority with other EU Authorities where a Manager under its responsibility or a Covered Fund managed by that Manager could potentially constitute an important source of counterparty risk to a credit institution or other systemically relevant institutions in other EU Member States.

b) In accordance with Article 50(4) of the AIFMD, the EU Authority of the Member State of reference of a non-EU Manager shall forward the information received from non-EU authorities in relation to that non-EU Manager to the EU Authority of the host Member States, as defined in Article 4(1)(r) of the AIFMD.

c) In accordance with Article 53 of the AIFMD, an EU Authority shall communicate information to other EU Authorities, the ESMA and the ESRB where this is relevant for monitoring and responding to the potential implications of the activities of individual Manager or Managers collectively for the stability of systemically relevant financial institutions and the orderly functioning of markets on which the Managers are active.

7) For purposes of Article 8(6), the EU Authority, ESMA or the ESRB, as applicable will provide written notification to the relevant Canadian Authority at the time of sharing non-public information with another EU Authority. ESMA or the ESRB, as applicable. The written notification will specify the EU Authority, or ESMA or the ESRB, as applicable, with which the non-public information is shared, and the reason for sharing such information.

8) Restrictions in this MoU with respect to the use and confidential treatment of non-public information continue to apply to any non-public information shared, pursuant to this Article, by an EU Authority with another EU Authority, ESMA or the ESRB.

9) The Authorities acknowledge that no transfer of personal data under this MoU will take place in the usual course of business or practice, unless the jurisdiction of the relevant Canadian Authority is recognised by the European Commission as ensuring an adequate level of protection of personal data, or unless the relevant Authorities who need to transfer personal data under this MoU are signatories to the administrative arrangement for the transfer of personal data between each of the EEA Authorities and each of the non-EEA Authorities ("AA").[2]

Article 9. Amendments

1) The Authorities will periodically review the functioning and effectiveness of the cooperation arrangements between the EU Authorities and the Canadian Authorities with a view, *inter alia*, to expanding the scope or operation of this MoU should that be judged necessary.

2) The EU Authority shall notify the Canadian Authorities of any change or modification to its laws, regulations and requirements with respect to the protection of non-public information, and shall explain the consequences of the change or modification on the protection of non-public information in the context of the MoU. If the Canadian Authority is of the view that the change or modification results in lesser protection for non-public information than provided for under the laws, regulations and requirements of the Canadian Authority, the MoU shall be terminated between the authorities concerned and the provisions in Article 8(4) shall apply.

3) Any Canadian authority may become a party to the MoU by executing a counterpart hereof together with the EU Authorities and providing notice of such execution to the other Canadian Authorities that are signatories to this MoU.

4) Any EU authority or EU competent authority may become a party to the MoU by executing a counterpart hereof together with the Canadian Authorities and providing notice of such execution to the other EU Authorities that are signatories to this MoU.

[2] Hanfa signed the AA on 10 April 2019, AMF on 30 April 2019, OSC on 10 May 2019 and ASC on 15 October 2019. More information regarding the AA is available on the IOSCO website page: https://www.iosco.org/about/?subsection=administrative_arrangement.

Article 10. Termination of the MoU; Successor authorities

1) If a signatory wishes to terminate the MoU, it shall give written notice to the counterparty. ESMA would coordinate the action of EU authorities in this regard. Cooperation in accordance with this MoU will continue until the expiration of 30 days after an Authority gives written notice to the others. If either Authority gives such notice, cooperation will continue with respect to all requests for assistance that were made under the MoU before the effective date of notification until the Requesting Authority terminates the matter for which assistance was requested. In the event of termination of this MoU, information obtained under this MoU will continue to be treated in a manner prescribed under Article 7 to 9.

2) Where the relevant functions of a signatory to this MoU are transferred or assigned to another authority or authorities, the terms of this MoU shall apply to the successor authority or authorities performing those relevant functions without the need for any further amendment to this MoU or for the successor to become a signatory to the MoU. This shall not affect the right of the successor authority and its counterparty to terminate the MoU as provided hereunder if it wishes to do so.

Article 11. Entry into force

This MoU enters into force at the date of signature, and in the case of the OSC, on the date determined in accordance with the applicable legislation.

Signatures

Ante Žigman
President of the Board

Croatian Financial Services Supervisory Agency

Date of signature: November 17, 2021

D. Grant Vingoe
Chair and Chief Executive Officer

Ontario Securities Commission

Date of signature: November 17, 2021

Louis Morisset
President and Chief Executive Officer

Autorité des marchés financiers (Québec)

Date of signature: November 17, 2021

Stan Magidson
Chair and Chief Executive Officer

Alberta Securities Commission

Date of signature: November 17, 2021

Brenda Leong
Chair and Chief Executive Officer

British Columbia Securities Commission

Date of signature: November 18, 2021

Appendix A

None

Appendix B. Contact persons

Croatian Financial Services Supervisory Agency	Anamarija Staničić Head of Division Regulatory Harmonisation and International Cooperation Division Croatian Financial Services Supervisory Agency Franje Račkoga 6, 10 000 Zagreb E-mail: anamarija.stanicic@hanfa.hr
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Autorité des marchés financiers (Québec)	Me Philippe Lebel Corporate Secretary and Executive Director, Legal Affairs Place de la Cité, tour Cominar 2640, boulevard Laurier, bureau 400 Québec (Québec) G1V 5C1 Canada Email: secretariat@lautorite.qc.ca + 1 418.525.0337
Alberta Securities Commission	Samir Sabharwal General Counsel Alberta Securities Commission Suite 600, 250-5th Street SW Calgary, AB T2P 0R4 Email: Samir.Sabharwal@asc.ca
British Columbia Securities Commission	Secretary to the Commission P.O. Box 10142, Pacific Centre 701 West Georgia Vancouver, BC V7Y 1L2 Canada Email: commsec@bcsc.bc.ca + 1 604 899 6533

1.1.2 OSC Staff Notice 51-732 – Corporate Finance Branch 2021 Annual Report

OSC Staff Notice 51-732 – *Corporate Finance Branch 2021 Annual Report* is reproduced on the following separately numbered pages. Bulletin pagination resumes at the end of the Report.

ONTARIO SECURITIES COMMISSION

OSC Staff Notice 51-732

Corporate Finance Branch

2021 Annual Report

November 25, 2021

Ontario

DIRECTOR'S MESSAGE AND EXECUTIVE SUMMARY

I am pleased to share our annual Report which provides an overview of the Branch's operational and policy work for Fiscal 2021 and shares timely guidance for Issuers and advisors about our expectations and our interpretation of regulatory requirements in certain areas.

Capital raising in Ontario continued to grow at a remarkable pace in Fiscal 2021, leading to a record number of prospectus filings; over 574 prospectuses filed in Ontario were completed, representing a near 50% increase over the comparable Fiscal 2020, and more than our Branch has seen in over a decade. The high level of prospectus filings has continued into the current fiscal year. Despite these large volumes, Staff effectively processed files in a timely manner, focusing on material disclosure or public interest concerns. Further, we issued best practice guidance in January to assist Issuers in capital raising efforts.

The continued high demand for liquidity underscores the impact of low interest rates and new records in equity market performance in the midst of the continuing COVID-19 pandemic. Our goal continues to be to provide balanced, tailored, flexible and responsive regulation to carry out the OSC's broad mandate. With this at the forefront, the Branch also supported Reporting Issuers through several measures including a multi-pronged approach of financial statement filing extensions, late filing fee waivers and hosting an OSC virtual webinar on disclosure expectations with access to OSC staff for real time questions. To assist Reporting Issuers in meeting their continuous disclosure obligations, we also conducted a comprehensive review of their COVID-19 disclosure and published guidance on our disclosure expectations. We continue to monitor the impacts and challenges of the pandemic on the capital markets and will respond accordingly.

In addition to the significant increase in our operational work, we continue to prioritize and make progress on several new and existing policy projects, as highlighted in this Report. This includes a number of key policy milestones subsequent to Fiscal 2021, such as, the publication of the proposed changes to the CD requirements to streamline and clarify annual and interim filings, publication of proposed climate-related disclosure requirements, as well as key considerations around broader diversity. Further, throughout Fiscal 2021, the Branch, with its CSA partners, continued work on several policy initiatives designed to reduce regulatory burden which are outlined in our Report and will continue to be part of the Branch's main policy focus in the fiscal year ended March 31, 2022.

Engagement with our stakeholders remains a critical component of our work. As in previous years, we welcome any questions or feedback that you may have.

Lastly, I want to thank Staff for their continued dedicated support, flexibility and professionalism in carrying out our regulatory role during a time of increased operational activity and uncertainty in the capital markets.

Kind regards,

Sonny Randhawa
Director, Corporate Finance
Ontario Securities Commission

Table of Contents

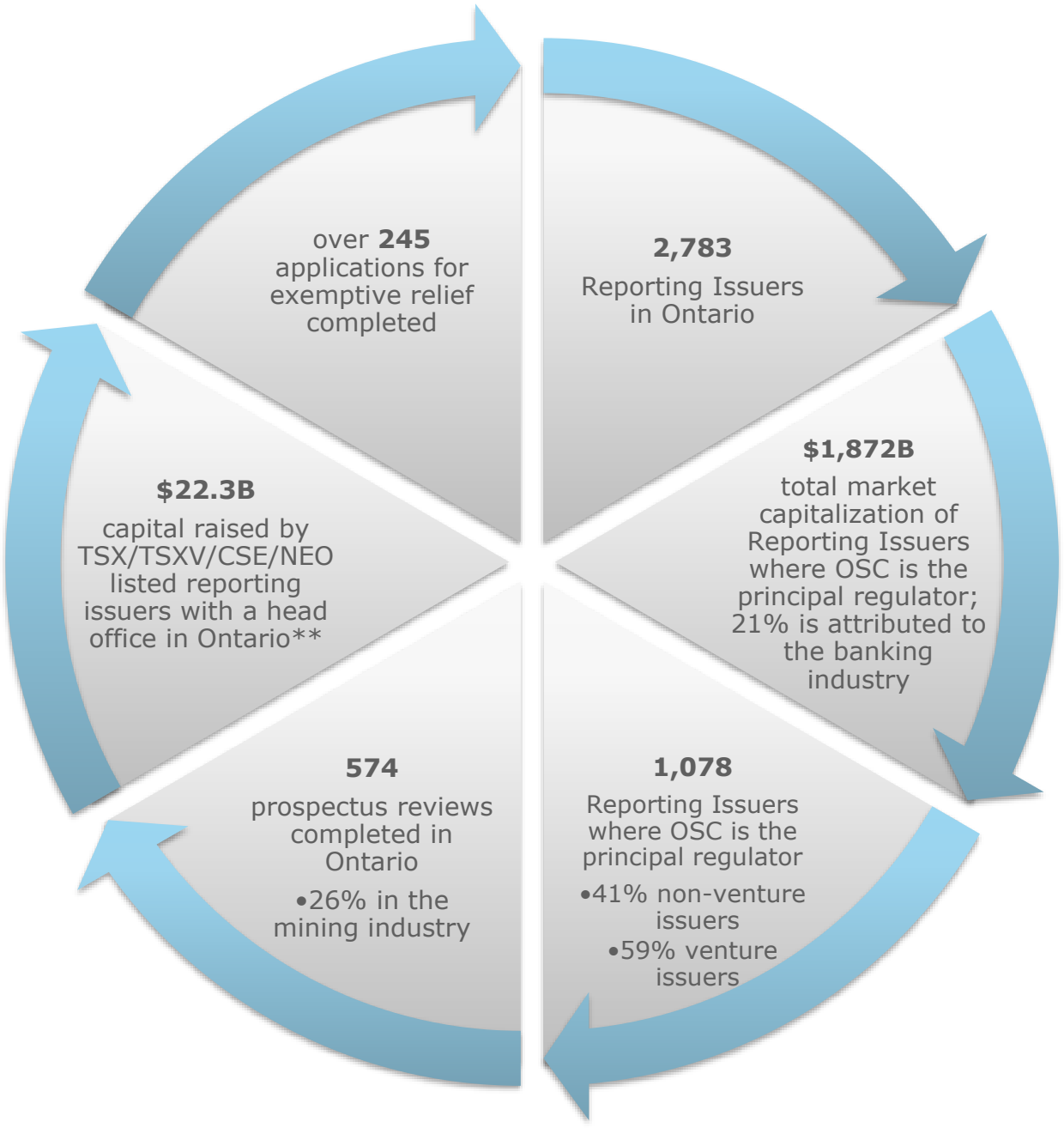
GLOSSARY

The following terms are used widely throughout the Report and have the meanings set forth below unless otherwise indicated. Words importing the singular number include the plural, and vice versa.

Act: means the Securities Act, R.S.O. 1990, chapter s.5.
AIF: means an annual information form as such term is defined in Form 51-102F2.
BAR: means a business acquisition report as such term is defined in NI 51-102.
Branch: means the Corporate Finance branch at the OSC.
CD: means the continuous disclosure obligations of a reporting issuer as set out in NI 51-102.
CDR program: means the harmonized program established in 2004 by the CSA for continuous disclosure reviews.
COVID-19: means the global pandemic of coronavirus disease 2019.
CPC: means a capital pool company as such term is defined in TSXV Policy 2.4 Capital Pool Companies.
CSA: means the Canadian Securities Administrators.
CSE: means the Canadian Securities Exchange.
Fiscal 2021: means the fiscal year ended March 31, 2021.
Fiscal 2020: means the fiscal year ended March 30, 2020.
Form 41-101F1: means Form 41-101F1 *Information Required in a Prospectus* as set out in the Act.
Form 45-106F1 means Form 45-106F1 *Report of Exempt Distribution* as set out in the Act.
Form 51-102F1: means Form 51-102F1 *Management's Discussion & Analysis* as set out in the Act.
Form 51-102F2: means Form 51-102F2 *Annual Information Form* as set out in the Act.
Form 51-102F5: means Form 51-102F5 *Information Circular* as set out in the Act.
FLI: means forward-looking information, as such term is defined in NI 51-102.
IFRS: means the standards and interpretations adopted by the International Accounting Standards Board, as amended from time to time.
IOR: means an issue-oriented review conducted by the Branch.
IOSCO: means the International Organization of Securities Commissions.
IPO: means an initial public offering as such term is defined in the Act.
Issuer: means an issuer as such term is defined in the Act.
MD&A: means a management's discussion and analysis as such term is defined in Form 51-102F1.
Modernization Taskforce: means the Capital Markets Modernization Taskforce appointed by the Ontario government in 2020.
Modernization Taskforce Report: means the final report issued by the Modernization Taskforce in January 2021.

NI 31-103: means National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* as set out in the Act.
NI 41-101: means National Instrument 41-101 *General Prospectus Requirements* as set out in the Act.
NI 43-101: means National Instrument 43-101 *Standards of Disclosure for Mineral Projects* as set out in the Act.
NI 43-101CP: means Companion Policy 43-101CP to NI 43-101.
NI 44-101: means National Instrument 44-101 *Alternative Forms of Prospectus* as set out in the Act.
NI 44-103: means National Instrument 44-103 *Post-Receipt Pricing* as set out in the Act.
NI 45-106: means National Instrument 45-106 *Prospectus Exemptions* as set out in the Act.
NI 51-102: means National Instrument 51-102 *Continuous Disclosure Obligations* as set out in the Act.
NI 51-102CP: means Companion Policy 51-102CP to NI 51-102.
NI 52-112: means National Instrument 52-112 *Non-GAAP and Other Financial Measures Disclosure* as set out in the Act.
NI 58-101: means National Instrument 58-101 *Disclosure of Corporate Governance Practices* as set out in the Act.
NP 11-202: means National Policy 11-202 *Process for Prospectus Reviews in Multiple Jurisdictions* as set out in the Act.
NGFM: Non-GAAP Financial Measures as such term is defined in NI 52-112.
OSC: means the Ontario Securities Commission.
OSC Rule 45-501: means OSC Rule 45-501 *Ontario Prospectus and Registration Exemptions* as set out in the Act.
PEA: Preliminary Economic Assessment as such term is defined in NI 43-101 *Standards of Disclosure for Mineral Projects.*
PIF: means a personal information form as such term is defined in NI 41-101.
QT: means a qualifying transaction as such term is defined in TSXV policy 2.4 Capital Pool Companies.
Report: means this 2021 annual report, published by the Branch.
Reporting Issuer: means a reporting issuer as such term is defined in the Act.
SEDAR: means the system for electronic document analysis as such term is defined in National Instrument 13-101 *System for Electronic Document Analysis and Retrieval* of the Act.
SEDI: means the system for electronic disclosure by insiders.
SN 51-352: means CSA Staff Notice 51-352 *Issuers with U.S. Marijuana-Related Activities.*
SN 52-306: means CSA Staff Notice 52-306 (Revised) *Non-GAAP Financial Measures*.
Staff: means staff at the Branch.
TSX: means the Toronto Stock Exchange.
TSXV: means the TSX Venture Exchange.

FISCAL 2021 SNAPSHOT*



* Note: all figures are as at / for the fiscal year ended March 31, 2021 and are approximate or rounded.

** Includes IPOs, public offerings and private placements of equity and convertible debentures.

INTRODUCTION

This Report provides an overview of the Branch's operational and policy work during Fiscal 2021, including a summary of key findings and outcomes from our regulatory oversight program (Part A), and the nature, purpose and status of ongoing issuer-related policy initiatives (Part B). The Report is intended for entities and individuals we regulate, their advisors, as well as investors.

In publishing this Report we aim to

- **REINFORCE** the importance of compliance with regulatory obligations,
- **PROVIDE GUIDANCE** to improve disclosure in regulatory filings,
- **HIGHLIGHT** trends in the capital markets, and
- **INFORM AND UPDATE** on new and ongoing policy initiatives.

ONTARIO SECURITIES COMMISSION

The OSC continues to implement the Ontario government's five-point capital markets plan focused on strengthening investment in Ontario, promoting competition and facilitating innovation.[1]

- **OSC VISION:** to be an effective and responsive securities regulator – fostering a culture of integrity and compliance and instilling investor confidence in the capital markets.
- **OSC MANDATE**: to provide protection to investors from unfair, improper or fraudulent practices, to foster fair, efficient and competitive capital markets and confidence in the capital markets, to foster capital formation, and to contribute to the stability of the financial system and the reduction of systemic risk.
- **OSC VALUES:**

  Professional, People, and Ethical:

  - protecting the public interest is our purpose and our passion;
  - we value dialogue with the marketplace;
  - we are professional, fair-minded and act without bias.

Each year, the OSC publishes a statement of priorities that sets out the OSC's strategic goals, priorities, and specific initiatives for the year. Our priorities are aligned with our statutory mandate and the annual mandate letter from the Minister of Finance.

[1] See the 2021 annual report published by the Ontario Securities Commission.

Our 2020–2021 OSC Goals are

- **GOAL 1** promote confidence in Ontario's capital markets,
- **GOAL 2** reduce regulatory burden,
- **GOAL 3** facilitate financial innovation, and
- **GOAL 4** strengthen our organizational foundation.

CORPORATE FINANCE BRANCH: WHO WE ARE & WHAT WE DO

In support of the OSC's mandate, the Branch regulates approximately **1,100** Reporting Issuers in Ontario that are not investment funds. The Branch is responsible for assessing that Reporting Issuers in Ontario provide the required level of disclosure of material information to investors so they can make informed investment decisions. As a result of this oversight role, the Branch aids in the OSC's goal to improve transparency, trustworthiness, and efficiency in Ontario's capital markets.

To do this, our work includes, but is not limited to:

- ✓ review of public offerings of securities;
- ✓ review of capital raising activities;
- ✓ review of CD filed by Reporting Issuers;
- ✓ review and consideration of applications for exemptive relief from regulatory requirements;
- ✓ consideration and formulation of policy initiatives;
- ✓ review of insider reporting;
- ✓ review of credit rating agencies that are designated rating organizations;
- ✓ oversight of the listed Issuer function for OSC recognized exchanges;
- ✓ engagement with stakeholders through a number of activities, including external advisory committees; and
- ✓ delivery of Issuer education and outreach programs.

We also regularly consult and partner with other branches across the OSC in executing our work. For example, we partner with the Market Regulation branch for oversight of recognized exchanges, the Compliance and Registrant Regulation branch for oversight of the exempt market and the Enforcement branch on matters of non-compliance.

Part A: Compliance

1. Continuous Disclosure Review Program
2. Public Offerings
3. Exemptive Relief Applications
4. Insider Reporting
5. Our Service Commitments
6. Administrative Matters

1. CONTINUOUS DISCLOSURE REVIEW (CDR) PROGRAM

This section of the Report provides an overview of the key findings and outcomes from our CDR Program conducted during Fiscal 2021. Here, we discuss key or novel issues, suggest best practices, and specify applicable legislation and relevant guidance to assist companies in addressing each of the topic areas.

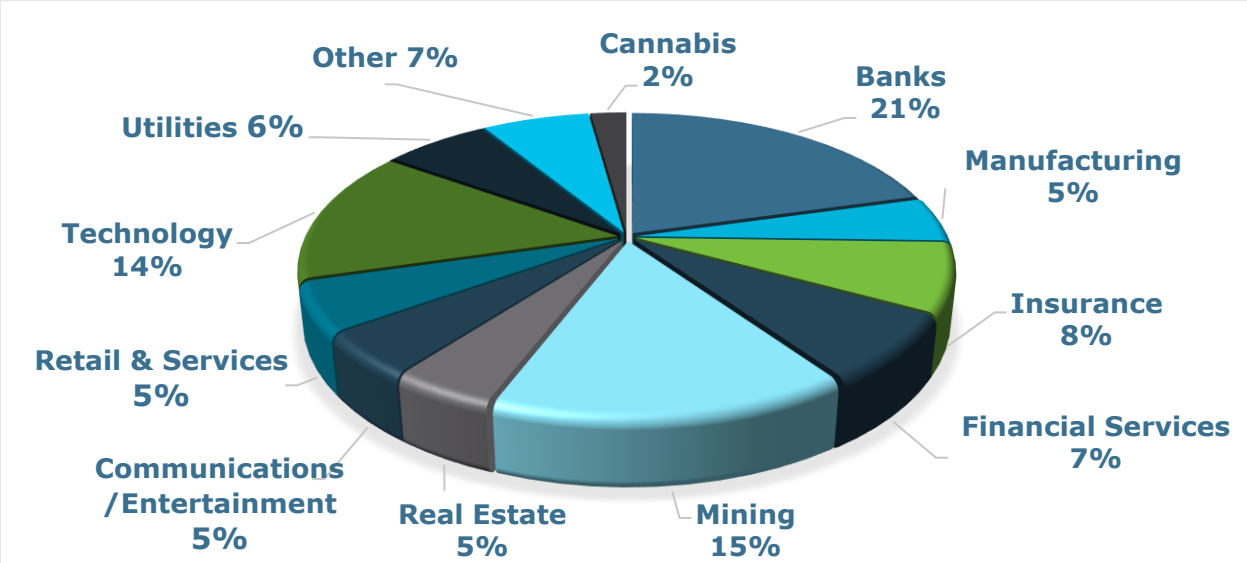
Under Canadian securities laws, a Reporting Issuer must provide timely and periodic CD about its business and affairs.

CD includes periodic filings such as

- interim and annual financial statements,
- MD&As,
- certificate of annual and interim filings,
- management information circulars,
- AIFs, and
- technical reports.

The Branch oversees approximately **1,100** Reporting Issuers for which the OSC has primary responsibility as principal regulator[2] with an aggregate market capitalization of **$1,872 billion** as at March 31, 2021. The three largest industries by market capitalization were banking, mining, and technology.

Market capitalization of Ontario Reporting Issuers by industry as at March 31, 2021

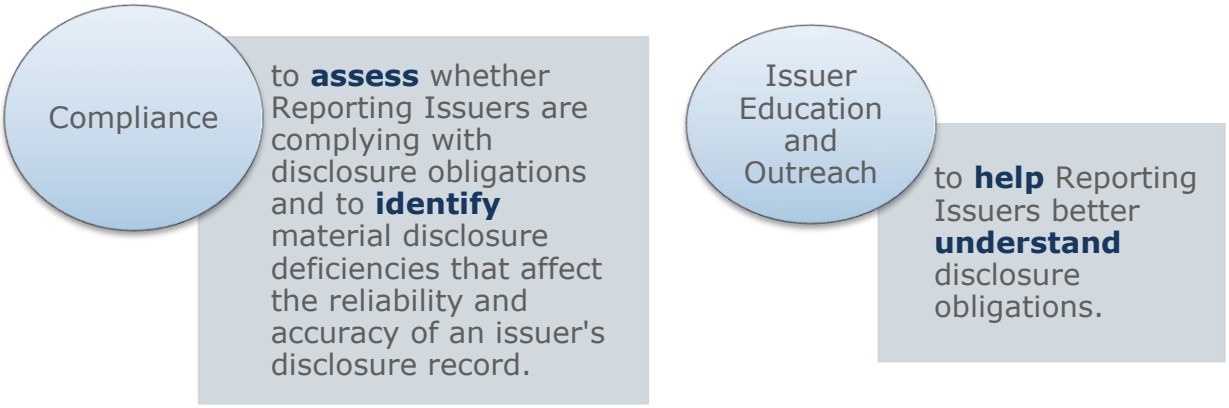


[2] For a prospectus filing, pursuant to NP 11-202, an Issuer's principal regulator is the regulator of the jurisdiction in which the Issuer's head office is located. If the regulator identified is not in a specified jurisdiction, the principal regulator is the regulator in the specified jurisdiction with which the Issuer has the most significant connection. See subsections 3.4(4) – 3.4(8) of NP 11-202.

A) Overview

Our CDR program is risk-based and outcome focused. It includes planned reviews based on risk criteria as well as ongoing monitoring through news releases, media articles, complaints, and other sources. The CDR program is conducted pursuant to the powers in subsection 20(1) of the Act and is part of a harmonized CD review program conducted by the CSA.[3]

I) Objectives of the CDR program

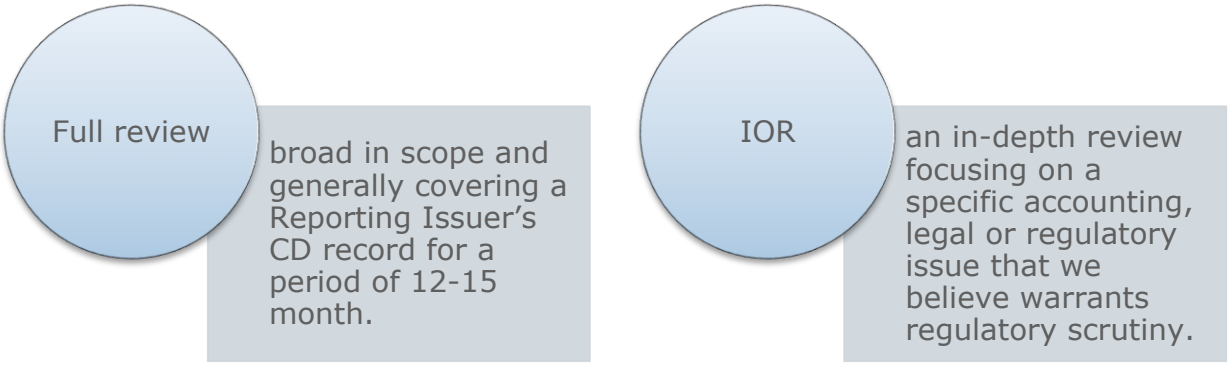


We assess compliance with CD requirements through a review of a Reporting Issuer's filed documents, its website and social media. This review function is critical to facilitating fair and efficient markets, investor protection, and informed investment decision making and trading. Enhanced disclosure is important not only when a Reporting Issuer first enters the market, but also on an ongoing basis; for example, many Reporting Issuers raise funds through short form prospectuses which incorporate CD documents by reference.

[3] For more information see *CSA Staff Notice 51-312 (Revised)* Harmonized Continuous Disclosure Review Program.

II) Types of CD reviews

In general, we conduct either a full review or an IOR of a Reporting Issuer's CD.



In planning full reviews, we draw on our knowledge of Reporting Issuers and the industries in which they operate and use risk-based criteria to identify Reporting Issuers with a higher risk of non-compliant disclosure. The criteria are designed to identify Reporting Issuers whose disclosure is likely to be materially improved or brought into compliance with securities laws or accounting standards as a result of our intervention. Our risk-based assessment incorporates both qualitative and quantitative criteria which we review regularly to keep current with our evolving capital markets.[4] We also monitor novel and high growth areas of financing activity when developing our review program and consider any complaints received regarding the Reporting Issuer.

IORs are generally focused on a specific accounting, legal or regulatory issue, an emerging issue or industry or to assess compliance with a new or amended rule that recently came into force. Conducting IORs allows us to

- monitor compliance with CD requirements by Reporting Issuers,
- communicate Staff interpretations and expectations on specific requirements, and identify areas of concern,
- quickly address specific areas where there is heightened risk of investor harm,
- identify common deficiencies,
- provide industry specific disclosure guidance that may assist preparers in complying with regulatory requirements, and
- assess compliance with new accounting standards.

[4] A full review covers the Issuer's most recent annual and interim financial statements and MD&As, AIF, annual reports, information circulars, news releases, material change reports, website, social media disclosure, investor presentations, and SEDI filings.

III) What to do when you are selected for a CD review

If you receive a comment letter from Staff in connection with a CD review, consider all of the following:

- ✓ read the first paragraph of the letter which will state whether we are conducting a full review or an IOR review;
- ✓ consider whether you need to seek advice from legal, accounting, and/or other advisors. If so, engage them early in the process;
- ✓ reach out to Staff if you require clarification about any of the comments. Note that Staff cannot provide legal or accounting advice;
- ✓ provide a thorough response, referencing securities laws or IFRS, where relevant;
- ✓ continue to file required CD documents during the course of the review. An ongoing review does not alleviate or alter a Reporting Issuer's ongoing CD obligations;
- ✓ note the response deadline and plan accordingly. Reach out to Staff well in advance of the deadline, should you require additional time to provide a response letter. In appropriate circumstances, Staff may consider granting an extension request.

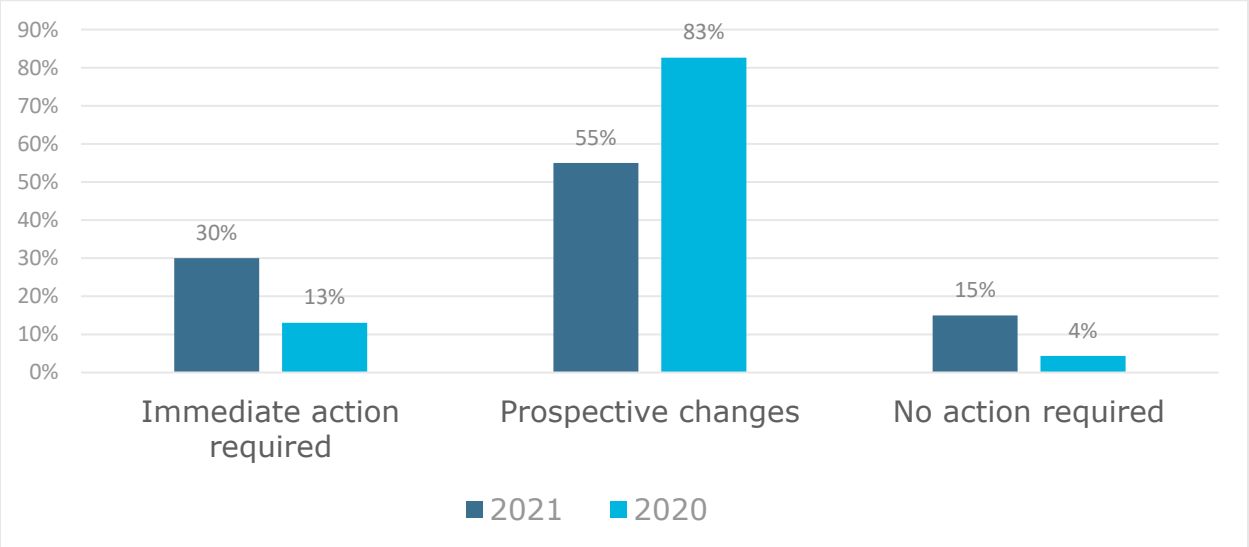
B) CDR program outcomes for Fiscal 2021

For each Reporting Issuer, we measure outcomes of a CD review by tracking when no action is required, when prospective continuous disclosure enhancements are required, or when immediate corrective action is required for deficiencies identified during a review (for example, a refiling of a previously filed CD document or a referral to the Enforcement branch). A CD review may result in more than one outcome. For example, a Reporting Issuer may be required to refile certain CD documents while also to commit to prospective disclosure enhancements.

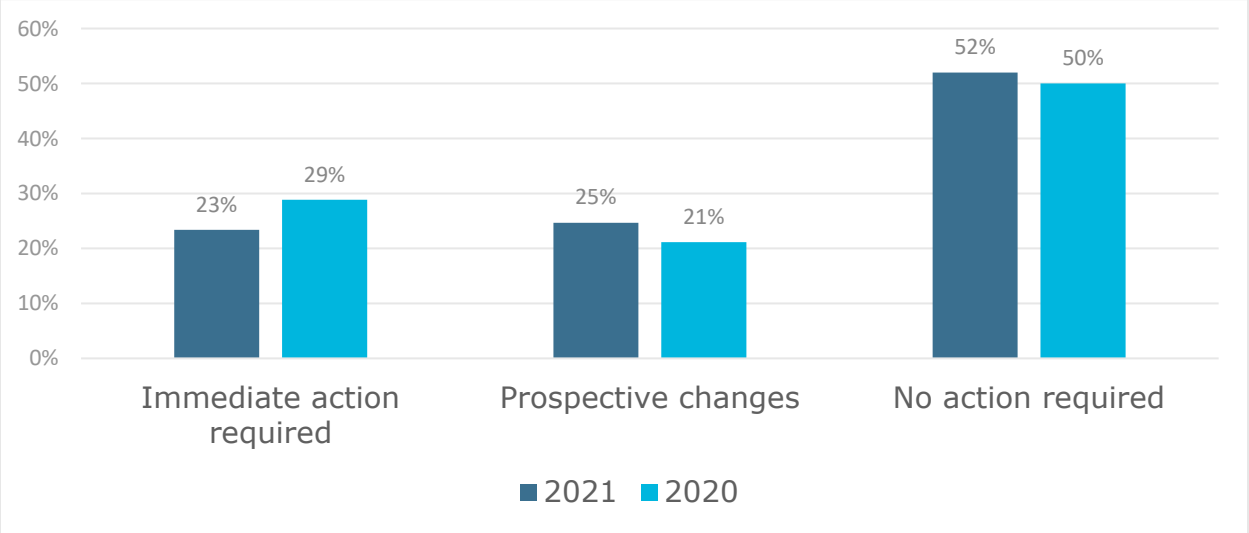
Given our risk-based criteria to identify Reporting Issuers for review, the outcomes on a year-over-year basis should not be interpreted as trends since the issues and Reporting Issuers reviewed each year are generally different. Reviews may be issue-specific, focusing on a particular CD requirement for which we have noted widespread deficiencies. These reviews may result in an increased number of outcomes categorized as "prospective changes" or "immediate action required" if deficiencies identified are prevalent among several Reporting Issuers.

The following is the summary of the CD review outcomes for Fiscal 2021.

Outcomes of full CD *reviews*



Outcomes of IOR CD *Reviews*



The most common instances where immediate action was required from Reporting Issuers were the following:

- refiling of financial statements to correct material misstatements;
- refiling of an MD&A where the MD&A was materially deficient and did not meet the form requirements of Form 51-102F1;
- filing of a clarifying news release when an Issuer failed to include sufficient disclosure of material assumptions, milestones and risk factors pertaining to FLI or failed to update the market on FLI;
- refiling of a technical report where the report filed was not in compliance with NI 43-101.

Issuers that refile CD documents during a Staff review are placed on the Refilings and Errors list found on the OSC Website.

Generally, MD&A, mining technical reports (and related news releases) and material contracts are the documents we most often request Reporting Issuers to refile or file (in instances when documents were not filed in the first place).

C) Trends and guidance

This section highlights some of the common deficiencies that were observed during our CD reviews in Fiscal 2021, and includes some best practices and guidance to assist Reporting Issuers and their advisors in meeting their regulatory obligations. We encourage Reporting Issuers to continue to review and improve the CD filed, including with reference to the guidance below.

I) Management's discussion & analysis

The MD&A is the cornerstone of a Reporting Issuer's overall financial disclosure and is intended to provide an analytical and balanced discussion of the Issuer's results of operations and financial condition through the eyes of management. MD&A disclosure should be specific, useful and understandable. The MD&A requirements are set out in Part 5 of Form 51-102F1.

The following table presents a summary of certain key issues, observations and best practices identified in our reviews. This is not an exhaustive list.

Since the World Health Organization declared COVID-19 as a global pandemic on March 11, 2020, it has had a material adverse impact on the economy generally. The impact of COVID-19 continues to pose widespread challenges for many Issuers, including, but not limited to, reporting on and disclosing the impact it has had on the Issuer's business. An Issuer should consider its specific business and

operations, and provide clear and transparent disclosure of the impact of COVID-19 in its MD&A.[5]

Issue	Observations	Best practices
Updating previously disclosed FLI	Reporting Issuers who have previously disclosed FLI in a prospectus and/or CD do not provide appropriate updates to those FLI in CD documents.	Reporting Issuers that have disclosed FLI, especially in a prospectus, have an obligation to update the FLI in CD documents going forward and to provide a comparison of actual results to the previously disclosed FLI. It is important to provide investors with information to assess how well the Reporting Issuer is progressing towards the achievement of its disclosed targets and objectives. Reporting Issuers should • disclose events and circumstances that are reasonably likely to cause actual results to differ materially from the previously disclosed FLI, • disclose expected differences between actual results and previously disclosed FLI, • update quantified data that relate to factors and assumptions that may impact future performance and discuss how and why these changes may impact future performance, and • disclose the decision to withdraw previously disclosed FLI and discuss events and circumstances that led to the decision to withdraw material FLI, including a discussion of any assumptions in the previously disclosed FLI that are no longer valid. There is flexibility to disclose the updated information in a news release before filing the MD&A. This approach would help

[5] For additional considerations that result from the impacts of COVID-19, see OSC Staff Notice 51-731, *Corporate Finance Branch 2020 Annual Report* and section (ii) below COVID-19 disclosure.

Issue	Observations	Best practices
		ensure the new information is communicated to the market on a timely basis. The MD&A must refer to the press release to satisfy the requirement in NI 51-102. Including the information in a news release instead of MD&A is not permitted. We also continue to see other deficiencies in FLI disclosure including a lack of balanced discussion of the key assumptions used and the risk factors inherent in the FLI. Issuers should consider the guidance in prior Corporate Finance Branch Annual Reports.
Non-GAAP Financial Measures (NGFM)	Reporting Issuers continue to present NGFMs where the stated purpose and usefulness of the measure is unclear. The NGFMs are also being presented without the relevant reconciliations to the most directly comparable GAAP measure.	NGFMs can provide investors with additional insight into the performance of the Issuer. However, where the stated purpose and usefulness of the measure is unclear and fails to align with the nature of the adjustments that are being made in the reconciliation, there is potential that investors may be confused or even misled. To assist in understanding the purpose of the NGFM, Issuers are expected to provide a quantitative reconciliation of the NGFM for its current and comparative period to the most directly comparable GAAP measure. To support understandability, explanations for each reconciling item should be provided, as appropriate. Quantitative reconciliations are expected to be included when NGFMs are presented in the MD&A and earnings releases and included or incorporated by reference when NGFMs are included in other documents, such as AIF, investor presentations, websites, etc.

Issue	Observations	Best practices
		Also refer to the discussion on non-GAAP financial measures in section IV below.
Discussion of operations – Variances	The variances in financial statement line items are explained with limited narrative discussion of (a) the factors resulting in the variance, and (b) any trends or potential trends.	The discussion of financial statement variances should • quantify key changes and clearly explain the factors and reasons for the variances that affect revenues and expenses beyond simply stating the percentage change or amount (for example, variables such as price and volume or other significant factors should be discussed by segment), • provide insight into the Issuer's past and future performance, and • be clear and transparent. When discussing the changes in financial condition and results, it is also important to include an analysis of the effect on continuing operations of any acquisition, disposition, write-off, abandonment or other similar transaction. Be specific and disclose information that gives insight into an Issuer's operations and economic environment that may assist readers in making informed investment decisions.
Discussion of operations – Early stage/development stage Reporting Issuers	Reporting Issuers that have projects that have not yet generated revenues do not provide sufficient detail regarding the projects and/or business plans.	Disclosures should include • a description of each project including the plan for the project and status of the project relative to that plan. For R&D activity, include this discussion for each stage, • identification of concrete milestones in the plan, and • for each project/stage/milestone, a description of expenditures made and how these relate to anticipated timing

Issue	Observations	Best practices
		and costs to take the project to the next stage of the project plan.

II) COVID-19 disclosure

In the fall of 2020, CSA staff initiated an IOR of approximately 85 Reporting Issuers across various industries to assess compliance of Reporting Issuers' disclosure of the current and anticipated impacts related to COVID-19 on the Issuer's operations, its financial condition, liquidity and future prospects. CSA staff observed that the majority of Reporting Issuers reviewed provided detailed and quality disclosure. However, CSA staff also identified instances where Reporting Issuers did not provide sufficient detail related to the current and expected impact of COVID-19, resulting in requests for those Reporting Issuers to make prospective disclosure enhancements.

On February 25, 2021, the CSA published CSA Staff Notice 51-362 *Staff Review of COVID-19 Disclosures and Guide for Disclosure Improvements* that summarizes the findings from our review and sets out guidance to assist Reporting Issuers and advisors in disclosing and reporting on the impact of COVID-19 on its business and operations.

We expect Reporting Issuers to continue to discuss the impacts of COVID-19 on their business and operations, to the extent applicable.

III) Mining disclosure

Preliminary Economic Assessment

Reporting Issuers that disclose potential economic outcomes based on mineral resources should be aware that forecasts of cash flows, operating costs, capital costs, production rates, or mine life are all considered to be the results of a PEA. Such disclosure may trigger the requirement to file a technical report supporting these potential economic outcomes.

We continue to see non-compliant disclosure in technical reports of PEA based on inferred mineral resources which combine potential economic outcomes from PEAs with economic outcomes based on more advanced mining studies used to support mineral reserves. All CSA jurisdictions take the position that when a feasibility or pre-feasibility study has estimated a mineral reserve, a PEA that presents a different development option for any part of the reserve invalidates the earlier study. Disclosure that treats both the mineral reserve estimate and the PEA results as current may potentially be misleading and Staff will ask that either the reserve estimate or the PEA be retracted. Reporting Issuers that integrated these economic

outcomes in the disclosure have been required to amend and refile the technical report.

Calculation of equivalent grades

It is common for Reporting Issuers to provide metal-equivalent or mineral-equivalent grades in disclosures of mineral reserve or resource estimates, drill intervals, or other samples. Reporting Issuers sometimes base mineral reserve or resource estimates on equivalent cut-off grades. Staff have encountered equivalent grades weighted by commodity prices only, without regard to differing recoveries of the component elements. No operating mine gets 100% recoveries so equivalent grades weighted only by price are potentially misleading.

To avoid potentially misleading disclosure, Reporting Issuers should calculate equivalent grades taking both recovery of each element, either drawn from test results or reasonably assumed, and prices, into account. They should also consider whether cost factors such as treatment charges and payable ratio may be relevant.

Independence of authors

When independent authors are required for a technical report, all its authors must meet these requirements. Some Reporting Issuers have sought guidance on whether a particular person is independent for that purpose. The existing guidance in NI 43-101CP, section 1.5, notes that a person's potential for a pecuniary interest in the Reporting Issuer or the subject mineral property would be relevant to the assessment of an author's independence. Recent experience also suggests that potential employment, potential sale of services or intellectual property, or previous involvement with the mineral property – amounting to reviewing one's own work - may also compromise a report author's independence.

Impacts of COVID-19

Travel restrictions imposed in reaction to the coronavirus epidemic created difficulties for Reporting Issuers required to file technical reports, as those reports could not be completed without a current personal inspection by a report author. Reporting Issuers should consider the guidance in CSA Staff Notice 51-360 (Updated) *Frequently asked questions regarding filing extension relief granted by way of a blanket order in response to COVID-19*, dated May 13, 2020, in particular the guidance under P2, *Is there relief from the NI 43-101 requirement for a Current Personal Inspection?* Staff consider a personal inspection essential if a mineral resource estimate, or any study based on one, is disclosed. For earlier-stage projects, exemptive relief may be possible. We encourage Reporting Issuers to reach out to Staff who may be able to provide guidance on options and solutions to comply with the requirements while also respecting the personal health and safety of the qualified person.

Estimation best practices

Staff also reminds Reporting Issuers in the mineral industry that the Canadian Institute of Mining, Metallurgy, and Petroleum (CIM) has revised its guidance on estimation and exploration best practices. *CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines* and *CIM Mineral Exploration Best Practice Guidelines* are significant enhancements of previous CIM best-practice documents, and we encourage Reporting Issuers and practitioners to consult the new editions for current guidance on exploration and mineral resource and reserve estimation practices.

Reminder: Reporting Issuers that disclose a PEA on an advanced property containing mineral reserves should follow the guidance outlined in CSA Staff Notice 43-307 *Mining Technical Reports – Preliminary Economic Assessments.*

We encourage public mining Reporting Issuers to request a review of the issuer's publicly filed technical disclosure, as discussed in *OSC Staff Notice 43-706 Pre-filing Review of Mining Technical Disclosure*.

IV) Non-GAAP financial measures

On May 27, 2021, the CSA published, in final form, NI 52-112, the associated companion policy, and related consequential amendments which will replace existing staff guidance in SN 52-306. NI 52-112 addresses the disclosure surrounding NGFM, non-GAAP ratios, and other financial measures (e.g., capital management measures, supplementary financial measures, and total of segments measures, as defined in the national instrument). Although the definition of a NGFM has been updated from SN 52-306, NI 52-112 has substantially incorporated the disclosure guidance in SN 52-306 for non-GAAP financial measures. To ensure investors appreciate the context of other financial measures, NI 52-112 introduces new disclosure requirements if such financial measures are disclosed outside of the financial statements.

The companion policy includes extensive guidance and examples. NI 52-112 applies to all Reporting Issuers, except investment funds, SEC foreign issuers, and designated foreign issuers. NI 52-112 also applies to non-Reporting Issuers; in particular, to documents prepared by such issuers in connection with certain prospectus exempt offerings or other transactions (such as, but not limited to, an offering memorandum, long-form prospectus, or a filing statement / listing statement).

The rule applies to disclosures for a financial year ending on or after October 15, 2021.

Examples are as follows:

Reporting Issuers

- a non-venture reporting issuer with a December 31st year-end, will first apply the rule in the following documents, such as;
  - in its MD&A for the year-ended December 31, 2021;
  - in its earnings release containing disclosures for the year ended December 31, 2021.

Non-Reporting Issuers

- a non-reporting issuer, will first apply the rule in any document in scope of NI 52-112 after December 31, 2021 (i.e. January 1, 2022 and beyond).

If a non-Reporting Issuer files a preliminary long form prospectus, or similar document, prior to December 31, 2021, but anticipates that a final long form prospectus may not be filed until after December 31, 2021, the non-Reporting Issuer should consider preparing the preliminary prospectus in accordance with the rule. A final prospectus filed after December 31, 2021 must comply with NI 52-112 in respect of any specified financial measures disclosed.

V) Diversity on boards and in executive officer positions

The disclosure requirements on the representation of women on boards and in executive officer positions are set out in NI 58-101 and have been in place for seven annual reporting periods. The disclosure requirements are intended to increase transparency for investors and other stakeholders regarding the representation of women in these roles and the approach that specific TSX-listed Reporting Issuers take in respect of such representation. This transparency is intended to assist investors when making investment and voting decisions.

On March 10, 2021, CSA Multilateral Staff Notice 58-312 *Report on Sixth Staff Review of Disclosure regarding Women on Boards and in Executive Officer Positions* (SN 58-312) was published. SN 58-312 reports the findings of our sixth review of disclosure regarding women on boards and in executive officer positions. Of note, 20% of overall board seats were occupied by women, 79% of Reporting Issuers in the review sample had at least one woman on the board and 65% of Reporting Issuers in the review sample had at least one woman in an executive officer position.

CSA Multilateral Staff Notice 58-313 *Report on Seventh Staff Review of Disclosure regarding Women on Boards and in Executive Officer Positions* (SN 58-313) provides new guidance on how Reporting Issuers may present the information contemplated by the disclosure requirements in order to improve consistency and comparability amongst Reporting Issuers. During our review, we noted that Reporting Issuers generally provide disclosure addressing the disclosure requirements in different ways. As a result of this, the format and content of disclosure may vary from Reporting Issuer to Reporting Issuer. It may also be difficult to locate the relevant disclosure within an information circular and it may be difficult to interpret some of the disclosure. In order to address this, Reporting Issuers should consider presenting data related to the disclosure requirements in a common format. This would improve consistency and comparability and help investors identify and evaluate the relevant disclosure. SN 58-313 sets out suggested tables for how this data could be presented.

On May 19, 2021 the CSA published a news release announcing that further research and consultation will be conducted with Issuers, investors and other industry stakeholders in the consideration of broader diversity on boards and executive officer positions. These consultations began in the summer of 2021. The CSA will use its findings from these consultations to consider recommendations for any necessary changes to the current diversity disclosure framework. A virtual 'Diversity in Capital Markets' roundtable, moderated and hosted by the OSC, was held on October 13, 2021.

VI) Cease Trade Order – Content Deficiency

The CSA has developed a harmonized list of deficiencies that will generally result in a Reporting Issuer being noted in default of the securities laws of a particular jurisdiction. We remind Reporting Issuers that these deficiencies include the failure to file certain continuous disclosure documents *and* content deficiencies in the Reporting Issuer's continuous disclosure. Cease trade orders may be issued where a Reporting Issuer has made a required filing but the required filing is deficient in terms of content.[6]

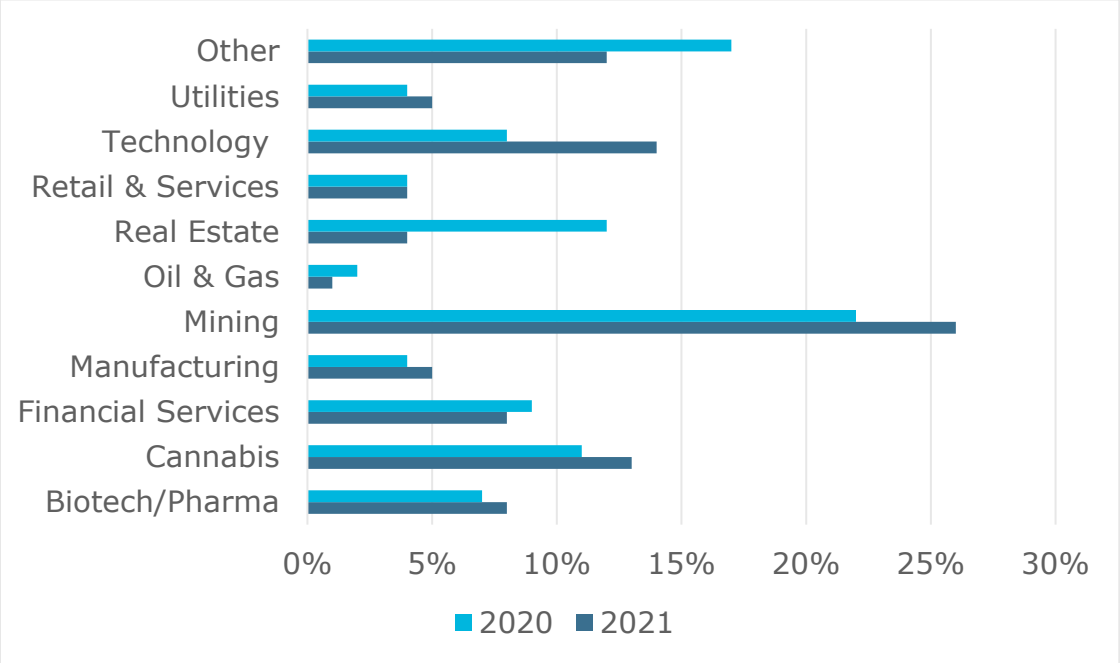
[6] Examples of content deficiencies are set out in section 2 of CSA Notice 51-322 *Reporting Issuer Defaults*.

2. PUBLIC OFFERINGS

Under Canadian securities law, to distribute securities, an Issuer must file and obtain a receipt for a prospectus or rely upon a prospectus exemption. Another key component of our compliance work stream is the review of prospectuses in connection with public offerings. This section outlines statistics and trends with respect to public offerings and provides guidance on common issues that arise during our reviews of prospectuses.

In Fiscal 2021, we completed **574** prospectuses that were filed in Ontario (Fiscal 2020: 388). These filings covered a wide range of industries with mining, technology and cannabis being the most active sectors based on the number of offerings.

Prospectuses completed by industry (%) – Fiscal 2021 & 2020



60) Trends and guidance

In Fiscal 2021, we observed a significant increase in the number of prospectuses where the OSC was the principal regulator, particularly in the second half of the year. A significant factor in the increase in volume over the year was the overall activity in the market driven by an increase in offerings in the cannabis and psychedelics industries, as well as an increase in offerings in the mining and technology industries.

We also saw an increase in the number of offerings after the initial impacts of COVID-19 in March 2020, and by Q3 and Q4 of Fiscal 2021 we noted a substantial increase in the volumes in offerings.

Tip: The guidance in this section also applies to prospectus-level disclosure included in an information circular in connection with a proposed significant acquisition or a restructuring transaction as required by section 14.2 of Form 51-102F5.

Key takeaways from our reviews of offering documents in Fiscal 2021 are set out below.

I) Primary business in an IPO

Form 41-101F1 requires an Issuer that is not an investment fund to include certain financial statements in its long form prospectus. This includes the financial statements of the Issuer and any business or businesses acquired, or proposed to be acquired, if a reasonable investor reading the prospectus would regard the primary business of the Issuer to be the business or businesses acquired, or proposed to be acquired. The purpose of the primary business requirements is to provide investors with financial history of the business of the Issuer even if this financial history spanned multiple legal entities over the relevant time period.

On August 12, 2021, the CSA proposed changes to Companion Policy 41-101CP related to primary business requirements to harmonize the interpretation of the financial statement requirements for a long form prospectus in situations where an Issuer has acquired a business, or proposes to acquire a business, that a reasonable investor would regard as being the primary business of the Issuer.[7] The proposed changes provide additional guidance on the interpretation of primary business and predecessor entity including in what situations, and for which time periods, financial statements would be required. The proposed changes provide guidance in circumstances when additional information may be necessary for the prospectus to meet the requirement to contain full, true and plain disclosure of all material facts relating to the securities being distributed. The proposal also clarifies when an Issuer can use the optional tests to calculate the significance of an acquisition, and when an acquisition of mining assets would not be considered an acquisition of a business for securities legislation purposes.

The comment period ended on October 11, 2021. Subject to the comment process and required approvals, the proposed changes are expected to become effective in July 2022.

[7] For more information see CSA Notice and Request for Comment – *Proposed Changes to Companion Policy 41-101CP to National Instrument 41-101 General Prospectus Requirements Related to Financial Statement Requirements*.

II) Timing for inclusion of financial statements in an IPO venture issuer's prospectus

Under Form 41-101F1, annual financial statements are required to be included in a prospectus for completed financial years ended more than (i) 90 days before the date of the prospectus, or (ii) 120 days before the date of the prospectus if the Issuer is a venture Issuer. Interim financial statements are subject to a similar requirement for periods ended within 45 and 60 days, respectively. Importantly, the extended deadlines applicable to venture Issuers **do not** apply to IPO venture Issuers. This includes an RTO acquirer in the context of a restructuring transaction that is subject to the requirements of Form 41-101F1.

Type of issuer	Deadline for inclusion of annual financial statements	Deadline for inclusion of interim financial statements
Non-venture Issuer	90 days	45 days
IPO venture Issuer	90 days	45 days
RTO acquirer (i.e. target)	90 days	45 days
Venture Issuer (i.e. an existing Reporting Issuer)	120 days	60 days

Reminder: *The 90 and 45 day deadlines are also applicable to any "issuer" financial statements that are included in an IPO venture issuer's prospectus or similar document in compliance with Item 32 of Form 41-101F1.*

III) Description of business

Where the business of the Issuer is in a preliminary stage, and the business has little or no operations or revenues, we find that Issuers often do not provide sufficient detail on the business itself and/or its business plan. We note this particularly with Issuers completing CPC qualifying transactions and reverse takeover transactions. In order to comply with the requirements in Item 5 of Form 41-101F1, we remind Issuers that the disclosure of the business and/or business plan must be entity-specific and clearly disclosed in the prospectus under one section (versus information scattered throughout the prospectus). This is important for investors to be able to clearly understand the business and/or business plan of the Issuer.

We also encourage Issuers to segregate their disclosures about the business into two parts (i) the current business of the Issuer - describing the Issuer's current operations, if any, and stage of product/service development, etc., and (ii) future business plans of the Issuer - describing the Issuer's anticipated business plans and milestones, including any/applicable research and development.

In discussing current business and future business plans, Issuers should provide disclosure on at least all of the following:

Current Business

- description of the product/service currently provided;
- markets in which the products/services are being offered;
- regulatory framework applicable to those products/services,
- licenses and permits obtained;
- agreements/partnerships in place with individuals and/or entities to conduct the current business (i.e. distribution, manufacturing, construction, R&D agreements, etc.).

Future Business Plans

- identification of specific milestones in the issuer's business plans;
- for each milestone, a description of the steps and associated costs required to complete it or to take it to the next stage;
- identification of the anticipated timing of completion or timing to achieve the various stages in the business plan;
- regulatory framework applicable to these anticipated operations;
- if an R&D program is part of the anticipated operations, a discussion of the various stages of R&D, regulatory approvals required to achieve the objectives of the program, the activities completed to date, costs incurred to date and timing and costs anticipated to achieve the next stage.

Where business plans are preliminary in nature and there are no binding agreements, or where an Issuer currently has not commenced its execution of such plans, these should also be clearly disclosed in the prospectus.

In discussing future or anticipated business plans, Issuers should avoid using overly promotional language that is not based on the Issuer's current stage of development. For example, Issuers have often disclosed FLI and long-range projections reflecting revenue, growth, and market share assumptions, which appear speculative in comparison to the size and scope of the Issuer's current business plans. Further information on FLI is included below.

IV) Forward-Looking Information

Multi-Year FLI

We continue to see prospectuses where Issuers present FLI that span over multiple years, without providing reasonable and sufficient quantitative and qualitative

assumptions to support such FLI. Issuers must not disclose a financial outlook unless it is based on assumptions that are reasonable in the circumstances. The assumptions for financial projections should be specific and comprehensive, particularly with respect to quantitative details, such that an investor is able to clearly understand how each assumption was used to develop the FLI that contributes to the projections. In general, FLI or future-oriented financial information, must be limited to a time period that can be reasonably estimated, which generally will not go beyond the end of the Issuer's next fiscal year. Where FLI is presented for multiple years without sufficient support, Staff may ask Issuers to limit the disclosure of FLI to a shorter supportable period (for example, one or two years).

We may also raise questions in cases where an Issuer's FLI assumptions are not reflected in the Issuer's track record. All of the following are examples of such cases:

- Issuer projects aggressive growth targets (i.e. revenue) over a certain number of years without the benefit of historical experience;
- disclosure does not provide detailed explanations for expected changes to items such as revenue, gross margins, costs or does not provide a reasonable basis for the targets, including the key drivers behind the projected growth with reference to specific plans and objectives that support the projected growth;
- disclosure does not explain why management believes that each of the targets/FLI is reasonable;
- factors and assumptions do not appear reasonable in light of the Issuer's track record.

In some cases, Issuers have been able to address our concerns by amending the FLI disclosure in one or more of the following ways:

- providing more robust factors and assumptions to support the FLI;
- providing more recent information on the Issuer's operations since the date of the Issuer's last MD&A to better understand the basis for the FLI included in the prospectus;
- limiting the disclosure of FLI to a shorter period;
- removing the FLI.

Practice Points

Where FLI is presented for multiple years, we may also ask issuers to specifically confirm that updates will be provided at least annually, in its continuous disclosure documents of its progress towards achieving the targets. The disclosure includes information on the previously disclosed targets, actual results, and a discussion of the variances.

We may also ask the issuer to disclose its policy and processes should it decide to withdraw previously disclosed FLI.

We refer Issuers to the requirements in Part 4A/4B and section 5.8 of NI 51-102.

Disclaimer Language

We have noted in certain instances (mainly cross-border offerings) where the Issuer has included financial projections in an offering document and that those projections are often accompanied by disclaimer language. The disclaimer language typically states that the Issuer's auditors have not performed any procedures with respect to FLI, including financial projections, and that the auditors disclaim any associations with such FLI.

In our view, without further disclosure, such disclaimer statements are not appropriate and do not reflect the work performed by the auditors in the context of a prospectus offering given the auditor's consent is required pursuant to section 10.1 of NI 41-101.[8] We will continue to monitor and raise comments where such inappropriate disclaimer language has been included in offering documents.

V) Disclosure improvements

Our most common outcome during a prospectus review continues to be enhanced disclosure which requires material changes to the disclosure in a prospectus. See our OSC Staff Notice 51-731 Corporate Finance Branch 2020 Annual Report in addition to the sections highlighted below for areas where we continue to note deficiencies.

[8] Section 10.1 of NI 41-101 requires that the auditor's consent, among other things, contains a statement that the auditor has read the prospectus and has no reason to believe that there are any misrepresentations in the information contained in the prospectus that are derived from financial statements upon which the auditor has reported or that are within the auditor's knowledge as a result of the audit of such financial statements.

Issuers are reminded to include up to date and timely disclosure of COVID-19 impacts and risk factors in a prospectus, or prospectus supplement, to the extent that the filings incorporated by reference do not include such current disclosure.[9]

Issue	Observations	Best practices
Overly promotional statements	Issuers often make overly promotional statements in the prospectus about their business without providing sufficient support for the statements.	Issuers should not make false, misleading, or unsupported statements or omit facts from a statement necessary to make that statement true or not misleading. For example: • a statement that an Issuer is the largest of its industry/market should be supported by objective data that provides the Issuer with a reasonable basis on which to conclude that the statement is accurate; • disclosure of early-stage plans of a new business, objective, or strategy, or material claims about an Issuer's business and the corresponding opportunity should be substantiated or balanced with a discussion of the Issuer's business plans, milestones and expected timing of such, capital requirements and associated risks; • assertions about growth of markets or demand for a product must be supported. We will ask Issuers to revise disclosure to clarify the basis and to provide sources for such statements.[10]
Marketing materials distributed during the waiting period	Issuers often include information in the marketing materials that is not directly derived	Issuers are reminded that all information in the marketing materials concerning the Issuer, the securities or the offering should be disclosed in, or derived from,

[9] See CSA Staff Notice 51-362 *Staff Review of COVID-19 Disclosures and Guide for Disclosure Improvements* for further information.
[10] We refer issuers to CSA Staff Notice 51-356 Problematic promotional activities by issuers for Staff's views on promotional activities.

Issue	Observations	Best practices
	from the preliminary prospectus.	the preliminary prospectus or the final prospectus. Issuers are reminded that additional marketing materials will be deemed to be incorporated by reference in the final prospectus.

VI) Sufficiency of proceeds and financial condition of an Issuer

Subsection 61(2) of the Act sets out specific circumstances under which a receipt for a prospectus shall not be issued. One example is where the aggregate of the proceeds being raised under the prospectus together with the other resources of the Issuer are insufficient to accomplish the purpose of the offering as stated in the Issuer's prospectus. The same considerations apply for a non-offering prospectus.

As such, a critical part of every prospectus review is considering the Issuer's financial condition and intended use of proceeds (or available funds for a non-offering prospectus). A prospectus must contain clear disclosure of how the Issuer intends to use the proceeds raised in the offering as well as disclosure of the Issuer's financial condition, including any liquidity concerns. We may request Issuers to include additional disclosure to describe an Issuer's financial condition in more detail, including for example, disclosure about negative cash flows from operating activities, working capital deficiencies, net losses, and significant going concern risks. This disclosure is important to investors because it provides warnings about significant liquidity risks that the Issuer may face in the short term and may help investors avoid or minimize negative consequences when making investment decisions.

In some instances, an Issuer's representations about its ability to continue as a going concern and the period during which it expects to be able to continue operations may be inconsistent with the Issuer's historical statements of cash flows (in particular, its cash flows from operating activities). In these cases, we may request that the Issuer provide a forecasted cash flow summary to support its expected period of liquidity (i.e., ability to continue operations). However, disclosure on its own may not be sufficient to satisfy our receipt refusal concerns in certain circumstances, particularly where the Issuer's assumptions on future changes in operations are not objective and supportable.

An Issuer may need to change the structure of an offering to address concerns regarding the Issuer's financial condition (e.g. setting a minimum subscription, renegotiating the maturity date of debt, or finding additional sources of financing).

Reminder: *A principal purpose of the sufficiency of proceeds receipt refusal provision is to protect the integrity of the capital markets, which would be harmed if an Issuer ceased operations on account of insufficient funds shortly after completing a public offering*.

For Reporting Issuers filing a base shelf prospectus, we may take the view that the structure of a base shelf prospectus is not appropriate given the Reporting Issuer's financial condition and uncertainty of financing. Typically, receipt refusal concerns on financial condition arise if the Reporting Issuer does not appear to have sufficient cash resources to continue operations for the next 12 months or to meet concrete developmental milestones expected to be completed in the next 12 months given the business plan and intention of the Reporting Issuer. In these cases, to address our concern that incremental drawdowns may be insufficient to satisfy the Reporting Issuer's short-term liquidity requirements, we may request that the Reporting Issuer

- withdraw the base shelf and file a short form prospectus with a minimum subscription amount,
- withdraw the base shelf and file a short form prospectus with a fully underwritten commitment, or
- arrange for additional committed sources of financing.

Staff note that any arrangements to address our concerns about a Reporting Issuer's financial condition should be finalized before a Reporting Issuer's prospectus is cleared for final.

In addition, Staff may question the size of a base shelf offering if it appears that the amount contemplated under the base shelf is significantly higher than the Reporting Issuer's current market capitalization. This may indicate a potential significant acquisition, transaction or change of business, and as such, Staff will inquire about the rationale for filing a base shelf prospectus with a contemplated offering in excess of its market capitalization.[11]

[11] For more information and guidance, reporting issuers and advisors, including those filing a base shelf or non-offering prospectus, should review *CSA Staff Notice 41-307 (Revised) Concerns regarding an issuer's financial condition and the sufficiency of proceeds from a prospectus offering* as well as section 5.4 of NI 44-102.

VII) Filing of non-offering prospectus for a qualifying transaction when there are operations in emerging markets

Ontario CPC Issuers, other than natural resource Issuers, are reminded that under subsection 11.1(f) of the TSXV's Policy 2.4 Capital Pool Companies, an Issuer must file a non-offering prospectus in connection with a QT where the QT Issuer's business is not located in Canada or the United States.

For Ontario CPC Reporting Issuers seeking to complete a QT with a business located in an emerging market jurisdiction, the non-offering prospectus must include appropriate emerging market disclosure in accordance with the guidance set out in OSC Staff Notice 51-719 *Emerging Markets Issuer Review* (OSC SN 51-719) and OSC Staff Notice 51-720 *Issuer Guide for Operating in Emerging Markets* (OSC SN 51-720).

Reminder: As a reminder, OSC SN 51-719 and OSC SN 51-720 focus on Reporting Issuers

- whose mind and management are largely outside of Canada, and
- whose principal active operations are outside of Canada, in regions such as Asia, Africa, South America and Eastern Europe.

Please consult the emerging market staff notices referred to above for additional information.

VIII) Auditor's review of financial statements

Interim financial report

While a Reporting Issuer is not required to engage its auditor to review its interim financial report for the purposes of fulfilling its continuous disclosure obligations under NI 51-102, Item 4.3(1) of NI 44-101 requires that all unaudited financial statements incorporated by reference into a short form prospectus be reviewed. If the interim financial report includes a "Notice of No Auditor Review" (in accordance with subsection 4.3(3) of NI 51-102), we will ask the Reporting Issuer to confirm that a review is being completed. The Reporting Issuer will also be asked to update the disclosure in the "documents incorporated by reference" section of the prospectus to exclude the "Notice of No Auditor Review" from being incorporated by reference.

We have noted instances where Reporting Issuers have engaged auditors to review their interim financial reports subsequent to their filing on SEDAR for the purposes of incorporating them into their prospectuses, and the reviews have resulted in a restatement of those interim financial reports. Any restatements that occur during the review of the prospectus may result in additional regulatory scrutiny, including the Reporting Issuer being placed on the Refilings and Errors List.

Business Acquisition Report

Reporting Issuers filing a BAR for CD purposes are only required to audit the most recent annual period included in the BAR; the comparative financial information and any interim financial reports may be unaudited. However, we remind Reporting Issuers that if the BAR is later required to be incorporated by reference into a short form prospectus in accordance with Item 11 of NI 44-101, any unaudited financial statements included in the BAR, including the annual comparative period as well as the interim financial reports, will have to be reviewed. Reporting Issuers can refer to Item 8.10(2) of NI 51-102CP and Item 4.3(1) of NI 44-101.

IX) Audit committees

An audit committee is a committee of a board of directors to which the board delegates its responsibility for oversight of the financial reporting process and for managing the relationship between the Issuer and the external auditors. We have noted that some Issuers have inappropriately relied on exemptions in NI 52-110 to appoint less than three members to the audit committee. NI 52-110 requires audit committees of non-venture Issuers and venture Issuers to be composed of a minimum of three members. While NI 52-110 provides certain exemptions regarding independence and financial literacy, there are no exemptions in the instrument regarding the minimum number of audit committee members. We remind Issuers that

- Part 3 of NI 52-110 provides non-venture Issuers with exemptions for a limited period of time for independence and financial literacy; and
- Part 6 of NI 52-110 provides venture Issuers with exemptions for a limited period of time for the requirement that a majority of the members of the audit committee are not executive officers, employees, or control persons of the venture Issuer or of an affiliate of the Issuer.

In addition, we have identified instances where the description of an audit committee member's biography or work experience does not adequately describe or demonstrate that the member is financially literate in accordance with section 1.6 of NI 52-110. In such cases, it is often not clear whether the audit committee member has the ability to read and understand a set of financial statements that present a breadth and level of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised from the Issuer's financial statements. Subject to the exemptions noted above, Staff may raise comments about whether the member is financially literate and ask for revised disclosure to demonstrate that experience.

X) Post-receipt pricing prospectuses

Over the past year, we have seen an increase in the volume of base post-receipt pricing (PREP) prospectuses filed in accordance with NI 44-103. PREP procedures allow Issuers to file a final base PREP prospectus that omits pricing and other

related information. Once pricing is determined, a supplemented PREP prospectus is filed that contains all the pricing and other omitted information.

As a result, when preliminary PREP prospectuses are filed with bulleted information, Staff are unable to conduct a complete review. To assist Staff in its review, it is advisable to provide the estimated amount or range of proceeds that is expected to be raised under the offering. This is especially important for Issuers that may have financial condition concerns.

In these situations, Staff will typically request the estimated amounts for the bulleted figures in the prospectus, including pricing, number of shares, estimated total proceeds of the offering, underwriter expenses and use of proceeds disclosures. If this information is available at the time of filing the preliminary base PREP prospectus, we ask that Issuers provide this information to Staff in either the cover letter or in the draft prospectus filed. We will require a sufficient period of time to review the information once provided.

Given the uncertainty of the final amount of the offering, if Staff have financial condition concerns, we may request that the amount of proceeds raised in the offering be included in the final base PREP filed, or we may request that a minimum offering amount be imposed prior to the issuance of a final receipt. We will also consider the ability of the Issuer to decrease the size of the distribution by 20% (See Item 4.4 of NI 44-103) in determining the minimum amount of proceeds required to address financial condition concerns.

XI) Confidential prospectus pre-file review

In March 2020, Staff began accepting confidentially pre-filed prospectuses for review. We did so to provide Issuers with greater flexibility and more certainty in planning prospectus offerings, and to encourage continued capital formation during the pandemic.[12] On January 28, 2021, Staff issued a press release providing best practice guidance for confidential pre-file prospectuses. Since March 2020, we have reviewed **88** prospectuses on a confidential pre-filed basis.

[12] See CSA Staff Notice 43-310 *Confidential Pre-file Review of Prospectuses* (for non-investment fund issuers).

Tip: We would like to remind Issuers and advisors to carefully consider whether the draft preliminary prospectus is at an appropriate stage for a confidential pre-file. We may determine that a draft is not at an appropriate stage for Staff review and ask that the pre-file be withdrawn. This may occur in any of the following circumstances

- the disclosure in the draft document falls significantly short of the standard required of a preliminary prospectus. The pre-filed prospectus should contain all financial and non-financial disclosure that would be in the actual prospectus filing;
- there is no significant prospect of a transaction occurring within the foreseeable future. A deal timeline should be included in the filed cover letter to assist Staff in understanding when the review should ideally be completed. Staff would normally assume that the Issuer will file a preliminary prospectus shortly after the completion of the review of the pre-filed prospectus;
- the terms and conditions of the offering, and any related transactions, are still in flux.

In addition, the OSC will not review pre-files of

- non-offering prospectuses, other than non-offering prospectuses pre-filed in connection with cross-border financings or where there is specific legal or accounting matter requiring Staff input.
- prospectuses that solely qualify the issuance of securities on conversion of convertible securities, such as special warrants.

All prospectuses filed confidentially will be subject to a **full review**, regardless of whether they are long form or short form prospectuses. Any legal or accounting questions where Staff input is required should be highlighted. Prior to commencing the review of the prospectus, Staff will assess whether the Issuer has submitted a substantially complete prospectus, which includes all the required financial statements. We note that if the first comment letter is due after the next set of financial statements is required to be included, those financial statements must be included in the confidentially pre-filed prospectus prior to the commencement of our review.

Once the prospectus submission is deemed to be substantially complete, it will be assigned for review by Staff and an "**acknowledgment of receipt**" will be sent to counsel. We will use our best efforts to issue our first comment letter within published service standards for a long form prospectus starting from the date of the acknowledgement of receipt.

Reminder: The process to submit a prospectus for a confidential pre-file review is outlined in CSA Staff Notice 43-310 *Confidential Pre-File Review of Prospectuses (for non-investment fund issuers)*. The process to submit a pre-file application regarding interpretation of securities legislation to a particular offering or proposed offering or exemptive relief from securities legislation is outlined in NP 11-202.

Refer to "Our Service Commitments" below for further information.

As the objective of the confidential prospectus pre-file review process is to provide Issuers with greater flexibility and more certainty in planning prospectus offerings and not to provide an open-ended review of a draft prospectus, we will consider a pre-filing to be withdrawn and will close the pre-file if Issuers are unresponsive (i.e. have not provided a response to Staff comment letters for an extended period of time). For greater certainty, we will consider the pre-file to be withdrawn if there is no response within 90 days of the date Staff last issued comments. If the pre-filing has not been completed within 180 days from the initial pre-filing date, similar to the timing requirements in Item 2.3 of NI 41-101, Staff will close the file and the Issuer will have to re-submit a new pre-filing with the associated fees. In both cases, Staff will advise counsel that the pre-file will be closed.

XII) Special purpose acquisition corporations

A special purpose acquisition corporation (SPAC) is a shell company that facilitates capital formation by permitting experienced management teams to raise funds from public investors to acquire a business and take it public. Because the business is not known at the time of the IPO, SPACs are often referred to as "blank cheque" companies.

In 2021, we saw significant media attention relating to SPACs due to a marked increase in SPAC activity in the United States. This, in turn, has led to heightened regulatory scrutiny of SPACs south of the border. The SEC has made efforts to highlight the inherent risks with SPACs. The specific steps taken by the SEC include, but are not limited to:

- issuing guidance on disclosure considerations for SPAC IPOs and QTs;
- highlighting specific concerns relating to the role of the sponsor/founder;
- raising awareness about SPAC liability;
- questioning the optimistic revenue projections used by start-ups that are merging with SPACs[13];

[13] In Ontario, this is referred to as the "QT" and in the United States, it is commonly referred to as the "de-SPAC" transaction.

- issuing new guidance on certain accounting matters (for example, accounting for warrants), which could delay the effectiveness of registration statements until such issues are resolved.

In Canada, SPACs are governed by TSX and NEO Exchange (NEO) rules. Further to these rules, a prospectus must be filed with the relevant securities commission or authority at the time of the IPO, and a non-offering prospectus must be filed at the time of the QT.

We are continuing to monitor the SPAC developments in the U.S. and internationally though participation in the IOSCO SPAC Network, and will consider whether any policy changes to the SPAC program are necessary.

NEO Growth Acquisition Corporation (G-Corp)

The G-Corp is a pilot program established by NEO, for a new publicly traded acquisition corporation to enable private, mid-market growth companies to access capital and go public. The G-Corp program was introduced in April of 2021 and draws on existing requirements under NEO's SPAC rules. Under the G-Corp program, Issuers obtain waivers from certain of NEO's existing SPAC rules, some of which are subject to OSC concurrence and must also comply with additional NEO requirements deemed necessary for the G-Corp program. In order for the G-Corp program in its current, or any altered form, to become permanent, NEO would be required to publish policy amendments for public comment that will be subject to OSC approval. The Branch issued a receipt for the first G-Corp prospectus in 2021.

XIII) Concurrent filing of a base shelf prospectus and prospectus supplement

In Fiscal 2021 the Branch received several filings whereby Reporting Issuers sought to launch a bought deal offering by concurrently filing a preliminary base shelf prospectus and preliminary (draft) supplement to qualify the shares under the bought deal offering.

Typically, for a bought deal, a Reporting Issuer either files a short form prospectus or a prospectus supplement to an existing base shelf prospectus. Under these new offerings however, Reporting Issuers concurrently filed a preliminary base shelf prospectus and draft supplement after the execution of the bought deal offering agreement.

We understand that Reporting Issuers using this structure have been doing so due to volatile market conditions caused by COVID-19 and to manage "signalling risk".

We strongly encourage Reporting Issuers seeking to use this type of offering structure to confidentially pre-file **both** the base shelf prospectus and draft prospectus supplement. We remind Reporting Issuers and their counsel that both the preliminary base shelf prospectus and preliminary supplement are subject to review.

We also note that in order to rely on this type of structure, a Reporting Issuer must be cash flow positive and the cover letter accompanying the pre-filed prospectus should include the following information:

- details of the expected deal timeline;
- submissions on how the Reporting Issuer is complying (or proposes to comply) with the marketing requirements under both NI 44-101 and NI 44-102.

Reporting Issuers and their counsel are reminded of the three-day comment review period set out in NP 11-202. The three-day review period will be applied once the preliminary base shelf prospectus and the supplement are filed and, consequently, this comment period should be considered in planning the Reporting Issuer's deal timeline. Reporting Issuers and their counsel are also reminded to consider and allot enough time to resolve any Staff comments issued in their expected deal timeline.

If a Reporting Issuer wishes to have the receipt for the preliminary prospectus withheld until after markets close, this request should also clearly be set out in the cover letter.[14]

XIV) Use of business combination exemption

We remind Issuers that responsibility for the appropriate use of, and compliance with, prospectus exemptions rests with the Issuer. For example, if conducting a prospectus exempt rights offering, Staff are of the view that it would be most appropriate for such a distribution to be conducted pursuant to subsection 2.1(1) of NI 45-106 (the rights offering exemption) notwithstanding that the distribution may be part of an amalgamation, merger, reorganization, or arrangement transaction.

In the context of a prospectus exempt rights offering, Staff view the conditions of the rights offering exemption as important sources of investor protection and would expect that Issuers rely on, and comply with the conditions of, the rights offering exemption even if other prospectus exemptions are available.

We also note that when planning a transaction, filing counsel should consider having a pre-file discussion with Staff to confirm what entities Staff would consider to be Reporting Issuers upon completion of the transaction.

XV) Industry specific

Psychedelics

Over the past year, there has been an increased presence of Issuers that are involved with psychedelic drugs.[15] The recent focus on psychedelic drugs by Issuers

[14] See OSC Staff Notice 51-730 *Corporate Finance Branch 2019 Annual Report*.
[15] "Psychedelics" are a class of drugs that affect the brain's serotonin receptors and trigger changes in perception, cognition, mood, behaviour, and possibly state of consciousness. They

is based primarily on its use as medicine, but also for recreational purposes. Issuers have begun conducting clinical trials for drug efficacy to treat conditions such as depression and addiction.

For Issuers performing clinical trials, they are required to obtain appropriate regulatory approval from oversight bodies such as Health Canada, the U.S. Food and Drug Administration and the Canadian National Agency for Food and Drug Administration and Control, among others depending on the nature of the Issuer's operations.

According to the 2020 Report on Psychedelics presented by the NEO Exchange, several companies, located in jurisdictions such as Canada, Germany, the United Kingdom, and the United States, have entered the market for psychedelic drugs, with nearly $150 million USD invested into this industry in the first half of 2020.[16]

The Issuers in the sector are not a homogenous group. The business models and growth plans of each of these companies vary significantly. The legal and regulatory framework also varies depending on the jurisdiction of operations for each Issuer and the market segment in which it operates. An Issuer operating in the psychedelics sector may need to consider compliance with multiple laws and regulatory regimes depending on the market segments in which it is operating.

Due to the illegality of psychedelic drugs in various countries, Issuers engaged in activities related to psychedelic drugs should have clear disclosure regarding the regulatory, licensing and legal framework(s) under which the Issuer operates. Staff also expect to see risks associated with this business appropriately identified, understood, and managed by the board of directors. Depending on the Issuer's business, it may be appropriate to provide disclosures that are analogized to the disclosure expectations set out in SN 51-352.

Staff continue to monitor industry developments in this emerging sector. Staff will review filings by Issuers involved with psychedelic drugs on a case-by-case basis to determine if there are any novel business models which may give rise to public interest concerns which cannot be addressed by disclosure.

In these circumstances, we encourage Reporting Issuers and advisors to consult with Staff on a pre-file basis to discuss the appropriate level of disclosure and potential risks and other novel considerations that may arise.

include drugs such as DMT, ibogaine, ketamine, LSD, MDMA, psilocybin, and psilocin. Although each of these substances are subject to differing regulation and classification under Canadian law, they are all controlled substances.

[16] NEO Exchange Report on Psychedelics Volume I: Learning The Landscape (June 18, 2020) online: Report on Psychedelics <https://reportonpsychedelics.com/>.

Cannabis[17]

We note that Issuers in the cannabis industry may operate in several different jurisdictions and the regulatory uncertainty, differences in legal and regulatory frameworks across jurisdictions, and other potential risks should be disclosed to investors. Staff will continue to review cannabis filings on a case-by-case basis to determine if there are any novel business models giving rise to public interest concerns, which cannot be addressed by disclosure alone.

As general guidance, Issuers considering entering the cannabis industry, or Issuers considering new investments in the cannabis industry, should ensure that announcements about these new opportunities are balanced and that they are not potentially misleading to investors as a result. Also, Issuers who are substantially dependent on licenses to cultivate or sell cannabis, or using leased facilities for conducting those activities, should file the related licenses/agreements as material contracts on SEDAR.

For specific guidance for Issuers operating in the cannabis industry in Canada, please refer to OSC Staff Notice 51-731 *Corporate Finance Branch 2020 Annual Report*.

For specific guidance for Issuers operating in the cannabis industry in the United States of America or other foreign jurisdictions, please refer to *OSC Staff Notice 51-730 Corporate Finance Branch 2019 Annual Report.*

Along with recent rapid growth, the cannabis industry has experienced significant share price volatility, high multiples, rapid consolidation and legislative and regulatory uncertainty. These challenges reinforce the need for cannabis companies to focus on good governance practices. Implementing a corporate governance structure in accordance with high ethical and legal standards will provide confidence to investors and regulators. Issuers may also refer to *CSA Staff Notice 51-357 Staff Review of Reporting Issuers in the Cannabis Industry* which highlights good disclosure practices, so that investors are provided with transparent information about financial performance and risks and uncertainties, to support informed investing decisions.

[17] For more information see the following CSA Staff Notices:
CSA Multilateral Staff Notice 51-359 Corporate Governance Related Disclosure Expectations for Reporting Issuers in the Cannabis Industry
CSA Staff Notice 51-357 Staff Review of Reporting Issuers in the Cannabis Industry
CSA Staff Notice 51-352 (Revised) Issuers with U.S. Marijuana-Related Activities
CSA Staff Notice 51-342 Staff Review of Issuers Entering Into Medical Marijuana Business Opportunities
CSA Staff Notice 51-356 Problematic Promotional Activities by Issuers

XVI) Distributions out

Since the introduction of OSC Rule 72-503 in 2018, Issuers have been relying on the prospectus exemptions in the rule to distribute securities to investors outside Canada. According to our records, in Fiscal 2021, 620 Reports of Distributions Outside Canada were submitted.

We would like to remind Issuers of key policy guidance provided by the Commission in the Companion Policy to Rule 72-503 (CP 72-503):

- The Commission expects that an Issuer, selling security holder, an underwriter and other participants in a distribution made in reliance on OSC Rule 72-503 take sufficient measures in the circumstances of the distribution to make it reasonable to conclude that the offered securities come to rest outside Canada, meaning that it is unlikely that they will be redistributed back into Canada by an original purchaser outside Canada that has acquired the securities with a view to distribution, rather than with investment intent.
- The rule's exemptions are intended only for distributions being made in good faith outside Canada, and not as a part of a plan or scheme to conduct an indirect distribution to a person or company in Canada.
- Where the Commission becomes aware of conduct that may bring the reputation of Ontario's capital markets into disrepute, or otherwise impair its mandate, the Commission may assert its jurisdiction and exercise its powers to take appropriate action against Issuers, underwriters, and other person, including those in connection with distributions of securities to an investor outside Canada.

The principal intent for the introduction of OSC Rule 72-503 was to reduce regulatory burden for Canadian listed Issuers to facilitate cross-border offerings by removing the potentially duplicative application of Ontario prospectus requirements where offerings to an investor outside Canada are made in material compliance with the securities laws of the foreign jurisdiction.

However, in some instances, we have observed that these distributions outside Canada transactions may appear to be undertaken to undermine existing hold periods or provide an unfair advantage to foreign-based dealers. We remind Issuers and foreign-based dealers that the Commission may exercise its discretionary authority to cease trade securities, make orders to prevent conduct contrary to the public interest, and make regulations to foster fairness, efficiency, and confidence in capital markets irrespective of whether there is a "distribution" in Ontario in breach of section 53 of the Act.

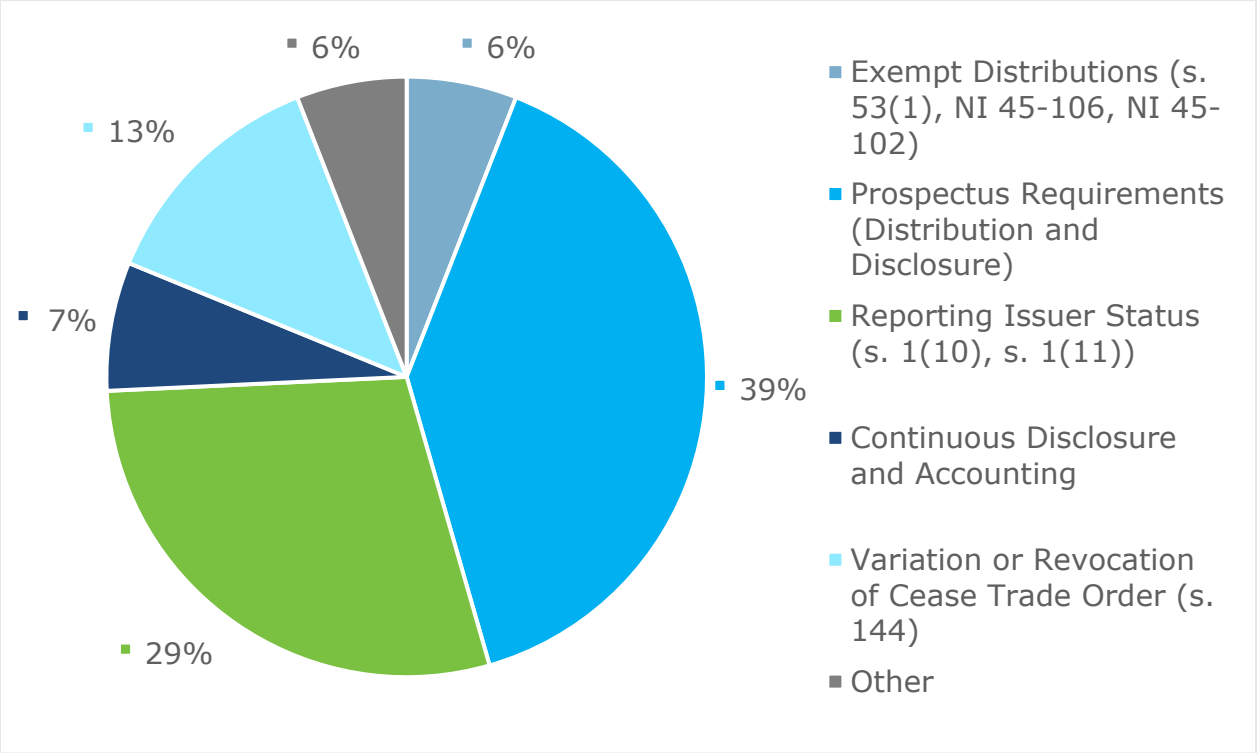
Please also refer to the discussion of OSC Rule 72-503 in OSC Staff Notice 33-752 *Summary Report for Dealers, Advisers and Investment Fund Managers* (August 2021).

3. EXEMPTIVE RELIEF APPLICATIONS

Staff review and make recommendations to appropriate decision makers on applications for exemptive relief. The review standard for granting relief varies, but it generally requires a decision maker to determine that granting the requested relief would not be prejudicial to the public interest.

In Fiscal 2021, we completed reviews of approximately **250** applications for exemptive relief from various securities law requirements, similar to Fiscal 2020.

Exemptive Relief Applications by Type - Fiscal 2021



A) Trends and guidance

We have noted approximately the same number of applications received in Fiscal 2021 compared with Fiscal 2020 and the proportion of the various types of applications has also remained consistent with Fiscal 2020. We continue to see applications for relief from certain prospectus requirements and for relief in connection with Reporting Issuer status. These two types of applications for relief have remained the most common.

We will continue to monitor the types of applications we receive and the exemptive relief granted to determine whether we should consider changes to our rules or policies.

Key takeaways from our exemptive relief work in Fiscal 2021 are set out below.[18]

I) Start-up crowdfunding

On June 23, 2021, the CSA published in final form National Instrument 45-110 *Start-up Crowdfunding Registration and Prospectus Exemptions* together with related materials (NI 45-110), which came into force on September 21, 2021.

The rule provides a harmonized national framework to facilitate securities crowdfunding for start-ups and early-stage Issuers and includes

- an exemption from the prospectus requirement to allow a non-reporting Issuer to distribute eligible securities through an online funding portal, and
- an exemption from the dealer registration requirement for a funding portal to facilitate online distributions by Issuers relying on the start-up crowdfunding prospectus exemption.

In addition, a firm registered in Ontario in the category of exempt market dealer or investment dealer is allowed to operate a funding portal if it meets the requirements set out in NI 45-110.

Prior to September 21, 2021, market participants could make use of OSC Instrument 45-506 *Start-Up Crowdfunding Registration and Prospectus Exemptions (Interim Class Order)*. The interim class order came into effect on July 30, 2020 and provides registration and prospectus exemptions for start-up crowdfunding that are substantially similar to local exemptions currently available in certain other CSA jurisdictions. In addition, the interim class order is substantially similar to the framework that is available under NI 45-110. The interim class order will remain in effect until 90 days following the in-force date of NI 45-110.

II) RTO transactions – relief from financial statements

A Reporting Issuer may be required to prepare an information circular pursuant to Form 51-102F5 in respect of a significant acquisition or a restructuring transaction, including an RTO, under which securities are to be changed, exchanged, issued or distributed. The information circular is required to include prospectus level disclosure (including financial statements) for these entities as referred to in section 14.2 of Form 51-102F5. In instances where the information circular is determined to be deficient; for example, if any required financial statements are missing, this may result in the Reporting Issuer having to amend its information circular and

[18] Prior OSC orders and exemptive relief decisions can be found on the OSC website or on CanLII at https://canlii.org/en/on/onsec/.

postpone its shareholders' meeting until a supplement to the information circular is made available on SEDAR.

While exchanges have the ability to waive certain listing requirements, they cannot waive financial statement requirements in respect of information circulars. In these circumstances, if a Reporting Issuer is requesting relief from a financial statement requirement, the Reporting Issuer must obtain the exemptive relief prior to mailing the information circular.

III) At-will financing/equity lines

Staff have recently reviewed filings by Reporting Issuers that indicate that the Issuer has entered into an "at-will financing facility" or similar type of financing arrangement with an institutional investor. Staff note that certain of these financing arrangements appear to be an "equity line financing arrangement" or "equity draw down facility" (collectively, an equity line). Please refer to OSC Staff Notice 33-752 – *Summary Report for Dealers, Advisers and Investment Fund Managers* issued by the Compliance and Registrant Regulation branch for further information.

Tip: We remind market participants that, to operate an equity line in Canada, both the Reporting Issuer and the purchaser generally require dealer and underwriter registration relief. This is because, in an equity line

- a distribution of securities to the purchaser may represent an indirect distribution of securities by the Reporting Issuer to secondary market investors through the purchaser, acting as an intermediary, and
- the purchaser may be purchasing securities "with a view to distribution" (i.e., the resale of such securities and/or of identical borrowed securities) and may therefore be considered an "underwriter" as defined in subsection 1(1) of the Act.

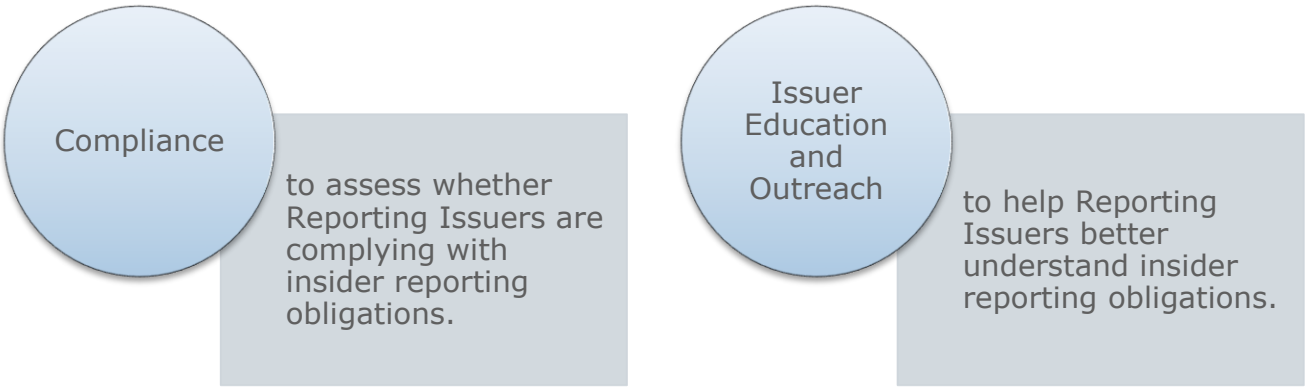
Reporting Issuers, registrants and other market participants should

- carefully consider whether a proposed financing could be considered an equity line arrangement and, if so, consider whether the Reporting Issuer and purchaser require exemptive relief, and
- take sufficient steps to make it reasonable to conclude that the offered securities come to rest outside Canada if seeking to distribute freely trading securities to purchasers outside of Canada, either under a prospectus or a prospectus exemption.

4. INSIDER REPORTING

We review compliance of reporting insiders and Issuers with insider reporting requirements through a risk-based compliance program. We actively and regularly assist Reporting Issuers and advisors by providing guidance on filing matters.

The objective of our insider reporting oversight work is twofold:



Insider reporting serves a number of functions, including deterring improper insider trading based on material undisclosed information, increasing market efficiency by providing investors with information about the trading activities of insiders, and, by inference, the insiders' views of the Reporting Issuer's future prospects. Non-compliance affects the integrity, reliability, and effectiveness of the insider reporting regime, which in turn has a negative impact on market efficiency. Where we identify non-compliance, we reach out to Reporting Issuers and request remedial filings. A Reporting Issuer should make remedial filings as soon as it becomes aware of an error to accurately inform investors of its activities, and to avoid any further late filing fees.

> ***Tip:*** Staff encourage Reporting Issuers to remind their insiders regarding their SEDI filing obligations and to file reports on time to avoid late fees.
>
> Late insider reports (generally, more than five calendar days after the date of the transaction) are subject to late filing fees. Late filing fees are set out in Appendix D of OSC Rule 13-502 *Fees*.

We educate Reporting Issuers through our compliance reviews and we also reach out to new Reporting Issuers directly to inform them of insider reporting obligations. We encourage Reporting Issuers to implement insider trading policies and monitor insider trading to meet best practice standards in National Policy 51-201 *Disclosure Standards*.

Reminder: *The definition of "reporting insider" can be found in National Instrument 55-104 Insider Reporting Requirements and Exemptions (NI 55-104).*

We remind Reporting Issuers and insiders that they should also refer to the definition of "significant shareholder" and the interpretation of "control" in NI 55-104 as well as the interpretation of "beneficial ownership" in the Act when determining who is required to file on SEDI. Understanding these definitions and interpretations will help Reporting Issuers identify and comply with their obligations.

Staff often see problems with reporting the type of ownership. For example, not reporting by type of holding or reporting it incorrectly. For indirect ownership or control or direction holdings, we remind Reporting Issuers and insiders to report the name of the registered holder.

A person is an indirect beneficial owner when the person's securities are held through an Issuer, an affiliated Issuer, a family trust, a third person or other legal entity. If you are an insider and you are the beneficial owner of the securities held in trust, you must report the holdings and transactions of the trust on your insider report. The key information to be included:

1. Ownership type: Indirect
2. Disclose the name of the trust as the registered holder

If you are an insider and you exercise control or direction over securities held in trust, you must report the holdings and transactions of the trust on your insider report. The key information to be included:

1. Ownership type: Control or Direction
2. Disclose the name of the trust as the registered holder

Refer to sections 3.2 and 3.3 of Companion Policy 55-104CP *Insider Reporting Requirements and Exemptions* for additional information.

Reminder: *Check your insider profile to ensure the contact information is correct and file an amended insider profile within ten days of any change in name, relationship to a Reporting Issuer, or if the insider has ceased to be a reporting insider of the Reporting Issuer.*

5. OUR SERVICE COMMITMENTS

Staff remind Issuers to consider the following when filing a confidential pre-file prospectus, preliminary prospectus or exemptive relief application:

- see our service commitments on the OSC website for guidance on when we will aim to respond to inquiries and issue comment letters;

- if you send an email or voicemail to Staff outside of our normal business hours from 9 am to 5 pm from Monday to Friday, you may not receive a response until the following business day;
- note that novel pre-file prospectuses, preliminary prospectuses or exemptive relief applications that are complex or raise new policy issues generally take longer to review;
- if you file a preliminary short form prospectus or a preliminary base shelf prospectus for a novel product/structure or after completing a reverse take-over transaction, a restructuring transaction or similar transaction, we may place the file on "long form" timing pursuant to subsection 5.5(3) of NP 11-202;
- when you file a preliminary prospectus, please make sure that any PIFs delivered with the preliminary prospectus have been properly completed (e.g., that the PIF has a response for each question and is signed). When PIFs are properly completed, it means that Staff will not need to raise comments on deficient PIFs in the first comment letter for the prospectus;
- if an Issuer is currently subject to an OSC enforcement proceeding, any application for a "not a Reporting Issuer" order under subsection 1(10) of the Act may take longer than usual and would not be considered "routine".

Tip: Prior to filing a pre-file prospectus, preliminary prospectus or exemptive relief application check the OSC website at www.osc.ca for precedents, guidance and resources to assist with any questions you may have.

6. ADMINISTRATIVE MATTERS

A) Participation fee form

Under OSC Rule 13-502 *Fees*, if a Reporting Issuer files its annual financial statements before they are due, the participation fee must also be paid on the same date. If the participation fee is not paid at the same time the annual financial statements are filed, late fees will be applied starting from the date that the annual financial statements were filed.

Each Reporting Issuer must select the participation fee form applicable to its Reporting Issuer classification as the forms and related fees are substantively different.

Tip: The class of the Reporting Issuer is based on its status as at the end of its previous financial year, not at the time of filing. Reporting Issuers must also ensure that the correct form for Ontario participation fees is completed as other jurisdictions have fee forms that are similar to the OSC form.

B) Refiling of CD documents

If a Reporting Issuer must correct a material typographical or administrative error (or omission) in an electronic filing, the Reporting Issuer must refile the entire corrected document using the appropriate cover page for the filing type as well as a covering letter or a face page for the corrected document describing the correction with the date of the correction.

If information in the refiled document is materially different from information in the originally filed document, refer to section 11.5 of NI 51-102 for the procedure to be followed for refiling.

When refiling a document with materially different information or when filing restated information, the document should be attached to the document type that is identified as "Amended" or "Restated". For example, if an amended material change report is being filed, it should be filed using the document type "Material change report (amended)". If an amended NI 43-101 technical report is being filed, it should be filed using the document type "Amended & restated technical report (NI 43-101)".

C) Making documents private on SEDAR

We often receive requests from Issuers and SEDAR filers to make certain documents private on SEDAR. Generally, we will make a document private on SEDAR if it has been filed on the wrong Issuer profile or if the document contains errors caused by redaction software. We may also make a document private if the document contains confidential information that is potentially detrimental to the Issuer.

In order to request that a document be marked private, Issuers will need to complete a request form and send it to the financial examiners at finrepnotifications@osc.gov.on.ca. Please note that we only consider requests to make CD private from those Issuers whose principal regulator is Ontario. We cannot guarantee that a request will be approved immediately as we require time to review each individual request and consult internally, if necessary.

If an Issuer's request is denied, we recommend that the Issuer refile the document including a note to the reader on the face page or cover page of the document explaining the reason for refiling. Making a document private on SEDAR does not mean that it has not already been disseminated in the public domain. Certain requests to mark a document private may require a formal application under subsection 140(2) of the Act.

D) Reports of Exemption Distribution

In 2016, the CSA introduced a new harmonized report of exempt distribution (RED) that requires additional information about capital raising activity in the exempt market to facilitate more effective regulatory oversight of the exempt market. The additional information supports our compliance program and informs our policy work in this area. We have historically made limited information available about specific exempt distributions as part of our open data policy, however with the new RED, we have expanded the data available about specific exempt distributions for greater transparency.

As of October 1, 2021, the OSC has expanded the reports of exempt distribution summary to include all exemptions relied on, as well as the amount raised under each exemption. The expanded summary is available for the reports of exempt distribution filed on or after June 30, 2016. Our previous summary for reports of exempt distribution filed between April 1, 2014 to June 29, 2016 is still available in its original form in a separate spreadsheet.

In addition, Staff would like to highlight some of the more common form compliance errors which often result in comments and requests for amended reports.

- **Distribution dates (Item 7b):** The distribution dates indicated on the Schedule 1 appear to be different than those referred to on the Form 45-106F1.
- **Unique purchaser count (Item 7f):** The number of unique Ontario purchasers indicated on the Schedule 1 does not match the number indicated on the Form 45-106F1. In calculating the number of unique purchasers per row, count each purchaser only once. Joint purchasers may be counted as one purchaser.
- **Ontario distribution amount (Item 7f):** The total Ontario distribution amount specified on the Schedule 1 does not match the form.
- **Exemptions do not match (Item 7f):** The exemptions relied on in the Schedule 1 appear to be different than those referred to on the Form 45-106F1. Also, subsections should be added, if applicable, in the appropriate columns on Schedule 1.
- **Purchaser data is missing or incorrect (Schedule 1):** All required purchaser information must be completed and correct.

For additional information, please refer to the Form Instructions and CSA Staff Notice 45-308 (Revised) *Guidance for Preparing and Filing Reports of Exempt Distribution under National Instrument 45-106 Prospectus Exemptions* (CSA SN 45-308).

Prospectus exemptions can help a company raise money without the time and expense of preparing a prospectus. As of September 21, 2021, exempt distributions can be made under the new prospectus exemption in NI 45-110.

Exempt distributions under NI 45-110 must be reported to the OSC by filing a **Form 45-106F1 no later than 30 days after the distribution,** whereas distributions under many other prospectus exemptions are required to be reported no later than 10 days after the distribution. Companies that distribute securities using multiple prospectus exemptions may wish to file a single Form 45-106F1. **The OSC reminds filers that, if an Issuer distributes securities concurrently under NI 45-110 and another capital raising exemption and the Issuer wants to file one report of exempt distribution, the report would be due 10 days after the distribution (and not 30 days)**.

In situations where a distribution occurs in "tranches" on multiple distribution dates, filers should refer to the guidance in CSA SN 45-308.

Part B: Responsive Regulation

1. CD Requirements
2. Prospectus Guidance
3. Business Acquisition Report
4. Listed Issuer Exemption
5. Syndicated Mortgages
6. Environmental, Social and Corporate Governance
7. Cyrptocurrency
8. Benchmarks
9. Designated Rating Organizations

1. CONTINUOUS DISCLOSURE REQUIREMENTS

On May 20, 2021, the CSA proposed changes to the CD requirements for non-investment fund Reporting Issuers to streamline and clarify annual and interim filings.

The proposed changes are as follows:

- streamline and clarify certain disclosure requirements in the MD&A and AIF for non-investment fund Reporting Issuers;
- eliminate certain requirements that are redundant or no longer applicable;
- combine the financial statements, MD&A and, where applicable, AIF into one reporting document called the annual disclosure statement for annual reporting purposes, and the interim disclosure statement for interim reporting purposes;
- introduce a small number of new requirements to address gaps in disclosure.

The CSA also consulted on a proposed framework for semi-annual reporting on a limited basis. The framework would allow venture Issuers, that are not SEC issuers, the choice of reporting on a semi-annual rather than a quarterly basis. Alternative disclosure would be required for interim periods where financial statements and MD&A would not be filed. While a rule was not published for comment, the CSA sought public comment on whether rules consistent with the proposed framework could further reduce regulatory burden for these Issuers while still providing investors with adequate information to make informed decisions. The comment period ended on September 17, 2021 and the CSA received 36 comment letters. The CSA is considering the feedback received.

2. PROSPECTUS GUIDANCE

In March 2021, the CSA published revisions to CSA Staff Notice 41-307 *Corporate Finance Prospectus Guidance – Concerns Regarding an Issuer's Financial Condition and the Sufficiency of Proceeds from a Prospectus Offering* to provide guidance on sufficiency of proceeds and financial condition concerns specifically in the context of base shelf prospectus reviews. This notice describes issues that have arisen in past prospectus reviews and explain the types of comments that have been raised about an Issuer's financial condition and/or the sufficiency of proceeds from a prospectus offering. The guidance applies to Issuers that have short-term liquidity concerns and/or offerings that do not appear to be raising sufficient proceeds.

3. BUSINESS ACQUISITION REPORT

On August 20, 2020, the CSA published Notice of Amendments to National Instrument 51-102 Continuous Disclosure Obligations and Changes to Certain Policies Related to the Business Acquisition Report Requirements. The BAR amendments came into effect on November 18, 2020.

The BAR amendments

- alter the determination of significance for Reporting Issuers that are not venture Issuers such that an acquisition of a business or related businesses is a significant acquisition only if at least two of the existing significance tests are triggered[19], and
- increase the significance test threshold for Reporting Issuers that are not venture Issuers from 20% to 30%.

The BAR amendments are expected to reduce regulatory burden for Reporting Issuers that are not venture Issuers by limiting the application of the BAR requirements while still providing investors with relevant and appropriate information following such transactions.

4. LISTED ISSUER FINANCING EXEMPTION

The proposed listed issuer financing exemption is expected to reduce costs for Reporting Issuers raising capital through the public markets. It would also allow Reporting Issuers greater access to retail investors and provide retail investors with a broader choice of investments. The exemption would allow Reporting Issuers to distribute freely tradeable securities of a type that trades on a Canadian stock exchange to any class of investor, primarily based on its CD record.

The prospectus exemption will be available to Issuers that have been a Reporting Issuer for at least 12 months and have filed all continuous disclosure documents required under Canadian securities legislation. Eligible Reporting Issuers must file a short offering document to supplement and confirm the accuracy of the CD record. Under the proposed exemption, Reporting Issuers could raise up to the greater of $5 million or 10 per cent of the Reporting Issuer's market capitalization, to a maximum of $10 million, annually. More significant transactions that could affect the Reporting Issuer's overall business will continue to require the use of a prospectus or other available prospectus exemption.

[19] Part 8 of NI 51-102 sets out three significance tests: the asset test, the investment test and the profit or loss test. An acquisition of a business or related businesses is a significant acquisition that requires the filing of a BAR under Part 8 of NI 51-102: (1) for a reporting issuer that is not a venture issuer, if the result from any one of the three significance tests exceeds 20%; (2) for a venture issuer, if the result of either the asset test or investment test exceeds 100%.

The Modernization Taskforce Report included a recommendation to introduce a prospectus exemption similar to the proposed exemption.

The comment period ended on October 26, 2021 and nine comment letters were received. We continue to work with the CSA to finalize the exemption and expect to publish a final proposal next year.

5. SYNDICATED MORTGAGES

On July 1, 2021, amendments to NI 45-106, NI 31-103, and OSC Rule 45-501 related to syndicated mortgages came into force.

Prior to the amendments, under subsections 35(4) and 73.2(3) of the Act, mortgages sold by persons registered or exempt from registration under mortgage brokerage legislation were exempt from the registration and prospectus requirements in Ontario, including for transactions involving syndicated mortgages. These subsections have now been repealed and replaced with corresponding exemptions in NI 45-106 and NI 31-103 that do not extend to syndicated mortgages.

The amendments introduced additional investor protections related to syndicated mortgages distributed under the offering memorandum exemption under section 2.9 of NI 45-106, including enhancing disclosure and requiring the delivery of a current property appraisal prepared by an independent professional appraiser to investors who purchase syndicated mortgage investments.

Syndicated mortgages may no longer be distributed under the private issuer exemption under section 2.5 of NI 45-106 or subsection 73.4(2) of the Act.

More limited prospectus and registration exemptions, that do apply to syndicated mortgages, have been introduced in OSC Rule 45-501 to exempt transactions for which the Financial Services Regulatory Authority (FSRA) will continue to provide primary oversight. These transactions include distributions of qualified syndicated mortgages, which are not expected to present significant investor protection concerns, and transactions with sophisticated parties that fall within the class of permitted clients (as defined in NI 31-103), in each case, provided that the transactions are undertaken by a mortgage brokerage that is licensed under the *Mortgage Brokerages, Lenders and Administrators Act, 2006*.

As a result of these amendments, higher risk syndicated mortgages sold to retail investors in Ontario will be overseen by the OSC and subject to the same or stricter requirements as other forms of real estate investments.

6. ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

The focus on climate-related issues in Canada and internationally has grown rapidly in recent years. Investors and other stakeholders are increasingly focused on climate-related risks and are seeking improved disclosure on Reporting Issuers' governance processes and the material risks, opportunities, and financial impacts to climate change. Current securities legislation in Canada requires disclosure of certain climate-related information in a Reporting Issuer's regulatory filings if such information is material.[20]

The Modernization Taskforce Report recommended mandated disclosure by public companies of material environmental, social, and corporate governance (ESG) information, specifically climate-related information for Reporting Issuers through regulatory filing requirements of the OSC.

The 2021 Ontario budget noted the Modernization Taskforce's consultation and final recommendations. The budget stated that the OSC would begin policy work to inform further regulatory consultation on ESG disclosure in the second half of 2021.

On October 18, 2021, the CSA published a notice and request for comment proposed climate-related disclosure requirements in *National Instrument 51-107 Disclosure of Climate-related Matters* (the **Notice**) to address the need for more consistent and comparable information to help inform investment decisions. The requirements contemplate disclosure largely consistent with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and are intended to improve comparability of the climate-related information Issuers disclose and help investors make more informed investment decisions. The requirements are also intended to address costs associated with reporting across multiple disclosure frameworks, improve access to global markets, and facilitate an equal playing field for Issuers. Comments should be submitted by January 17, 2022.

In addition to the proposed climate-related disclosure requirements, in spring 2021, staff in certain CSA jurisdictions conducted a targeted review of 48 Reporting Issuers primarily from the S&P/TSX Composite Index and from a diverse range of industries, that focused on the extent to which material climate-related risks, financial impacts and related governance disclosure were provided in CD filings. The review found that Reporting Issuers are providing more climate-related information compared with the 2018 review findings published in CSA Staff Notice 51-354 *Report on Climate Change-related Disclosures Project*. While the volume of climate-related disclosures has increased and the quality has generally improved, review staff noted areas where disclosure of climate-related risks were either boilerplate,

[20] The CSA has also issued publications regarding climate-related disclosures on three previous occasions: CSA Staff Notice 51-333 *Environmental Reporting Guidance* (October 2010); CSA Staff Notice 51-354 *Report on Climate Change-related Disclosures Project* (April 2018); and CSA Staff Notice 51-358 *Reporting of Climate Change-related Risks* (August 2019).

vague or incomplete and/or did not adequately address the financial impact of the identified risks. The findings from this review are included in the Notice.

Finally, the OSC is involved with IOSCO's Sustainable Finance Task Force (STF). In 2020, IOSCO established the STF to carry out work to improve the consistency, comparability and reliability of sustainability-related disclosures. The STF's work is focused on three areas: (i) Workstream 1: corporate issuers' sustainability-related disclosures; (ii) Workstream 2: asset managers' disclosures and investor protection issues, including greenwashing; and (iii) Workstream 3: the role of ESG data and ratings providers. The OSC is a member of Workstream 1 and is co-chairing Workstream 2 with the Securities and Futures Commission of Hong Kong. Staff have provided input on the Workstream 1 and Workstream 2 reports which were published in June 2021. Staff, along with other OSC representatives, are also involved in the work of the IOSCO STF Technical Experts Group which is providing input to the International Financial Reporting Standards (IFRS) Foundation as it develops its draft prototype of sustainability disclosure standards.

7. CRYPTOCURRENCY

CSA Staff Notice 51-363 *Observations on Disclosure by Crypto Assets Reporting Issuers* was published on March 11, 2021. The notice outlines the disclosure expectations of CSA staff in key areas such as safeguarding crypto assets, the use of crypto asset trading platforms, risk factors, material changes and promotional activities. The notice also provides guidance to crypto asset Issuers on navigating certain complex accounting and disclosure issues.

8. BENCHMARKS

Financial Benchmarks

On April 29, 2021, the CSA published the final version of Multilateral Instrument 25-102 *Designated Benchmarks and Benchmark Administrators* (MI 25-102), which establishes a comprehensive regime for the designation and regulation of financial benchmarks and those that administer them. MI 25-102 came into force in Ontario on July 13, 2021.

The CSA jurisdictions that have adopted MI 25-102 have also entered into a memorandum of understanding (MOU) respecting the oversight of designated benchmarks and designated benchmark administrators. The MOU sets out a lead/co-lead authority model so that each designated benchmark and designated benchmark administrator will have one or more CSA members that function as its lead authority or co-lead authorities and are primarily responsible for its oversight. The MOU came into force in Ontario on July 27, 2021.

The CSA intends to seek to have the European Union (EU) and the United Kingdom (UK) each recognize MI 25-102 as "equivalent" for the purposes of the EU benchmarks regulation and the UK benchmarks regulation so that Canadian

benchmarks would have the benefit of a Canadian domestic regime that has been recognized as equivalent by the EU and the UK.

On September 15, 2021, the OSC and the Autorité des marchés financiers (the AMF) designated the Canadian Dollar Offered Rate (CDOR) as a designated benchmark and Refinitiv Benchmark Services (UK) Limited (RBSL) as its administrator. CDOR was designated as an "interest rate benchmark" and a "critical benchmark" and the OSC and the AMF will be the co-lead authorities for CDOR and RBSL. Copies of the designation orders are available on the OSC website and the AMF website, respectively.

Commodity Benchmarks

On April 29, 2021, the CSA also published proposed amendments to MI 25-102, which would establish a comprehensive regime for the designation and regulation of commodity benchmarks and those that administer them.

As with adopting MI 25-102 in respect of financial benchmarks, we are pursuing this initiative since we believe there is a need for regulation due to the potential for misconduct, and the need to reflect global developments in benchmarks regulation, including the IOSCO Principles for Oil Price Reporting Agencies and the EU's benchmarks regulation.

The comment period ended on July 28, 2021 and we received five comment letters. The next steps for the CSA on this project will be to complete consideration of the comments received and prepare the final version of the amendments.

9. DESIGNATED RATING ORGANIZATIONS

In April 2012, the CSA implemented a regulatory oversight regime for credit rating agencies (CRAs) through National Instrument 25-101 *Designated Rating Organizations* (NI 25-101) (DROs). The regime recognizes and responds to the role of CRAs in our credit markets, and the role of CRA-issued ratings which are referred to in securities rules and policies. Under the regime, the OSC has the authority to designate a CRA as a DRO, to impose terms and conditions on a DRO, and to revoke a designation order, or change its terms and conditions, where the OSC considers it in the public interest to do so.

There are currently five CRAs that have been designated as DROs in Canada under NI 25-101:

1. DBRS Limited
2. Fitch Ratings, Inc.
3. Kroll Bond Rating Agency, LLC (Kroll)
4. Moody's Canada Inc.
5. S&P Global Ratings Canada

Kroll has only been designated as a DRO for the purposes of the alternative eligibility criteria in section 2.6 of National Instrument 44-101 *Short Form*

Prospectus Distributions and section 2.6 of NI 44-102 for Reporting Issuers of asset-backed securities to file a short-form prospectus or shelf prospectus, respectively.

In Canada, the OSC is the principal regulator of these DROs. We conduct reviews of DROs using a risk-based approach. Our reviews focus on credit rating activities of the CRAs in Canada or in respect of Canadian Issuers.

When we identify a concern, or an area of material non-compliance, we may take various actions depending on the nature of the observation and the perceived or potential harm to the marketplace. This may include, but is not limited to, recommending changes to the DRO's policies, procedures or information and documents on the DRO's website, or requiring training or specified oversight of DRO staff in areas where we have seen non-compliance with the DRO's policies or procedures.

Proposed Amendments to NI 25-101

In 2017, the CSA published for comment proposed amendments to NI 25-101 so that NI 25-101 would be recognized for purposes of the European Union (EU) "equivalence/certification" regime under the EU CRA Regulation. The proposed amendments reflected changes to the EU CRA Regulation that came into effect in 2018 and that are required for purposes of the EU "equivalence/certification" regime. The DROs that submitted comment letters on the proposed amendments expressed concerns about increased regulatory burden.

OSC Staff have considered developments since the proposed amendments were published for comment. Following Brexit, there is now a UK CRA Regulation which reflects the EU CRA Regulation. Since the 5 existing DROs in Canada are relying on the alternative EU and UK "endorsement" regimes and NI 25-101 continues to be recognized for purposes of those regimes, we have decided not to pursue the proposed amendments.

KEY STAFF NOTICES

Topic	Reference
COVID-19	• CSA Staff Notice 51-362 *Staff Review of COVID-19 Disclosures and Guide for Disclosure Improvements* • CSA Staff Notice 51-360 (Updated) – *Frequently Asked Questions Regarding Filing Extension Relief Granted by Way of a Blanket Order in Response to COVID-19* • CSA Multilateral Staff Notice 51-361 – *Continuous Disclosure Review Program Activities for the fiscal years ended March 31, 2020 and March 31, 2019*
Prospectus Practice Directives	• CSA Staff Notice 41-307 *Corporate Finance Prospectus Guidance – Concerns Regarding an Issuer's Financial Condition and the Sufficiency of Proceeds from a Prospectus Offering* • OSC Staff Notice 41-702 – *Prospectus Practice Directive #1 – Personal Information Forms and Other Procedural Matters Regarding Preliminary Prospectus Filings* • OSC Staff Notice 41-703 – *Corporate Finance Prospectus Practice Directive #2 – Exemption from Certain Prospectus Requirements to be Evidenced by a Receipt*
Pre-File Reviews	• CSA Staff Notice 43-310 – *Confidential Pre-File Review of Prospectuses (for non-investment fund issuers)* • OSC Staff Notice 43-706 – *Pre-filing Review of Mining Technical Disclosure*
Disclosure Obligations	• OSC Staff Notice 51-731 *Corporate Finance Branch 2020 Annual Report* • OSC Staff Notice 51-711 (Revised) – *Refilings and Corrections of Errors* • OSC Staff Notice 51-723 – *Report on Staff's Review of Related Party Transaction Disclosure and Guidance on Best Practices* • CSA Multilateral Staff Notice 51-361 – *Continuous Disclosure Review Program Activities for the fiscal years ended March 31, 2020 and March 31, 2019*
Forward-Looking Information	• OSC Staff Notice 51-721 – *Forward-Looking Information Disclosure* • CSA Staff Notice 51-356 – *Problematic promotional activities by issuers*
Non-GAAP Financial Measures	• CSA Staff Notice 52-306 (Revised) – *Non-GAAP Financial Measures*

	• CSA Staff Notice 52-329 – *Distribution Disclosures and Non-GAAP Financial Measures in the Real Estate Industry* • OSC Staff Notice 52-722 – *Report on Staff's Review of Non-GAAP Financial Measures and Additional GAAP Measures*
Industries	• CSA Staff Notice 51-363 *Observations on Disclosure by Crypto Assets Reporting Issuers* • CSA Staff Notice 55-317 *Automatic Securities Disposition Plans* • CSA Staff Notice 43-307 – *Mining Technical Reports – Preliminary Economic Assessments* • CSA Staff Notice 43-309 – *Review of Website Investor Presentations by Mining Issuers* • CSA Staff Notice 43-311 – *Review of Mineral Resource Estimates in Technical Reports* • CSA Staff Notice 51-327 – *Revised Guidance on Oil and Gas Disclosure* • CSA Staff Notice 51-342 – *Staff Review of Issuers Entering Into Medical Marijuana Business Opportunities* • CSA Multilateral Staff Notice 51-349 – *Report on the Review of Investment Entities and Guide for Disclosure Improvements* • CSA Staff Notice 51-352 (Revised) – *Issuers with U.S. Marijuana-Related Activities* • CSA Staff Notice 51-357 – *Staff Review of Reporting Issuers in the Cannabis Industry* • OSC Staff Notice 51-720 – *Issuer Guide for Companies Operating in Emerging Markets* • OSC Staff Notice 51-722 – *Report on a Review of Mining Issuers' Management's Discussion and Analysis and Guidance* • OSC Staff Notice 51-724 – *Report on Staff's Review of REIT Distributions Disclosure*
Insider Reporting and SEDI	• OSC Staff Notice 51-726 – *Report on Staff's Review of Insider Reporting and User Guides for Insiders and Issuers* • CSA Staff Notice 55-316 – *Questions and Answers on Insider Reporting and the System for Electronic Disclosure by Insiders (SEDI)*
Use of the Internet and Cyber Security	• CSA Multilateral Staff Notice 51-347 – *Disclosure of cyber security risks and incidents* • CSA Staff Notice 51-348 – *Staff's Review of Social Media Used by Reporting Issuers*

Corporate Governance	• CSA Multilateral Staff Notice 58-312 – *Report on Sixth Staff Review of Disclosure regarding Women on Boards and in Executive Officer Positions* • CSA Multilateral Staff Notice 58-311 *Report on Fifth Staff Review of Disclosure regarding Women on Boards and in Executive Officer Positions* • CSA Multilateral Staff Notice 58-310 *Report on Fourth Staff review of Disclosure regarding Women on Boards and in Executive Officer Positions* • CSA Multilateral Staff Notice 51-359 *Corporate Governance Related Disclosure Expectations for Reporting Issuers in the Cannabis Industry*

STAFF CONTACT INFORMATION

Topic	Staff Contact information	
Administrative Matters including insider reporting and cease trade orders	Eden Williams Manager, Regulatory Administration ewilliams@osc.gov.on.ca (416) 593-8338	
Corporate Finance Management Team	Sonny Randhawa, Director srandhawa@osc.gov.on.ca (416) 204-4959	Michael Balter, Manager mbalter@osc.gov.on.ca (416) 593-3739
	Marie-France Bourret, Manager mbourret@osc.gov.on.ca (416) 593-8083	Lina Creta, Manager lcreta@osc.gov.on.ca (416) 204-8963
	Jo-Anne Matear, Manager jmatear@osc.gov.on.ca (416) 593-2323	Winnie Sanjoto, Manager wsanjoto@osc.gov.on.ca (416)- 593-8119
Mining Technical Disclosure	Craig Waldie Senior Geologist cwaldie@osc.gov.on.ca (416) 593-8308	James Whyte Senior Geologist jwhyte@osc.gov.on.ca (416) 593-2168
Preliminary Prospectus Receipts	Evelina Barsukov Review Officer ebarsukov@osc.gov.on.ca (416) 593-3694	Lorraine Greer Review Officer lgreer@osc.gov.on.ca (416) 593-2322

The OSC Inquiries & Contact Centre operates from
8:30 a.m. to 5:00 p.m. Eastern Time, Monday to Friday,
and can be reached on the Contact Us page on the OSC website at:

osc.gov.on.ca

If you have questions or comments about this Report, please contact:

Sonny Randhawa Director Corporate Finance srandhawa@osc.gov.on.ca (416) 204-4959	Marie-France Bourret Manager Corporate Finance mbourret@osc.gov.on.ca (416) 593-8083
Christine Krikorian Senior Accountant Corporate Finance ckrikorian@osc.gov.on.ca (416) 593-2313	Roxane Gunning Senior Legal Counsel Corporate Finance rgunning@osc.gov.on.ca (416) 593-8269
Nasim Rangwala Legal Counsel Corporate Finance nrangwala@osc.gov.on.ca (416) 593-8054	

1.1.3 Minister of Finance – Notice of Request Made under Subsection 143.7(1) of the Securities Act

NOTICE OF REQUEST
MADE UNDER SUBSECTION 143.7(1) OF
THE SECURITIES ACT

On November 19, 2021, the Minister of Finance (the Minister) delivered a letter to the Ontario Securities Commission (the OSC) expressing concerns that some of Ontario's largest financial institutions are halting sales of or may be unduly restricting access to third-party investment products in certain business lines. The letter also noted that the Capital Markets Modernization Taskforce's consultations last year raised questions regarding the practice of tied selling.

Pursuant to subsection 143.7(1) of the *Securities Act* (Ontario), the Minister requested that the OSC undertake an analysis of these concerns and report back by February 28, 2022 on the OSC's findings, as well as potential recommendations.

No unpublished study, report or other written material was provided with the letter.

A copy of the Minister's letter follows this Notice.

Ministry of Finance
Office of the Minister
7th Floor, Frost Building South
7 Queen's Park Crescent
Toronto ON M7A 1Y7
Telephone: 416-325-0400

Mr. Grant Vingoe
Chair and Chief Executive Officer
Ontario Securities Commission
20 Queen Street West, 22nd Floor
Toronto, ON M5H 3S8

Dear Mr. Vingoe:

I am writing to express concerns that some of Ontario's largest financial institutions are halting sales of third-party investment products or may be unduly restricting sales of third-party investment products in certain business lines.

Some financial institutions have signaled that the measures to restrict shelf space are a response to the Client Focused Reforms (CFRs), which Ontario and other jurisdictions are implementing. However, it appears that these actions would result in a narrowing of investment products offered to investors. This practice would run counter to the underlying intent of the CFRs, which is to mitigate conflicts of interest and ensure that investors have access to the products that best serve their needs.

I am aware that you have contacted the institutions in question requesting information to better understand the changes they are implementing. I appreciate this as a necessary first step in understanding how to best protect the interests of investors and support consumer choice.

The Capital Markets Modernization Taskforce's consultations last year also raised questions regarding the practice of tied selling. Please undertake an analysis and, in your deliberations, engage with all relevant stakeholders including members of the Capital Markets Modernization Taskforce, as well as those who participated in the Taskforce's consultations.

Pursuant to Section 143.7 of the *Securities Act*, I am asking that the Ontario Securities Commission (OSC) undertake an analysis of these concerns and report back by February 28, 2022 on the OSC's findings, as well as potential recommendations.

Enhancing the competitiveness of Ontario businesses and modernizing our capital markets are priorities for our government, with the goal of making this province one of the most attractive capital markets jurisdictions globally.

That is why, in the *2021 Budget*, the OSC's mandate was expanded to include fostering capital formation and enhancing competition in Ontario's capital markets. The latest step in this modernization was releasing the draft Capital Markets Act for public feedback, and we continue to make progress on implementing the recommendations made by the Capital Markets Modernization Taskforce.

Thank you for taking the time to consider this matter. Should you have any questions or concerns, please contact Francisco Chinchon, Assistant Deputy Minister, Financial Services Policy Division at (647) 284-6374 or francisco.chinchon@ontario.ca.

Sincerely,

"Peter Bethlenfalvy"
Minister of Finance

c: Richard Clark, Chief of Staff, Minister's Office, Ministry of Finance
Greg Orencsak, Deputy Minister, Ministry of Finance
Nancy Mudrinic, Associate Deputy Minister, Office of Regulatory Policy and Agency Relations, Ministry of Finance
Francisco Chinchon, Assistant Deputy Minister, Financial Services Policy Division, Ministry of Finance
Shameez Rabdi, Director, Capital Markets and Agency Transformation Branch, Ministry of Finance

1.4 Notices from the Office of the Secretary

1.4.1 First Global Data Ltd. et al.

FOR IMMEDIATE RELEASE
November 17, 2021

FIRST GLOBAL DATA LTD.,
GLOBAL BIOENERGY RESOURCES INC.,
NAYEEM ALLI,
MAURICE AZIZ,
HARISH BAJAJ, AND
ANDRE ITWARU,
File No. 2019-22

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

A copy of the Order dated November 17, 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 Sean Daley et al.

FOR IMMEDIATE RELEASE
November 23, 2021

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

TORONTO – The Commission issued Reasons for Decision in the above named matter.

A copy of the Reasons for Decision dated November 22, 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

Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Fidelity Advantage Bitcoin ETF et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted from subsection 6.1(1) and section 6.2 of NI 81-102 to permit Fidelity Clearing Canada ULC (FCC), a registered investment dealer, to act as custodian or sub-custodian of the crypto assets and related cash of a representative fund and other existing or future investment funds that invest primarily in crypto assets – Relief granted from subsection 6.1(1) to permit funds to appoint more than one custodian – Relief granted from paragraph 6.1(3)(b) and section 6.3 to permit FCC to appoint Fidelity Digital Asset Services, LLC (FDAS), a limited liability trust company organized under New York law, to act as sub-custodian of the funds' crypto assets outside of Canada – FCC does not qualify to act as a custodian or a sub-custodian of the funds under section 6.2 of NI 81-102 because it is not an affiliate of a bank or trust company – FDAS is not qualified to act as sub-custodian under section 6.3 of NI 81-102 because it does not satisfy the equity requirement – Funds may appoint both FCC to custody crypto assets and another custodian to custody portfolio assets that FCC is not permitted to custody – Relief granted subject to certain conditions, including that FCC provide annually to the principal regulator a current list of the funds that are relying on the decision – Decision expires in two years – National Instrument 81-102 Investment Funds.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 6.1(1), 6.2, 6.1(3)(b), 6.3 and 19.1.

November 16, 2021

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

AND

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

AND

IN THE MATTER OF
THE FUNDS
(as defined below)

AND

IN THE MATTER OF
FIDELITY ADVANTAGE BITCOIN ETF
(the Representative Fund)

AND

IN THE MATTER OF
FIDELITY INVESTMENTS CANADA ULC
(the Representative Manager)

AND

IN THE MATTER OF
FIDELITY CLEARING CANADA ULC
(FCC)
(collectively, the Filers)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filers for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) for an exemption pursuant to section 19.1 of National Instrument 81-102 *Investment Funds* (**NI 81-102**) from:

(a) subsection 6.1(1) of NI 81-102 to permit (i) the Crypto Assets (as defined below) and the Related Cash (as defined below) of the Funds to be held under the custodianship of FCC and (ii) the Funds to appoint more than one custodian;

(b) clause 6.1(3)(b) of NI 81-102, to permit FDAS (as defined below), which is not a person or company described in sections 6.2 or 6.3 of NI 81-102, to be appointed as a sub-custodian of the Funds to hold the Funds' Crypto Assets;

(c) section 6.2 of NI 81-102 to permit FCC to be appointed as custodian or a sub-custodian of the Funds to hold the Funds' Crypto Assets and Related Cash in Canada; and

(d) section 6.3 of NI 81-102 to permit FDAS to be appointed as a sub-custodian of the Funds to hold the Funds' Crypto Assets outside of Canada.

(collectively, the **Requested Relief**).

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

(a) the Ontario Securities Commission is the principal regulator for 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 each other province and territory in Canada (together with Ontario, the **Jurisdictions**).

Interpretation

Terms defined in NI 81-102, National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

Bank means a bank listed in Schedule I, II or III of the *Bank Act* (Canada).

Crypto Assets means bitcoin, ether and anything commonly considered a crypto asset, digital or virtual currency, or digital or virtual token that itself is not a security or derivative.

Crypto Contract means a contract or instrument for the purchase, sale or delivery of a Crypto Asset.

FCC Digital Assets Custody Account means the portion of FDAS' books and records system that records the amount of Crypto Assets held by FDAS in the name of FCC on behalf of its clients.

FDAS means Fidelity Digital Asset Services, LLC.

FDAS Service means the service provided by FDAS comprised of the custody of Crypto Assets and facilitating the purchase, sale and settlement of trades involving Crypto Assets for its clients.

FDAS Wallets means the FDAS omnibus digital wallets holding FDAS clients' Crypto Assets.

Funds means the Representative Fund and each of the other public investment funds now, or in the future, that has appointed, or will appoint, FCC to act as custodian or a sub-custodian under NI 81-102 that holds, or intends to hold, primarily Crypto Assets in its investment portfolio and that is, or will be, managed by a Manager.

IIROC means the Investment Industry Regulatory Organization of Canada.

Managers means the Representative Manager and each of the investment fund managers of the Funds.

Related Cash means the Fund's cash that is required to purchase Crypto Assets or that is received from the sale of Crypto Assets.

Trust Company means a trust company that is incorporated under the laws of Canada or a Jurisdiction, that is licensed or registered under the laws of Canada or a Jurisdiction, and that has equity, as reported in its most recent audited financial statements, of not less than $10,000,000.

Representations

This decision is based on the following facts represented by the Filers, as indicated:

The Managers

1. The Representative Manager is a corporation amalgamated under the laws of the Province of Alberta with its head office located in Toronto, Ontario.

2. The Representative Manager is registered as an investment fund manager in Ontario, Québec and Newfoundland and Labrador, as a portfolio manager in each of the Jurisdictions, as a commodity trading manager in Ontario and as a mutual fund dealer in each of the Jurisdictions.

3. The Representative Manager will be the trustee, manager and portfolio adviser of the Representative Fund.

4. The Representative Manager is part of the Fidelity group of companies known globally as Fidelity Investments.

5. Each Manager has been, or will be, formed and organized under the laws of Canada or a Jurisdiction. Each Manager is, or will be, registered under the securities legislation of one or more of the Jurisdictions in such registration categories as are necessary to carry on its business. Each Manager is, or will be, the investment fund manager of one or more of the Funds.

The Funds

6. The Representative Fund will be an exchange-traded mutual fund established under the laws of Ontario. The units of the Representative Fund will be qualified for distribution pursuant to a long form prospectus that will be filed in accordance with the securities legislation of each Jurisdiction.

7. The investment objective of the Representative Fund is to aim to invest in bitcoin.

8. Each Fund is, or will be, an investment fund established under the laws of Canada or a Jurisdiction. The securities of each Fund are, or will be, qualified pursuant to a prospectus or a simplified prospectus, as applicable, that has been prepared and filed under the securities legislation of one or more Jurisdictions such that the Fund will be a reporting issuer under the securities legislation in one or more of the Jurisdictions.

9. The investment objective and/or strategies of each Fund specifies, or will specify, that the Fund invests, or will invest, primarily in one or more Crypto Assets. The investment by each Fund in each Crypto Asset is, or will be, made in accordance with the securities legislation of each applicable Jurisdiction or in accordance with an exemption granted by Canadian securities regulatory authorities. Each Fund's investments in one or more Crypto Assets are, or will be, as described in the prospectus or simplified prospectus of the Fund.

FCC

10. FCC is registered as an investment dealer in each of the Jurisdictions, a futures commission merchant in Ontario, a dealer (futures commission merchant) in Manitoba and a derivatives dealer in Québec. As an investment dealer, FCC is a member of IIROC. FCC is also approved by IIROC to act as a carrying broker.

11. The head office of FCC is located in Toronto, Ontario.

12. FCC is part of the Fidelity group of companies known globally as Fidelity Investments.

13. Each of FCC, the Representative Manager and the Representative Fund is not in default of securities legislation in any Jurisdiction.

FDAS

14. FDAS is a limited liability trust company organized under New York law authorized pursuant to Section 102-a of the New York Banking Law to engage in all activities described in Sections 96 and 100 of the New York Banking Law, with the exception of accepting deposits and making loans (other than pursuant to the exercise of its fiduciary powers). FDAS provides custody and trade execution services for digital assets. As a New York State-chartered trust company, FDAS is

regulated by the New York State Department of Financial Services. In addition, FDAS is registered as a "money services business" with Financial Crimes Enforcement Network, a bureau of the U.S. Department of the Treasury. FDAS is not registered in any capacity in Canada.

15. FDAS does not have an office in Canada.

16. FDAS is also part of the Fidelity group of companies known globally as Fidelity Investments.

Appointment of FCC as Custodian or Sub-Custodian

17. FCC does not qualify to act as a custodian or a sub-custodian of the Funds under section 6.2 of NI 81-102 because it is not an affiliate of a Bank or a Trust Company.

18. FCC has equity, as reported in its most recent audited financial statements, well in excess of $10,000,000.

19. FCC is offering the Fund two new services: the custody of Crypto Assets and the ability to enter into Crypto Contracts with FCC, which services include the delivery by FCC to the Fund of Crypto Asset account statements and trade confirmations in compliance with IIROC rules.

20. FCC has entered, or will enter, into a strategic relationship with FDAS to sub-custody the Crypto Assets of its clients, including the Funds, and to permit FCC to fulfill its obligations to its clients including the Funds, by permitting FCC to purchase and sell Crypto Assets through FDAS.

21. In order to permit purchases of Crypto Assets by a Fund to be implemented immediately following receipt of purchase instructions, FCC requires that each purchase of Crypto Assets be prefunded, with the cash held by FCC in accordance with applicable IIROC rules.

22. Given FCC's requirements, including the need to prefund the purchase of Crypto Assets by a Fund, FCC, as custodian or sub-custodian needs to have access to the Fund's cash. If FCC cannot custody or sub-custody the cash held by a Fund, then a Fund will not be able to purchase Crypto Assets from FCC.

23. The Representative Manager would like the Representative Fund to be able to access fully the services offered by FCC and, therefore, would like to appoint FCC to act as the custodian or a sub-custodian of the Crypto Assets and the Related Cash for the Representative Fund. Each Manager would, or will, also like to appoint FCC to act as the custodian or a sub-custodian of the Crypto Assets and the Related Cash for the applicable Fund.

24. FCC will act as the custodian or sub-custodian of the Crypto Assets and the Related Cash for the Funds pursuant to agreements (collectively, the **Fund Custodian Agreements**) that comply with all of the requirements in Part 6 of NI 81-102, other than the matters covered in the Requested Relief.

25. FCC is required to retain FDAS as its sub-custodian for a Fund's Crypto Assets because FCC does not currently operate a cryptoasset custody solution.

Appointment of FDAS as Sub-Custodian

26. FCC will appoint FDAS to be a sub-custodian to FCC and to hold each Fund's Crypto Assets pursuant to a custodial services agreement entered into between FCC and FDAS (the **Custodial Services Agreement**). Each Manager, on behalf of each Fund, will provide written consent to such appointment. The Custodial Services Agreement will comply with the requirements of Part 6 of NI 81-102, other than the matters covered in the Requested Relief.

27. Other than the equity requirement of section 6.3 of NI 81-102, FDAS satisfies the criteria of a sub-custodian under NI 81-102.

28. FCC and FDAS operate independently of each other and have different directors, officers and employees. The sub-custody services are performed by FDAS's personnel, who are not employees, contractors, agents or officers of FCC.

29. While FDAS will provide sub-custody services for Crypto Assets to FCC on behalf of the Funds, FDAS will not have a contractual relationship with the Funds and the only direct interaction that FDAS will have with the Funds will relate solely to the actual transfer of Crypto Assets for custody purposes, as described below.

30. FDAS operates one or more custody accounts, or FDAS Wallets, for the purpose of holding FDAS clients' Crypto Assets. Pursuant to the Custodial Services Agreement, FDAS will not be permitted to pledge, re-hypothecate or otherwise use any Crypto Assets held as sub-custodian for FCC in the course of its business.

31. FDAS has established and applies policies and procedures that 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 sub-custodian.

32. If a Fund decides to deposit Crypto Assets for custody, the Fund will contact FCC in order to request, and receive, deposit instructions. FCC will then request the applicable deposit instruction from FDAS. FDAS will generate the deposit instruction and will communicate this instruction to FCC, which FCC then makes available to the Fund. The Fund will then transfer the Crypto Assets to the FDAS Wallets in accordance with the FDAS deposit instruction provided to the Fund by FCC. Upon appropriate confirmation of the deposit by FDAS, FDAS will notify FCC of the updated balance in the FCC Digital Assets Custody Account, and FCC will record the Fund's deposit transaction in its books and records, for display back to the Fund.

33. If a Fund decides to withdraw Crypto Assets from custody, the Fund will contact FCC to initiate a withdrawal transaction by indicating the type, quantity and destination instruction for the Crypto Assets. FCC will relay that information to FDAS to initiate a withdrawal transaction. FDAS will promptly debit the Crypto Asset balance in the FCC Digital Assets Custody Account and will process the withdrawal transaction pursuant to the terms agreed to between FDAS and FCC and in accordance with the instructions provided to FCC by the Fund and to FDAS by FCC. FDAS will provide transaction confirmation to FCC and, in turn, FCC will reflect the Fund's transaction on its books and records, for display back to the Fund.

34. FCC will maintain books and records that will show, among other things, as at the end of each business day, the allocation to each Fund of the Crypto Assets recorded in the FCC Digital Assets Custody Account. FCC and FDAS will perform reconciliations of all relevant accounts on each business day.

35. In order to meet the Crypto Assets custody needs of the Funds and in considering the options available to the Funds for the custody of their Crypto Assets, the appointment by FCC of FDAS as its sub-custodian in respect of the Crypto Assets owned by the Funds is the most efficient and cost-effective means of custodying the Funds' Crypto Assets and represents an operational and custodial solution for the Funds that minimizes risk.

36. Each of the Representative Manager, each Manager and FCC believes that FDAS has the resources and experience required, and is the appropriate sub-custodian for, the applicable Fund's Crypto Assets because FDAS is experienced in providing custodial services for Crypto Assets to investment funds and other investors, is a regulated trust company in New York and is part of the global Fidelity group of companies.

37. FCC has obtained exemptive relief that allows it to retain FDAS as custodian in connection with the custody of the Crypto Assets held by FCC's clients that are not investment funds subject to NI 81-102.

Custodial Arrangements

38. The Crypto Assets sub-custodied by FDAS for a Fund will be held by FDAS in the FDAS Wallets and treated as fungible with the Crypto Assets owned by other custody clients of FDAS. FDAS' books and records system will record the amount of Crypto Assets held by FDAS in the name of FCC on behalf of FCC's clients, including each Fund, which record is referred to as the "FCC Digital Assets Custody Account".

39. FDAS manages all private keys associated with the Crypto Assets held by a Fund through the FDAS Service.

40. A portion of the Crypto Assets custodied by FDAS in the FDAS Wallets are held in an offline storage system used by FDAS in connection with the storage or maintenance of Crypto Assets.

41. Under the Custodial Services Agreement, all instructions (**Instructions**) regarding the transfer or withdrawal of any Crypto Asset of a Fund custodied by FDAS will originate only from FCC and will be made through FDAS' electronic or other communications platform or infrastructure that forms part of the FDAS Service.

42. FCC will not issue an Instruction to FDAS unless it is directed by the Manager and the Fund, in the form specified in the applicable Fund Custodian Agreement.

43. Each of the Representative Manager, each Manager and FCC believes that the Fund Custodian Agreement that it will enter into is consistent with industry practice. FCC believes that the Custodial Services Agreement and the custodial arrangements between FCC and FDAS in connection with a Fund's Crypto Assets are consistent with industry practice.

Supervision of FCC and FDAS

44. The applicable Manager is responsible for oversight of the work performed by FCC relating to the custody of the Crypto Assets and Related Cash of a Fund. In this regard, each Manager will oversee FCC, including, through FCC, the custodial functions that are performed by FDAS as sub-custodian, and will conduct ongoing reviews of the quality of FCC's

services. Each Manager will have the same access to the records of FCC as it would if the Manager itself performed the activities and maintained the records.

45. FCC is responsible for oversight of FDAS, in accordance with its standard of care, relating to the custody of the Crypto Assets of each Fund. FCC will have the same access to the records of FDAS as it would if FCC itself performed the activities and maintained the records.

46. The relationship between FCC and FDAS will be primarily one whereby FCC (a) is responsible for oversight of the work performed by FDAS and (b) accesses FDAS' platform for the purposes of custodying a Fund's Crypto Assets. FDAS will be appointed the sub-custodian of each Fund, pursuant to a written agreement between FCC and FDAS that complies with the requirements of Part 6 of NI 81-102, other than the matters covered in the Requested Relief. FCC will be responsible for ensuring that, with regard to FDAS, adequate safeguards are in place, including, in the experience and judgment of FCC, satisfactory insurance arrangements.

47. Under the relevant Fund Custodian Agreement, FCC is required to use reasonable care in the selection and monitoring of sub-custodians. Pursuant to this obligation, FCC has engaged in, and on a periodic basis (at least every two years) thereafter, will engage in a due diligence review of FDAS to satisfy itself as to the continuing appropriateness of using FDAS as sub-custodian of the Funds' Crypto Assets. This due diligence exercise will include a review of the operational aspects of FDAS' custody platform and any change to those operations since FCC's last review, including a review of the electronic platform, procedures, and records, an analysis of FDAS' most recent financial statements to determine its creditworthiness, confirmation of FDAS' insurance coverage and any change to either the coverage or the deductibles, a review of any regulatory filings, audits or investigations, and a review of any litigation, any incident report, and any change to its business continuity plan. Each Fund will rely upon FCC to satisfy itself as to the appropriateness of the use or continued use of FDAS as a sub-custodian of each Fund's Crypto Assets.

48. FDAS has obtained a SOC 1 Type 2 examination report of its internal controls, and that includes relevant technology general controls, logistical and physical security controls, and cryptographic key management controls that are commonly included in a SOC 2 report. FCC has conducted due diligence on FDAS, including a review of the SOC 1 Type 2 examination report, and has not identified any material concern. FDAS is currently working towards obtaining a SOC 2 Type 1 examination report and a SOC 2 Type 2 examination report before the expiry of this decision.

Audit Rights

49. In relation to each Fund, the sub-custodial activities of FDAS will be limited to holding the Fund's Crypto Assets.

50. Under the Custodial Services Agreement, FCC and FDAS will perform reconciliations on each business day regarding the Crypto Assets held by FDAS for FCC on behalf of its clients.

51. Each Fund will have the right to have its auditor subject the Fund's Crypto Assets to audit procedures through FCC and FDAS.

Insurance

52. FCC's ability to recover from FDAS is not contingent upon FDAS' ability to claim on its own insurance.

53. Each Manager believes that the insurance carried by FCC and the insurance carried by FDAS provides each Fund with such protection in the event of loss or theft of the Fund's Crypto Assets custodied at FDAS that is consistent with the protection afforded by other custodians that store Crypto Assets commercially and is sufficient.

54. FDAS has confirmed that it has arranged for insurance coverage in respect of any Crypto Assets held by FDAS in amounts that FDAS deems appropriate in its experience and judgment, acting reasonably. FCC has discussed with FDAS the level of insurance coverage obtained by FDAS, and the risks insured against by FDAS, and believes that the level of insurance is appropriate under current market conditions.

55. Each of FCC and FDAS is required to ensure that its own insurance coverage is in an amount that it deems appropriate.

Liability and Standard of Care

56. Where FCC acts as custodian, it shall indemnify and hold harmless each Fund in respect of all direct loss, damage or expense (a **Loss**) arising out of any negligence, willful misconduct, fraud, lack of good faith or breach of the standard of care by FCC in respect of the services contemplated under the Fund Custodian Agreement. Where FCC acts as sub-custodian, it shall indemnify and hold harmless the custodian of the Fund in accordance with the terms of the Fund Custodian Agreement between such custodian and FCC. FCC has the right under the Custodial Services Agreement to seek recourse against FDAS in the event such Loss is as a result of a failure by FDAS to comply with its standard of care, subject to the limitations of liability set out in the Custodial Services Agreement.

57. Pursuant to each Fund Custodian Agreement, FCC has agreed to exercise (i) the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances or (ii) at least the same degree of care as it exercises with respect to its own property of a similar kind if this is a higher degree of care than the degree of care described in (i) hereto.

58. Pursuant to the Custodial Services Agreement, FDAS has agreed to exercise (i) the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances or (ii) at least the same degree of care as it exercises with respect to its own property of a similar kind if this is a higher degree of care than the degree of care described in (i) hereto. FCC has satisfied itself that the degree of care to which FDAS is subject under the Custodial Services Agreement is no less than the degree of care to which FCC is subject under each Fund Custodian Agreement.

59. Upon FDAS sending a confirmation of deposit to FCC, which confirmation of deposit will be sent as soon as commercially reasonable following receipt, FDAS's liability to FCC will commence with respect to the applicable Crypto Assets deposited for custody, and FDAS will bear all risk of loss to the Crypto Assets owned by a Fund in FDAS's custody, subject to certain limitations, including losses based on events beyond FDAS' control, losses resulting from actions taken by FDAS acting on instructions that it believed to have been authorized, and losses caused by another service provider of FDAS provided that the appointment of such service provider was made in accordance with FDAS' standard of care.

60. Each Fund will not be responsible for any loss or damage to the Fund arising out of any breach of standard of care by FCC or FDAS.

61. Neither FCC nor FDAS is entitled to an indemnity from a Fund in the event that either FCC or FDAS breaches its standard of care.

Termination and Changes to the Custodial Arrangements

62. FCC or FDAS, as the case may be, may terminate the Custodial Services Agreement by giving sixty days' prior written notice to the other party, or such greater period of time as may be reasonably necessary for FCC to find a suitable sub-custodian using its best efforts. In addition, either party may terminate the agreement immediately if the other party (a) commits a material breach that is not remedied within a specified period of time or (b) is dissolved, becomes insolvent, enters into liquidation, is declared bankrupt, a receiver or administrator is appointed over all or a substantial part of its assets or enters into an arrangement with its creditors.

63. FDAS may immediately terminate the Custodial Services Agreement if continuing to provide the services under the agreement would result in the violation of any law, if any of FCC's representations cease to be true or if FCC has acted in a manner that could have a material adverse impact or reflection on FDAS' reputation.

64. FCC believes that the obligation of FDAS to hold a Fund's Crypto Assets in accordance with the terms of the Custodial Services Agreement is material and anticipates that it would terminate FDAS as sub-custodian if FDAS breaches this obligation and does not cure such breach within seven days of FCC giving written notice to FDAS of such breach. Prior to terminating the sub-custodial relationship with FDAS, FCC or the Fund will appoint a replacement sub-custodian for Crypto Assets that complies with the requirements under NI 81-102.

Appointment of Two Custodians

65. The Funds may hold portfolio assets that FCC is not permitted to custody. While FCC may be appointed as sub-custodian of a Fund, that Fund's custodian may not want to engage in a business line that involves Crypto Assets. In addition, it may be operationally challenging for a custodian to appoint sub-custodians that are not part of that custodian's existing custodial network.

66. Each Manager would like the flexibility for each Fund to engage both FCC and another custodian as custodian, provided that the other custodian is qualified to act as a custodian under section 6.2 of NI 81-102. This will provide flexibility for each Manager to appoint custodians for the Funds based on the custodian's experience and operational capabilities.

67. FCC's and the other custodian's responsibility for the custody of an applicable Fund's assets will apply only to the assets held by each such custodian on behalf of the Fund (the **Relevant Assets**). The custodial arrangements between the applicable Fund and each such custodian will comply with the requirements of Part 6 of NI 81-102, subject to this decision and any other applicable exemptive relief.

68. Any appointment of two custodians should have no impact on the safety of the portfolio assets of the applicable Funds while enhancing the ability of the Funds to use experienced custodians for the Relevant Assets and for operational efficiency.

69. Disclosure regarding any appointment of two custodians by a Fund with respect to the Relevant Assets will be included in the prospectus of the Fund that is filed at the next annual renewal.

70. For purposes of complying with condition (k) of this decision, a single service provider, which provides a consolidated service offering to each applicable Fund, together with or directly or indirectly through its affiliates and/or other delegates, shall reconcile all the portfolio assets of the Fund and provide the Fund with valuation services and complete daily reconciliations between the custodians before striking a daily net asset value for the Fund.

71. Each Manager has determined that it would be in the best interests of each Fund to receive the Requested Relief.

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 provided that:

(a) FCC provides to the principal regulator for the Funds on an annual basis beginning 60 days after the date upon which this decision is first relied upon by a Fund, either (i) a current list of all Funds that are relying on this decision, or (ii) an update to the list of Funds or confirmation that there has been no change to such list;

(b) The Funds use FDAS as sub-custodian only for the Funds' Crypto Assets;

(c) FCC remains registered as a dealer in the category of investment dealer with the principal regulator and the securities regulators or securities regulatory authority in each of the other Jurisdictions and a member of IIROC;

(d) FCC takes reasonable steps to verify that FDAS:

(i) has appropriate insurance to cover the loss of Crypto Assets held by it;

(ii) has established and applies policies and procedures that 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 sub-custodian; and

(iii) on or before December 31, 2021, has obtained a SOC 2 Type 1 report and on or before December 31, 2022, has obtained a SOC 2 Type 2 report;

(e) FCC will promptly cease using FDAS as the sub-custodian for a Fund's Crypto Assets at any time that FDAS ceases to be regulated by the New York State Department of Financial Services as a New York State chartered trust company, in which case:

(i) FCC will hold the Crypto Assets with a custodian that meets the sub-custodian requirements of NI 81-102;

(ii) before FCC holds a Fund's Crypto Assets with a sub-custodian referred to in (i) above, FCC will take reasonable steps to verify that the sub-custodian:

(1) has appropriate insurance to cover the loss of Crypto Assets at the sub-custodian;

(2) has established and applies written policies and procedures that 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 sub-custodian; and

(3) has obtained a SOC 2 Type 2 report within the last 12 months, unless FCC has obtained the prior written approval of the principal regulator to alternatively verify that the sub-custodian has obtained a SOC 1 Type 1 or Type 2 report or a SOC 2 Type 1 report within the last 12 months;

(f) FCC maintains equity of not less than $100 million during any period when FDAS' most recent audited financial statements indicate that FDAS does not have equity of at least CAD$100 million;

(g) FCC promptly notifies the principal regulator

(i) if the U.S. Securities and Exchange Commission, the U.S. Commodity Futures Trading Commission, the Financial Industry Regulatory Authority, the National Futures Association, or the New York State Department of Financial Services makes a determination that FCC's sub-custodian for the Funds' Crypto Assets is not permitted by that regulatory authority to hold Crypto Assets; and

(ii) of any material cybersecurity breach of FDAS's or other sub-custodian's systems of controls or supervision that impact the Crypto Assets of a Fund held by the sub-custodian, and what steps have been taken by FCC to address each such breach;

(h) In respect of the periodic compliance reports to be prepared by FCC pursuant to paragraphs 6.7(1)(b), 6.7(1)(c)(ii) and 6.7(2)(c) of NI 81-102, as such paragraphs are not applicable given the nature of the Requested Relief, FCC will include a statement in such reports regarding the completion of its review process for FDAS and that FCC is of the view that FDAS continue to be an appropriate sub-custodian to hold the Funds' Crypto Assets;

(i) Prior to a Fund relying on this decision, FCC provides to the Fund:

(i) a copy of this decision;

(ii) a disclosure statement informing the Fund of the implications of this decision; and

(iii) a form of acknowledgment of the matters referred to in paragraph (j) below, to be signed and returned by the Fund to FCC;

(j) A Fund and its Manager seeking to rely on this decision will, prior to doing so:

(i) acknowledge receipt of a copy of this decision providing the Requested Relief;

(ii) appoint FCC as its custodian, or agree to the appointment of FCC as its sub-custodian, in either case under NI 81-102;

(iii) consent to FCC providing to staff of the principal regulator for the Fund on an annual basis the name of the Fund so long as it relies on this decision; and

(iv) deliver to FCC a signed acknowledgement and agreement binding the Fund to the foregoing.

(k) If a Fund appoints both FCC and another custodian as its custodians, then:

(i) a single entity will reconcile all the portfolio assets of the Fund and will provide the Fund with valuation services and will complete daily reconciliations between the two custodians before striking a daily net asset value for the Fund;

(ii) the applicable Manager will maintain such operational systems and processes, as between the two custodians and the single entity referred to in condition (i) above, in order to keep a proper reconciliation of all the portfolio assets that will move between the custodians, as appropriate; and

(iii) each of FCC and the other custodian will act as custodian only for the portion of the portfolio assets of the Fund transferred to it.

(l) This decision expires two years from the date of this decision.

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

Application File #: 2020/0375
Sedar File #: 3302906

2.1.2 1317774 B.C. Ltd. and Penn National Gaming, 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 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 52-110 Audit Committee Requirements (NI 52-110) relating to the composition and obligations of audit committees; and for a decision under National Instrument 58-101 Disclose of Corporate Governance Practices(NI 58-101) exempting Subsidiary from certain requirements in NI 58-101; 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; and relief granted on conditions substantially similar to the conditions contained in section 13.3 of NI 51-102.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, ss. 107 and 121(2)(a)(ii).
National Instrument 51-102 Continuous Disclosure Obligations, s. 13.3.
National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings, ss. 8.4 and 8.6(2).
National Instrument 52-110 Audit Committees, ss. 1.2(f) and 8.1(2).
National Instrument 58-101 Disclosure of Corporate Governance Practices, ss. 1.3(c) and 3.1(2).

October 18, 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
1317774 B.C. LTD.
(the Purchaser)
PENN NATIONAL GAMING, INC.
(Penn National, and together, the Applicants)

DECISION

Background

The principal regulator in the Jurisdiction has received an application (the Application) from the Applicants for a decision under the securities legislation of the Jurisdiction of the principal regulator (the Legislation) that the Purchaser be exempt from the following:

a) the continuous disclosure obligations (**Continuous Disclosure Requirements**) under National Instrument 51-102 – *Continuous Disclosure Obligations* (**NI 51-102**), provided certain requirements are met (the **Continuous Disclosure Relief**);

b) the requirements for the certification of disclosure in annual and interim filings (**Certification of Disclosure Requirements**) contained in National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings* (**NI 52-109**), provided certain requirements are met (the **Certification of Disclosure Relief**);

c) the requirements relating to the composition and obligations of audit committees (**Audit Committee Requirements**) contained in National Instrument 52-110 – *Audit Committees* (**NI 52-110**), provided certain requirements are met (the **Audit Committee Relief**); and

d) the requirements (**Corporate Governance Disclosure Requirements** and together with the Continuous Disclosure Requirements, the Certification of Disclosure Requirements and the Audit Committee Requirements,

the **Reporting Issuer Requirements**) contained in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (**NI 58-101**), provided certain requirements are met (the **Corporate Governance Disclosure Relief**).

The Continuous Disclosure Relief, the Certification of Disclosure Relief, the Audit Committee Relief and the Corporate Governance Disclosure Relief are collectively referred to as the **Exemption Sought**.

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

a) the Ontario Securities Commission is the principal regulator for this Application; and

b) the Applicants have provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Prince Edward Island and Saskatchewan (the **Reporting Jurisdictions**).

Interpretation

Terms defined in National Instrument 14-101 Definitions, MI 11-102, NI 41-101, NI 44-101 and NI 51-102 have the same meaning if used in this decision, unless otherwise defined.

Representations

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

1. The Purchaser, Penn National and Score Media and Gaming Inc. (**theScore**) have entered into an arrangement agreement dated August 4, 2021, (the **Arrangement Agreement**) pursuant to which Penn National, through the Purchaser, intends to indirectly acquire via plan of arrangement (the **Plan of Arrangement**) under the *Business Corporations Act* (British Columbia) (the **BCBCA**) all of the Class A subordinate voting shares (the **Class A Shares**) and all of the special voting shares of theScore (the **Special Voting Shares**, and together with the Class A Shares, the **Score Shares**) that are not currently owned by Penn National or any of its subsidiaries (the **Arrangement**) in exchange for US$17.00 in cash and either (a) 0.2398 of an exchangeable share in the capital of the Purchaser (an **Exchangeable Share**) or (b) 0.2398 of a share of Penn National's common stock (each whole share, a **Penn Share**), per Score Share.

Score Media and Gaming Inc.

2. theScore is a corporation governed by the BCBCA with its principal business office located in 500 King Street West, Fourth Floor, Toronto, ON, M5V 1L9.

3. The issued and outstanding capital of theScore consists of the Class A Shares, which are currently listed on the Toronto Stock Exchange (the **TSX**) and the NASDAQ, in each case under the symbol "SCR" and the Special Voting Shares, which are unlisted.

4. theScore is a reporting issuer in the Reporting Jurisdictions.

Penn National

5. Penn National is a U.S. corporation organized under the laws of the Commonwealth of Pennsylvania

6. The Penn Shares currently trade on the NASDAQ under the symbol "PENN".

7. Upon completion of the Arrangement, Penn National will become a reporting issuer in the Reporting Jurisdictions that is (i) an SEC foreign issuer, as such term is defined in *National Instrument 71-102 – Continuous Disclosure and Other Exemptions Relating to Foreign Issuers* (**NI 71-102**) and in *National Instrument 52-107 – Acceptable Accounting Principles and Auditing Standards* (**NI 52-107**) and (ii) entitled to rely on the modified reporting requirements for SEC foreign issuers set out in NI 71-102 and NI 52-107.

The Purchaser

8. The Purchaser is a corporation governed by the BCBCA and was incorporated by a subsidiary of Penn National on June 30, 2021 for the purposes of effecting the Arrangement.

9. The head office of the Purchaser is located at 825 Berkshire Blvd., Suite 200 Wyomissing, Pennsylvania, USA, 19610, and the registered office of the Purchaser is located at Suite 2600, Three Bentall Centre, P.O. Box 49314, 595 Burrard Street, Vancouver, British Columbia, V7X 1L3.

10. Penn National, through its wholly owned subsidiary, Penn Interactive Ventures, LLC, owns all of the issued and outstanding shares of 1317769 B.C. Ltd., a British Columbia corporation (**Callco**), Callco in turn owns all of the issued and outstanding common shares in the capital of the Purchaser.

11. In connection with the acquisition structure and funding of the Arrangement and the transactions contemplated thereby, the Purchaser may issue a series of non-voting, fixed liquidation preference preferred stock (the **Preferred Stock**) to be held by a third-party financial institution in an amount not currently expected to exceed US$25 million.

12. The Purchaser has no intention of (i) accessing the capital markets in the future by issuing any further securities to the public; and (ii) issuing any securities other than those that will be outstanding upon completion of the Arrangement.

13. Other than holding the interests in theScore upon closing of the Arrangement, the Purchaser will have no business besides administering the Exchangeable Shares pursuant to their terms.

14. Upon completion of the Arrangement, the Purchaser will become a reporting issuer in the Reporting Jurisdictions.

15. The common shares of the Purchaser are not listed or posted for trading on any stock exchange, and Penn National and the Purchaser do not intend to apply to list any of the Purchaser's shares (including the Exchangeable Shares and any Preferred Stock) on any stock exchange in connection with the Arrangement.

The Arrangement

16. Pursuant to the Arrangement, and in accordance with the terms of the Arrangement Agreement and the Plan of Arrangement, Penn National, through the Purchaser, intends to indirectly acquire all of the Score Shares that are not currently owned by Penn National or any of its subsidiaries via the Plan of Arrangement, utilizing a customary cross-border "exchangeable share" structure.

17. Pursuant to the Arrangement, and in accordance with the terms of the Arrangement Agreement and the Plan of Arrangement, each outstanding Score Share, other than those held by Penn National or any of its subsidiaries, will be transferred by the holder thereof to the Purchaser, in exchange for US$17.00 in cash and, at the election of the holder of such Score Share, either 0.2398 of a Penn Share or 0.2398 of an Exchangeable Share.

18. Only holders of Score Shares who are Eligible Holders (as such term is defined in the Arrangement Agreement) may elect to receive Exchangeable Shares.

19. Upon completion of the Arrangement, all of the Score Shares will be owned by the Purchaser, (other than those held by Penn National and its subsidiaries), the Class A Shares will be delisted from the TSX and NASDAQ, theScore intends to apply to cease to be a reporting issuer in the Reporting Jurisdictions and the Score Shares will be deregistered under the Securities Exchange Act of 1934 and theScore will no longer be required to file reports with the United States Securities and Exchange Commission.

20. Based on elections received for Exchangeable Shares, upon completion of the Arrangement the percentage of the issued and outstanding Penn Shares that former holders of the Scores Shares will hold through Exchangeable Shares is expected to be less than 1%.

The Exchangeable Shares

21. The Exchangeable Shares will have certain economic rights, privileges, restrictions and conditions attaching to them (**Exchangeable Share Provisions**) that are intended to be, as nearly as possible, except for tax implications, equivalent to those of the Penn Shares for which they are exchangeable. In particular, Holders of Exchangeable Shares will be entitled:

    a) at any time without any conditions, to exchange one Exchangeable Share for, as of the effective date of the Arrangement (the **Effective Date**), one Penn Share. Following the Effective Date, the number of Penn Shares to which a holder of Exchangeable Shares will be entitled may be cumulatively adjusted from time to time (an **Exchange Ratio Adjustment**) by the board of directors of the Purchaser in certain circumstances in the event that the board of directors of Penn National pays any dividend or other distribution on the Penn Shares and the board of directors of the Purchaser determines to effect an Exchange Ratio Adjustment in lieu of paying an equivalent dividend or other distribution on the Exchangeable Shares;

b) to dividends and distributions equal to the dividends and distributions, if any, declared from time to time by the board of directors of Penn National on the Penn Shares; provided that, as noted above, the board of directors of the Purchaser may determine to effect an Exchange Ratio Adjustment in lieu of paying any such dividend or other distribution on the Exchangeable Shares in certain circumstances; and

c) in the event of the liquidation, dissolution or winding-up of the Purchaser or any other distribution of the assets of the Purchaser among its shareholders for the purpose of winding up its affairs, to receive from the assets of the Purchaser in respect of each Exchangeable Share held by such holder on the effective date of such liquidation, dissolution, winding-up or other distribution, before any distribution of any part of the assets of the Purchaser among the holders of the common shares of the Purchaser or any other shares ranking junior to the Exchangeable Shares an amount per share equal to:

i) the current market price of one Penn Share at such time (as adjusted for any cumulative Exchange Ratio Adjustments); plus

ii) the full amount of all dividends, payable and unpaid, at such time, on such Exchangeable Share; plus

iii) the full amount of all dividends declared and payable in respect of each Penn Share (as adjusted for any Exchange Ratio Adjustments) which have not, at such time, been paid on such Exchangeable Share or for which no Exchange Ratio Adjustment has occurred;

which will be satisfied in full by the Purchaser delivering or causing to be delivered to such holder the applicable number of Penn Shares and any applicable dividend amounts (and without any right to any of the other assets or funds of the Purchaser).

22. Holders of Exchangeable Shares will not be entitled to receive notice of or to attend any meeting of the shareholders of Penn National or to vote at any such meeting. Except as required by applicable laws and in respect of certain limited matters as further described in the Exchangeable Share Provisions, holders of Exchangeable Shares will not be entitled to receive notice of or to attend any meeting of the shareholders of the Purchaser or to vote at any such meeting. Without limiting the generality of the foregoing, the holders of the Exchangeable Shares will not be entitled to class votes except as required by applicable law.

23. The Exchangeable Shares will not be listed or posted for trading on any stock exchange, and neither Penn National nor the Purchaser have any current intention to do so.

24. Although the situation of the Purchaser is closely analogous to issuers under the exchangeable security structures that are exempted from the Continuous Disclosure Requirements pursuant to the provisions of Section 13.3 of NI 51-102, the Purchaser cannot rely on the exemption available in section 13.3 of NI 51-102 for issuers of exchangeable securities because (i) the Exchangeable Shares are not "designated exchangeable securities" as defined in NI 51-102 as none of the holders of the Exchangeable Shares will have voting rights in Penn National in their capacity as holders of Exchangeable Shares, and (ii) the Purchaser may have issued and outstanding securities (the Preferred Stock) in addition to those described in Section 13.3(2) of NI 51-102.

Decision

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

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

a) Immediately following the Arrangement, the Purchaser does not have any securities outstanding (including debt securities), other than common shares indirectly held by Penn National, the Preferred Stock (if any), and the Exchangeable Shares, and that the Purchaser does not issue any securities, including debt securities, other than: (i) pursuant to the Arrangement; (ii) additional Exchangeable Shares that may be issued only as necessary for such shares to maintain economic equivalence with Penn Shares; and

b) Except as modified by the granting of the Exemption Sought, the Purchaser and Penn National, as applicable, will comply with section 13.3 of NI 51-102.

"Michael Balter"
Manager, Corporate Finance
Ontario Securities Commission

Application File #: 2021/0512

2.1.3 Canada Jetlines Operations Ltd.

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions.

National Instrument 62-104, Part 6 Take-Over Bids – Exemption from the formal take-over bid requirements – An issuer wants relief so that the take-over bid thresholds are calculated based on the aggregate number of voting securities outstanding, rather than on a per-class basis – The issuer is subject to foreign ownership restrictions in its governing federal legislation; the issuer implemented a dual class share structure solely for compliance with foreign ownership restrictions in the aviation industry; both classes of shares are freely tradable, have identical economic attributes and are automatically and mandatorily inter-convertible based on the shareholder's Canadian or non-Canadian status; shareholders will calculate their ownership position by combining the outstanding classes of shares for the purposes of determining whether take-over bid requirements are triggered.

National Instrument 62-104, Part 6 Take-Over Bids – Early warning relief – An issuer wants relief so that the early warning thresholds are calculated based on the aggregate number of voting securities outstanding, rather than on a per-class basis – The issuer is subject to foreign ownership restrictions in its governing federal legislation; the issuer implemented a dual class share structure solely for compliance with foreign ownership restrictions in the aviation industry; both classes of shares are freely tradable, have identical economic attributes and are automatically and mandatorily inter-convertible based on the shareholder's Canadian or non-Canadian status; shareholders will calculate their ownership position by combining the outstanding classes of shares for the purposes of determining whether early warning requirements are triggered.

National Instrument 62-104, Part 6 Take-Over Bids – Exemption from the formal take-over bid requirements – News release relief – An issuer wants relief so that the threshold triggering the requirement on an acquiror to file a news release during a take-over bid or an issuer bid is calculated based on the aggregate number of voting securities outstanding, rather than on a per-class basis – The issuer is subject to foreign ownership restrictions in its governing federal legislation; the issuer implemented a dual class share structure solely for compliance with foreign ownership restrictions in the aviation industry; both classes of shares are freely tradable, have identical economic attributes and are automatically and mandatorily inter-convertible based on the shareholder's Canadian or non-Canadian status; acquirors will calculate their ownership position by combining the outstanding classes of shares for the purposes of determining whether the requirement to file a news release during a take-over bid or issuer bid is triggered.

National Instrument 51-102, s. 13.1 – Continuous Disclosure Obligations – Continuous disclosure relief – An issuer wants relief so that it can provide disclosure on significant shareholders in its information circular on a combined basis, rather than for each class of voting shares – The issuer is subject to foreign ownership restrictions in its governing federal legislation; the issuer implemented a dual class share structure solely for compliance with foreign ownership restrictions in the aviation industry; both classes of shares are freely tradable, have identical economic attributes and are automatically and mandatorily inter-convertible based on the shareholder's Canadian or non-Canadian status; the issuer will provide disclosure on holders of its voting securities on a combined basis in its information circular.

Applicable Legislative Provisions

National Instrument 62-104 Take-Over Bids and Issuer Bids, Part 2, ss. 5.2, 5.4 and 6.1.
National Instrument 51-102 Continuous Disclosure Obligations, s. 13.1.

November 12, 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
CANADA JETLINES OPERATIONS LTD.
(the Filer)

DECISION

Background

¶1 The securities regulatory authority or principal regulator in 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) that:

(a) an offer to acquire either outstanding common voting shares of the Filer (the Common Shares) or variable voting shares of the Filer (the Variable Voting Shares, and together with the Common Shares, the Shares) which, in either case, would constitute a take-over bid under the Legislation as a result of the securities subject to the offer to acquire, together with the offeror's securities of that class, representing in the aggregate 20% or more of the outstanding Common Shares or Variable Voting Shares, as the case may be, at the date of the offer to acquire, be exempt from the requirements in Part 2 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* (NI 62-104) applicable to take-over bids (the TOB Relief);

(b) an acquiror who triggers the disclosure and filing obligations pursuant to the early warning requirements in section 5.2 of NI 62-104 with respect to either the Common Shares or Variable Voting Shares, as the case may be, be exempt from those requirements (the Early Warning Relief);

(c) an acquiror who acquires, during a take-over bid or an issuer bid, beneficial ownership of, or control or direction over, either Common Shares or Variable Voting Shares that, together with the acquiror's securities of that class, would constitute 5% or more of the outstanding Common Shares or Variable Voting Shares, as the case may be, be exempt from the requirement to issue and file a news release in section 5.4 of NI 62-104 (the News Release Relief); and

(d) the Filer be exempt from the disclosure requirements in Item 6.5 of Form 51-102F5 *Information Circular* (Form 51-102F5) (the Alternative Disclosure Relief, and collectively with the TOB Relief, the Early Warning Relief, and the News Release Relief, the Exemption Sought).

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

(a) the British Columbia Securities Commission is the principal regulator for this application;

(b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in Alberta, Saskatchewan, Manitoba, New Brunswick, Newfoundland and Labrador, the Northwest Territories, Nova Scotia, Prince Edward Island and the Yukon Territory; 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*, MI 11-102, NI 62-103 *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues* (NI 62-103) and NI 62-104, including "offeror", "offeror's securities", "offer to acquire", "acquiror", "acquiror's securities", "early warning requirements" and "eligible institutional investor" have the same meaning if used in this decision unless otherwise defined herein. For the purposes of this decision, the terms below have the following meanings:

"Canadian" has the meaning ascribed to that term in the CTA; and

"CTA" means *Canada Transportation Act*, as it may be amended from time to time.

Representations

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

1. the Filer is a corporation existing under the *Canada Business Corporations Act* and in good standing;

2. the Filer is a reporting issuer in all of the provinces and territories of Canada except for Quebec and Nunavut, and is not in default of the securities legislation in any of these jurisdictions;

3. the Filer's registered and executive office is located at 2400 – 1055 West Georgia Street, Vancouver, BC V6E 3P3;

4. the Filer's authorized share capital consists of: (a) an unlimited number of Common Shares and (b) an unlimited number of Variable Voting Shares; as of September 30, 2021, there were 50,388,474 Shares outstanding, of which 22,373,055 (or approximately 44.40%) were Variable Voting Shares, and 28,015,419 (or approximately 55.60%) were Common Shares; the Common Shares and the Variable Voting Shares are currently listed on the

NEO Exchange Inc. (NEO) under the single ticker symbol "CJET"; the Filer is not in default of any of the requirements of the NEO Exchange Listing Manual;

5. the Filer has applied to the Canada Transportation Agency for a domestic license (as defined in the CTA) for the purposes of operating a charter airline in Canada;

6. the Filer is subject to the requirements of the CTA, which requires that air carriers which provide domestic services be controlled in fact by Canadians, and in addition:

   (a) at all times, at least 51% of the voting interest of the Filer must be owned by Canadians;

   (b) no single foreign investor or its affiliates can own more than a 25% voting interest in the Filer; and

   (c) no non-Canadian owner authorized to provide air service or its affiliates can own more than a 25% voting interest in the Filer;

7. pursuant to the articles of the Filer (the Articles), the Common Shares may only be held, beneficially owned or controlled, directly or indirectly, by Canadians; an outstanding Common Share is converted into one Variable Voting Share, automatically and without any further act of the Filer or the holder, if such Common Share becomes held, beneficially owned or controlled, directly or indirectly, otherwise than by way of security only, by a person who is not a Canadian;

8. pursuant to the Articles, the Variable Voting Shares may only be held, beneficially owned or controlled, directly or indirectly, by persons who are not Canadians; an outstanding Variable Voting Share is converted into one Common Share, automatically and without any further act of the Filer or the holder, if such Variable Voting Share becomes held, beneficially owned or controlled, directly or indirectly, otherwise than by way of security only, by a Canadian;

9. each Common Share confers the right to one vote; each Variable Voting Share confers the right to one vote, subject to an automatic reduction of the voting rights attached to Variable Voting Shares in the event any of the applicable ownership limits set out in paragraph 6 are exceeded; in the event the applicable ownership limits are exceeded, the votes attributable to Variable Voting Shares will be affected as follows:

   (a) first, if required, a reduction of the voting rights of any single non-Canadian owner (inclusive of any single non-Canadian owner authorized to provide air service) or its affiliates carrying more than 25 per cent of the voting interest in the Filer (the Stage 1 Reduction) to ensure that such non-Canadian owners or their affiliates never carry more than 25 per cent of the voting interest that holders of Shares may cast at any meeting of shareholders;

   (b) second, if required and after giving effect to the Stage 1 Reduction, a further proportional reduction of the voting rights of all non-Canadian owners authorized to provide an air service or their affiliates (the Stage 2 Reduction) to ensure that such non-Canadian owners authorized to provide an air service or their affiliates, in the aggregate, never carry more than 25 % of the voting interest that holders of Shares may cast at any meeting of shareholders; and

   (c) third, if required and after giving effect to the Stage 1 Reduction and the Stage 2 Reduction, if any, a proportional reduction of the voting rights for all non-Canadian owners as a class (the Stage 3 Reduction) to ensure that non-Canadians never carry, in aggregate, more than 49 % of the voting interest that owners of Shares may cast at any meeting of shareholders;

10. aside from the differences in voting rights set out in paragraph 9, the Variable Voting Shares and Common Shares are the same in all other respects, including with regard to the right to receive dividends, if any, and the right to receive the property and assets of the Filer in the event of dissolution, liquidation or winding up of the Filer;

11. the Articles contain coattail provisions pursuant to which Variable Voting Shares may be converted into Common Shares in the event an offer is made to purchase Common Shares and the offer is one which is required to be made to all or substantially all the holders of Common Shares; the Articles also contain coattail provisions pursuant to which Common Shares may be converted into Variable Voting Shares in the event an offer is made to purchase Variable Voting Shares and the offer is one which is required to be made to all or substantially all the holders of Variable Voting Shares;

12. the Filer's dual class structure was implemented solely to ensure compliance with the requirements of the CTA; it has no other purpose;

13. an investor does not control or choose which class of Shares it acquires and holds; there are no unique features of either class of Shares that an existing or potential investor can choose to acquire, exercise or dispose of; the class of Shares ultimately available to an investor is solely a function of the investor's Canadian or non-Canadian residency status; if, after having acquired Shares, a holder's Canadian or non-Canadian residency status changes, such Shares will convert accordingly and automatically; and

14. the Variable Voting Shares are not considered "restricted voting securities" or "restricted voting shares" for the purposes of the Legislation.

Decision

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

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

(a) the Filer publicly discloses the terms of the Exemption Sought in a news release filed on SEDAR promptly following the issuance of this decision;

(b) the Filer discloses the terms and conditions of the Exemption Sought in all of its annual information forms and management information circulars filed on SEDAR following the issuance of this decision and in any other filing where the characteristics of the Shares are described;

(c) with respect only to the TOB Relief, the Common Shares or Variable Voting Shares, as the case may be, subject to the offer to acquire of an offeror, together with the Common Shares and Variable Voting Shares beneficially owned, or over which control or direction is exercised, by the offeror or any person acting jointly or in concert with the offeror, would not constitute, at the date of the offer to acquire, in the aggregate 20% or more of the outstanding Common Shares and Variable Voting Shares on a combined basis;

(d) with respect only to the Early Warning Relief;

(i) the acquiror complies with the early warning requirements, except that, for the purpose of determining the percentage of outstanding Common Shares or Variable Voting Shares, as the case may be, that the acquiror has acquired or disposed of beneficial ownership, or acquired or ceased to have control or direction over, the acquiror calculates the percentage using (A) a denominator comprised of all of the outstanding Common Shares and Variable Voting Shares, determined in accordance with subsection 1.8(2) of NI 62-104, on a combined basis, as opposed to a per-class basis, and (B) a numerator including, as acquiror's securities, all of the Common Shares and Variable Voting Shares that constitute acquiror's securities; or

(ii) in the case of an acquiror that is an eligible institutional investor, the acquiror complies with the requirements of the alternative monthly reporting system set out in Part 4 of NI 62-103 to the extent it is not disqualified pursuant to section 4.2 of NI 62-103 from filing reports under Part 4 of NI 62-103, except that, for purposes of determining the acquiror's security-holding percentage, the acquiror calculates its security-holding percentage using (A) a denominator comprised of all of the outstanding Common Shares and Variable Voting Shares, determined in accordance with subsection 1.8(2) of NI 62-104, on a combined basis, as opposed to a per-class basis, and (B) a numerator including all of the Common Shares and Variable Voting Shares owned or controlled by the eligible institutional investor;

(e) with respect only to the News Release Relief, the Common Shares or Variable Voting Shares, as the case may be, that the acquiror acquires beneficial ownership of, or control or direction over, together with the securities of the Filer beneficially owned, or over which control or direction is exercised, by the acquiror or any person acting jointly or in concert with the acquiror, would not constitute 5% or more of the outstanding Common Shares and Variable Voting Shares, as the case may be, calculated using (i) a denominator comprised of all of the outstanding Common Shares and Variable Voting Shares, determined in accordance with subsection 1.8(2) of NI 62-104, on a combined basis, as opposed to a per-class basis, and (ii) a numerator including as acquiror's securities, all of the Common Shares and Variable Voting Shares that constitute acquiror's securities; and

(f) with respect only to the Alternative Disclosure Relief, the Filer provides the disclosure required by Item 6.5 of Form 51-102F5, except that for purposes of determining the percentage of voting rights attached to the Common Shares or Variable Voting Shares, the Filer calculates the voting percentage using (i) a denominator comprised of all of the outstanding Common Shares and Variable Voting Shares on a

combined basis, as opposed to a per-class basis, and (ii) a numerator including all of the Common Shares and Variable Voting Shares beneficially owned, or over which control or direction is exercised, directly or indirectly, by any person who, to the knowledge of the Filer's directors or executive officers, beneficially owns, controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to the outstanding Common Shares and Variable Voting Shares on a combined basis, as opposed to a per-class basis.

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

OSC File #: 2021/0538

2.1.4 CI Investments Inc. and The Funds

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted to mutual funds for extensions of lapse dates of their prospectuses – Lapse date extension enabling investment fund manager to streamline disclosure across its fund platform and reduce renewal, printing and other costs of the funds – Extensions of lapse dates will not affect the currency or accuracy of the information contained in the current prospectuses.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as amended, ss. 62(5).

November 17, 2021

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

AND

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

AND

IN THE MATTER OF
CI INVESTMENTS INC.
(the Filer)

AND

IN THE MATTER OF
THE FUNDS LISTED IN SCHEDULE A
(the Funds)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Funds for a decision under the securities legislation of the Jurisdiction (the **Legislation**) that the respective time limits for the renewal of the long form prospectus of CI Gold Bullion Fund (the **December 2020 ETF**) dated December 18, 2020, as amended by amendment no. 1 dated March 5, 2021 (collectively, the **December 2020 ETF Prospectus**), the long form prospectus of CI Galaxy Bitcoin ETF (the **March 2021 ETF**) dated March 4, 2021, as amended by amendment no. 1 dated March 5, 2021 (collectively, the **March 2021 ETF Prospectus**), the simplified prospectus of CI Bitcoin Fund (the **Bitcoin Fund**) dated March 31, 2021 (the **Bitcoin Fund Prospectus**), the simplified prospectus of CI DoubleLine Core Plus Fixed Income US$ Fund, CI DoubleLine Income US$ Fund, CI DoubleLine Total Return Bond US$ Fund, CI Enhanced Short Duration Bond Fund, CI Global Asset Allocation Private Pool, CI Global Infrastructure Private Pool, CI Global Longevity Economy Fund, CI Global Real Asset Private Pool, CI Global REIT Private Pool and CI Munro Global Growth Equity Fund (the **Dual Series Mutual Funds**) dated April 21, 2021 (the **Dual Series Mutual Funds Prospectus**), and the simplified prospectus of CI Ethereum Fund (the **Ethereum Fund**) dated April 22, 2021 (the **Ethereum Fund Prospectus**, and together with the December 2020 ETF Prospectus, the March 2021 ETF Prospectus, the Bitcoin Fund Prospectus and the Dual Series Mutual Funds Prospectus, the **Prospectuses**) be extended to those time limits that would apply as if the lapse dates of the Prospectuses were April 22, 2022 (in the case of the December 2020 ETF Prospectus), March 31, 2022 (in the case of the March 2021 ETF Prospectus), June 30, 2022 (in the case of the Dual Series Mutual Funds Prospectus) and July 8, 2022 (in the case of the Bitcoin Fund Prospectus and the Ethereum Fund Prospectus (the **Requested Relief**).

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

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

(b) the Filer has provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 – *Passport System* (**MI 11-102**) is intended to be relied upon in each of the other provinces and territories of Canada (together with Ontario, the **Jurisdictions**).

Interpretation

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

Representations

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

The Filer

1. The Filer is a corporation incorporated under the laws of Ontario. The Filer's head office is located in Toronto, Ontario.

2. The Filer is registered as follows:

    a. under the securities legislation of all Jurisdictions as a portfolio manager and an exempt market dealer;

    b. under the securities legislation of Ontario, Québec, and Newfoundland and Labrador as an investment fund manager; and

    c. under the *Commodity Futures Act* (Ontario) as a commodity trading counsel and a commodity trading manager.

3. The Filer is the investment fund manager and portfolio manager of the Funds.

The Funds

4. Each of the Funds is an open-ended mutual fund trust established under the laws of Ontario. Each of the Funds is a reporting issuer as defined in the securities legislation of each of the Jurisdictions.

5. Neither the Filer nor any of the Funds are in default of securities legislation in any of the Jurisdictions.

6. Securities of the Funds are currently qualified for distribution in each of the Jurisdictions under the Prospectuses. The securities of the December 2020 ETF, the March 2021 ETF and the ETF Series of Dual Series Mutual Funds are listed on the Toronto Stock Exchange.

7. Pursuant to the Legislation, the lapse dates of the December 2020 ETF Prospectus, the March 2021 ETF Prospectus, the Bitcoin Fund Prospectus, the Dual Series Mutual Funds Prospectus and the Ethereum Fund Prospectus are December 18, 2021, March 4, 2022, March 31, 2022, April 21, 2022 and April 22, 2022, respectively. Accordingly, under the Legislation, the distribution of securities of each of the Funds would have to cease on the applicable lapse date unless: (i) the Funds file a *pro forma* long form or simplified prospectus, as applicable, at least 30 days prior to the applicable lapse date; (ii) the final long form or simplified prospectus, as applicable, is filed no later than 10 days after the applicable lapse date; and (iii) a receipt for the final long form or simplified prospectus, as applicable, is obtained within 20 days after the applicable lapse date.

The Reasons for the Lapse Date Extension: The December 2020 ETF

8. The Filer is the investment fund manager of the December 2020 ETF and also the investment fund manager of approximately 34 other ETFs (the **Affiliated ETFs**) that currently distribute their securities to the public under a long form prospectus and ETF facts (collectively, the **Affiliated ETFs' Prospectus**) that have a lapse date of April 22, 2022.

9. The Filer wishes to combine the December 2020 ETF Prospectus with the Affiliated ETFs' Prospectus in order to reduce renewal, printing and related costs. Offering the December 2020 ETF under the same renewal long form prospectus and ETF facts documents (collectively, the **Renewal Documents**) as the Affiliated ETFs' would assist in disseminating information with respect to the December 2020 ETF and the Affiliated ETFs in matters such as switching between the December 2020 ETF and the Affiliated ETFs, facilitate the distribution of the December 2020 ETF in the Jurisdictions under the same prospectus and enable the Filer to streamline disclosure across the Filer's ETF platform. The Affiliated ETFs also share many common operational and administrative features with the December 2020 ETF and combining them under the same Renewal Documents will allow investors to compare their features more easily.

10. It would be impractical to alter and modify all the dedicated systems, procedures and resources required to prepare the Renewal Documents of the Affiliated ETFs, and unreasonable to incur the costs and expenses associated therewith, so

that the Renewal Documents of the Affiliated ETFs can be filed earlier with the Renewal Documents of the December 2020 ETF on or before the lapse date of the December 2020 ETF.

11. The Filer also may make changes to the features of the Affiliated ETFs as part of the process of renewing the Affiliated ETFs' Prospectus. The ability to incorporate the December 2020 ETF into the Affiliated ETFs' Prospectus will ensure that the Filer can make the operational and administrative features of the December 2020 ETF and the Affiliated ETFs consistent with each other, if necessary.

The Reasons for the Lapse Date Extension: The December 2020 ETF, The March 2021 ETF, The Bitcoin Fund, The Dual Series Mutual Funds and The Ethereum Fund

12. Pursuant to section 2.2 of National Instrument 81-106 Investment Fund Continuous Disclosure, the annual financial statements and auditor's report are required to be filed on or before the 90th day after the Funds' most recently completed financial year. The fiscal year-end of the December 2020 ETF and the March 2021 ETF is December 31 and the fiscal year-end of the Bitcoin Fund, the Dual Series Mutual Funds (except for CI Enhanced Short Duration Bond Fund which is December 31) and the Ethereum Fund is March 31.

13. Pursuant to subsection 4.3(1) of NI 41-101 and given that the fiscal year-end of the December 2020 ETF and the March 2021 ETF is December 31, the auditor will be required to review the unaudited interim financial statements of the December 2020 ETF and the March 2021 ETF for the period ended June 30, 2021. Pursuant to section 3.1.2 of NI 81-101 and subsection 4.3(1) of NI 41-101, and given that the fiscal year-end of the Bitcoin Fund, the Dual Series Mutual Funds (except for CI Enhanced Short Duration Bond Fund) and the Ethereum Fund is March 31, the auditor will be required to review the unaudited interim financial statements of the Bitcoin Fund, the Dual Series Mutual Funds (except for CI Enhanced Short Duration Bond Fund) and the Ethereum Fund for the period ended September 30, 2021.

14. The Filer must file annual financial statements for the December 2020 ETF, the March 2021 ETF and CI Enhanced Short Duration Bond Fund by no later than March 31, 2022, and for the Bitcoin Fund, the Dual Series Mutual Funds (except for CI Enhanced Short Duration Bond Fund) and the Ethereum Fund by no later than June 30, 2022.

15. As audited financial statements will not be ready by the applicable lapse date, the December 2020 ETF and the March 2021 ETF will need to incorporate by reference unaudited interim financial information (as at June 30, 2021) into their respective final long form prospectus. The Bitcoin Fund, the Dual Series Mutual Funds (except CI Enhanced Short Duration Bond Fund) and the Ethereum Fund will need to incorporate by reference unaudited interim financial information (as at September 30, 2021) into their respective final simplified prospectus. In order to incorporate by reference the interim unaudited financial statements into the final long form or simplified prospectus, as applicable, for the Funds, those interim unaudited financial statements must be reviewed by the Funds' auditor in accordance with the relevant standards set out in the Handbook of the Canadian Institute of Chartered Accountants for a review of financial statements.

16. Considering that the audited financial statements of the December 2020 ETF and the March 2021 ETF will be available no later than March 31, 2022, and the audited financial statements of the Bitcoin Fund, the Dual Series Mutual Funds (except for CI Enhanced Short Duration Bond Fund) and the Ethereum Fund will be available no later than June 30, 2022, each of which is only a short period of time following the filing of the final long form prospectus for the December 2020 ETF and the March 2021 ETF and the final simplified prospectus for the Bitcoin Fund, the Dual Series Mutual Funds and the Ethereum Fund pursuant to their respective lapse dates, the review of interim financial statements will incur time and expenses which will only be relevant for a short period of time.

17. Extending the lapse dates to April 22, 2022 (in the case of the December 2020 ETF Prospectus), March 31, 2022 (in the case of the March 2021 ETF), June 30, 2022 (in the case of the Dual Series Mutual Funds) and July 8, 2022 (in the case of the Bitcoin Fund and the Ethereum Fund) will provide the time necessary for the Funds' auditor to complete the audit of the Funds' financial statements for the Funds' respective fiscal year-end. It will enable the Filer to renew the Prospectuses to include the most current audited financial information on a timeline that is more efficient without incurring unnecessary costs and expenses associated with reviewing the interim unaudited financial statements. If the Requested Relief is granted, investors of the applicable Fund would have the benefit of being provided with the most current audited financial information and financial reporting when reviewing the applicable Prospectus.

18. Extending the lapse dates of the Prospectuses will enable the Filer to renew the Prospectuses on a timeline that is more efficient and administratively beneficial without altering and modifying all the dedicated systems, procedures and resources and incurring additional costs and expenses associated therewith. It will also enable the Filer to streamline operations and disclosure across the Filer's ETF and mutual fund platforms.

19. There have been no material changes in the affairs of the Funds since the dates of the Prospectuses, as applicable. Accordingly, the Prospectuses continue to represent accurate information regarding the Funds, as applicable.

20. Given the disclosure obligations of the Filer and the Funds, should any material change in the business, operations or affairs of the Funds occur, the Prospectuses, fund facts and/or ETF facts document(s) in respect of the applicable Fund(s), will be amended as required under the Legislation.

21. New investors of the Funds will receive delivery of the most recently filed fund facts and/or ETF facts document(s) of the applicable Fund(s). In addition, the Prospectuses will remain available to investors upon request.

22. The Requested Relief will not affect the accuracy of the information contained in the Prospectuses, fund facts and/or ETF facts document(s) of each of the Funds 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 & Structured Products Branch
Ontario Securities Commission

Application File #: 2021/0528

SCHEDULE A

Funds

December 2020 ETF

CI Gold Bullion Fund

March 2021 ETF

CI Galaxy Bitcoin ETF

Bitcoin Fund

CI Bitcoin Fund

Dual Series Mutual Funds

CI DoubleLine Core Plus Fixed Income US$ Fund
CI DoubleLine Income US$ Fund
CI DoubleLine Total Return Bond US$ Fund
CI Enhanced Short Duration Bond Fund
CI Global Asset Allocation Private Pool
CI Global Infrastructure Private Pool
CI Global Longevity Economy Fund
CI Global Real Asset Private Pool
CI Global REIT Private Pool
CI Munro Global Growth Equity Fund

Ethereum Fund

CI Ethereum Fund

2.1.5 TSX Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief from subsection 7.1(1) of National Instrument 21-101 Marketplace Operation to permit TSX Inc. to implement a new functionality that allows for the interaction between conditional orders and firm dark orders.

Applicable Legislative Provisions

National Instrument 21-101 Marketplace Operation, ss. 7.1, 15.1.
Multilateral Instrument 11-102 Passport System, ss. 4.2, 4.7.
National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions, ss. 3.4, 3.6.

November 18, 2021

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO,
QUEBEC,
BRITISH COLUMBIA,
AND
ALBERTA
(the Jurisdictions)

AND

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

AND

IN THE MATTER OF
TSX INC.
(the Filer)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (**Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) for an exemption from the requirement in subsection 7.1(1) of National Instrument 21-101 - Marketplace Operation (**NI 21-101**) to provide accurate and timely information regarding orders for the exchange-traded securities displayed by the marketplace to an information processor as required by the information processor or, if there is no information processor, to an information vendor that meets the standards set by a regulation services provider in respect of a Dark Order Interaction (as defined below) (the **Exemptive Relief Sought**).

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

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

(b) the decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

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

Representations

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

The Filer

1. The Filer is a corporation existing under the Business Corporations Act (Ontario).

2. The Filer's head office is in Toronto, Ontario, Canada.

3. The Filer is an exchange recognized by the Ontario Securities Commission, and a wholly-owned subsidiary of TMX Group Limited.

4. The Filer operates the Toronto Stock Exchange.

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

6. The Filer proposes to introduce a trading functionality whereby participants may enter a non-committed order that generates an invitation to send a firm order when there is a contra side match (each, a **Conditional Order**).

Conditional Orders

7. The Filer will create a new order book for Conditional Orders (the **Conditional Order Book**), and Conditional Orders will not interact with orders in the visible Central Limit Order Book.

8. Conditional Orders must meet a minimum size determined by the Filer and approved by the applicable regulator, from time to time. As of the date of this Order, a Conditional Order must have a minimum order size (the **Global Minimum Size**) of either (a) greater than 50 boardlots and greater than $30,000 in value, or (b) greater than $100,000 in value.

9. The ability to enter Conditional Orders will start at 7:00 am ET and end at 4:00 pm ET (the **Conditional Order Period**).

10. When there is a potential match in the Conditional Order Book, each applicable participant who entered a Conditional Order will receive an invitation to ‘firm up’ the desired size and price at which they wish to trade. Participants must accept the invitation within the time specified by the Filer, as such may be changed from time to time.

11. All ‘firmed up’ orders in the Conditional Order Book will execute at the mid-point price of the protected National Best Bid and Offer (the mid-point). Subject to the Opt-in (as defined below), any remaining unfilled portion of the Conditional Order (a **Remaining Order**) will be cancelled.

12. Participants may also, at their election, opt-in to have their Remaining Order interact with the Filer’s dark book (the **Opt-in**) with price improvement. If there are no matches in the dark book for the Remaining Order, the Remaining Order will be cancelled.

13. Orders in the Conditional Order Book will be allocated first to offset orders from the same participating organization (i.e., broker preferencing), and then on a pro rata basis.

14. All unmatched Conditional Orders will expire at the end of the Conditional Order Period.

15. A participant may also elect to opt-in to have its dark orders interact with a Conditional Order (a **Dark Order Interaction**). In order to do so, the dark order (1) must meet the Global Minimum Size, (2) will not receive an invitation to 'firm up', and (3) will execute at the mid-point if there is a contra side Conditional Order match.

16. Only the participant who entered the Conditional Order can see the size of the order and the price, which they entered, and the contra side of a Conditional Order will not have any visible information.

Policy Rationale

17. The lack of visibility to the contra side of a Conditional Order will give participants the opportunity to seek price improvement on large size orders while minimizing market impact. If the Filer is required to comply with the pre-trade transparency in subsection 7.1(1) of NI 21-101, the anticipated benefits of Conditional Orders would be lost.

18. Guidance in subsection 5.1(4) of Companion Policy 21-101CP (**21-101CP**) outlines criteria that the securities regulatory authority may consider in granting an exemption from the pre-trade transparency requirements in subsection 7.1(1) of NI 21-101.

19. The Filer believes that the Exemptive Relief Sought can be granted because:

    (a) a Dark Order Interaction will be limited to the Global Minimum Size;

    (b) a Dark Order Interaction only becomes available if a participant has opted-in to have its dark orders interact with a Conditional Order, and such opt-in must be done on an order-by-order basis;

    (c) when an invitation is provided to the participant who entered the Conditional Order in a Dark Order Interaction, such invitation will only provide the symbol and side (i.e., buy or sell), of the dark order. The size of the dark order may be inferred since the Dark Order Interaction will be limited to the Global Minimum Size. However, such inference will not be precise;

    (d) when an invitation is provided to the participant who entered the Conditional Order in a Dark Order Interaction, the participant receiving the invitation will be unable to determine whether the contra side order is another Conditional Order or a dark order; and

    (e) there can be no guarantee that the participant who entered the Conditional Order will 'firm up' the invitation in a Dark Order Interaction.

20. In addition, subsection 5.1(4) of 21-101CP provides that, in granting an exemption, the securities regulatory authority may consider whether each order entered on the marketplace meets the size threshold set by a regulation services provider as provided in subsection 7.1(2) of NI 21-101. As of the date of this Order, no size threshold has been set. However, the Filer believes that the Global Minimum Size is an appropriate size threshold for an exemption contemplated in subsection 5.1(4) of 21-101CP.

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 Exemptive Relief Sought is granted provided that:

(a) A Dark Order Interaction will only apply to dark orders for which a participant has affirmatively consented to using the functionality.

(b) A dark order will only be eligible for a Dark Order Interaction where it meets the Global Minimum Size.

(c) An invitation to firm up through a Dark Order Interaction conveys only symbol and side as known order elements; information about price or quantity is not conveyed and may only be inferable without precision.

(d) An invitation to firm up through a Dark Order Interaction does not enable the recipient to determine whether the contra-side liquidity is immediately actionable.

(e) The Filer will test the Dark Order Interaction feature prior to implementation to ensure the functionality works as designed.

(f) The Filer will analyze the impact of the Dark Order Interaction feature and will share the results with the Decision Makers. The manner and format of the analysis will be agreed to with staff of the Decision Maker no later than 90 days after the signing of this decision.

"Tracey Stern"
Manager, Market Regulation
Ontario Securities Commission

2.1.6 Fidelity Investments Canada ULC and the Funds

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief from requirement in section 2.1 of NI 81-101 to prepare fund facts in accordance with the requirements of Form 81-101F3 in order to provide disclosure in the fund facts about revisions to tiered pricing program – relief replaces earlier relief regarding previous version of tiered pricing program and is subject to conditions.

Applicable Legislative Provisions

National Instrument 81-101 Mutual Fund Prospectus Disclosure, ss. 2.1 and 6.1.

November 4, 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
FIDELITY INVESTMENTS CANADA ULC
(the Filer)

AND

IN THE MATTER OF
THE FUNDS
(as defined below)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer, on behalf of each existing mutual fund established as a mutual fund trust (each, a **Trust Fund** and collectively, the **Trust Funds**) and each existing mutual fund established as a class of shares of a mutual fund corporation (each, a **Class Fund** and collectively, the **Class Funds**) and any mutual fund that the Filer may establish in the future (together with the Trust Funds and the Class Funds, the **Funds** and each, a **Fund**), for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**):

1. exempting the Funds from the requirement in section 2.1 of National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (**NI 81-101**) to prepare a fund facts in the form of Form 81-101F3 *Contents of Fund Facts Document* (**Form 81-101F3**), to permit the Funds to deviate from certain requirements in Form 81-101F3 to include certain disclosure (the **Revised Program Disclosure**) as follows:

    (a) General instruction 8 of Form 81-101F3 to permit the Fund Facts document to include, at the end of the disclosure under the sub-heading “Fund expenses”:

        (i) A table (the **Fee Decrease Table**) that discloses:

            (A) The investment amounts associated with each Tier (as defined herein) in the applicable Program Series (as defined herein); and

            (B) The combined management and administration fee decrease, paid in the form of a rebate (for Class Funds) or a distribution (for Trust Funds), of each of the Tiers in the applicable Program Series from the combined management and administration fee of the applicable Series F or ISC Series Securities (each as defined herein), as the case may be, shown in percentage terms;

(ii) An introduction to the table stating that the table below lists out the combined management and administration fee decrease, paid in the form of a rebate or distribution, of each of the Tiers of the applicable Program Series from the combined management and administration fee of the applicable Series F or ISC Series Securities, as the case may be; and

(b) Item 1.1 of Part II of Form 81-101F3 to permit the Fund Facts document to include, as part of the introductory statement under the heading "How much does it cost?", a summary of the Revised Program (as defined hereunder) consisting of

(i) a statement explaining that the Automatic Rebate Program (as defined herein) under the Revised Program offers tiered distributions or rebates that result in progressively lower combined management and administration fees for Series F or ISC Series Securities, as applicable;

(ii) a statement explaining the scenarios in which levels of automatic distributions or rebates will change, including reductions in automatic distributions or rebates as the investor no longer qualifies for the particular Tier due to redemptions by the investor;

(iii) a cross-reference to the Fee Decrease Table;

(iv) a cross reference to specific sections of the simplified prospectus of the Funds for more details about the Revised Program;

(v) and a statement disclosing that investors should speak to their dealer representative for more details about the Revised Program; and

2. to revoke the Prior Relief (as defined hereunder the **Exemption Sought**).

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

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

(b) The Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in each of the other provinces and territories of Canada (collectively, the **Passport Jurisdictions** and 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.

Representations

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

The Filer

1. The Filer is a corporation duly amalgamated and validly existing under the laws of the Province of Alberta with its head office in Toronto, Ontario.

2. The Filer is registered in Ontario, Québec and Newfoundland and Labrador in the category of investment fund manager. The Filer is also registered as a portfolio manager and mutual fund dealer in each of the provinces and territories of Canada and is registered under the *Commodity Futures Act* (Ontario) in the category of commodity trading manager.

3. The Filer, or an affiliate of the Filer is or will be the investment fund manager of the Funds.

4. The Filer is not in default of securities legislation in any of the Jurisdictions.

The Funds

5. Each Trust Fund is, or will be, an open-end mutual fund trust created under the laws of the Province of Ontario. Each Class Fund is, or will be, an open-end mutual fund that is a class of shares of a mutual fund corporation.

6. Each Fund is, or will be, a reporting issuer under the laws of some or all of the Jurisdictions and subject to National Instrument 81-102 *Investment Funds* (**NI 81-102**). The securities of the Funds are, or will be, qualified for distribution pursuant to a simplified prospectus, fund facts document and annual information form that have been, or will be, prepared and filed in accordance with NI 81-101.

7. Units of the Trust Funds are currently offered under simplified prospectuses, fund facts and annual information forms dated November 1, 2020, as amended, September 18, 2020, as amended, October 2, 2020, October 5, 2020, January 12, 2021, and April 30, 2021 and shares of the Class Funds are currently offered under a simplified prospectus, fund facts and annual information form dated April 26, 2021 (collectively the **Disclosure Documents**). The units of the Trust Funds and shares of the Class Funds may be referred to herein collectively as **Securities**.

8. The Funds currently offer up to 36 series of Securities, including the following:

- Series A, T5 and T8 Securities (collectively, the **DSC Series**)
- Series F, F5 and F8 Securities (collectively, **Series F**)
- Series B, S5 and S8 Securities (collectively, the **ISC Series** and together with Series F, the **Program Series**)
- Series E1, E2, E3, E4, E5, E1T5, E2T5, E3T5, E4T5 and E5T5 Securities (collectively, **Series E**)
- Series P1, P2, P3, P4, P5, P1T5, P2T5, P3T5, P4T5 and P5T5 Securities (collectively, **Series P** and together with Series E, the **Tiered Series**)

9. The existing Funds are not in default of securities legislation in any of the Jurisdictions.

ISC Series, Series F and Tiered Series Securities

10. In 2015, the Filer implemented changes to its Funds to allow investors who hold ISC Series and Series F Securities of the Funds to qualify for lower combined management and administration fees based on the size of the holdings of the Funds in the investor's account or, in certain instances, the account grouping of which the investor is a member (together with the Automatic Switching Program (defined below), the **Original Program**). The benefit of this lower pricing was also made available to certain account groupings, thereby making the Tiered Series more accessible to a larger number of investors.

11. Series F Securities of the Fund have lower fees than the DSC Series or ISC Series Securities and are usually purchased by investors who have fee-based accounts with dealers who sign an eligibility agreement with the Filer. Instead of paying sales charges, investors pay their dealer a fee for investment advice and other services they provide. In addition, the Filer does not pay any commission or trailing commission to dealers who sell Series F Securities.

12. ISC Series Securities of the Funds are purchased by investors on an initial sales charge basis. ISC Series Securities of the Funds may also be acquired upon the automatic switch of DSC Series Securities after the expiration of the deferred sales charge period on those Securities. Trailing commissions are paid to dealers who sell ISC Series Securities.

13. Series P securities offer tiered management and administration fees for Series F securityholders. Series P Securities offer lower combined management and administration fees than the existing Series F Securities based on the size of the holdings of the Funds in the investor's account or, in certain instances, the account grouping of which the investor is a member. The Filer automatically switches these Series F securityholders into, among and out of Series P Securities based on the size of the holdings of the Funds in the investor's account or collectively in the related accounts without the dealer or investor having to initiate the trade.

14. Series P Securities are available to holders of Series F and Series F5 Securities. Series P1 through P5 correspond to Series F and Series P1T5 through P5T5 correspond to Series F5. Series F5 Securities have the same attributes as Series F Securities, except that Series F5 is designed to provide tax efficient cash flow to investors by making monthly distributions of an amount comprised of a return of capital and/or net income.

15. Series E Securities offer tiered management and administration fees for ISC Series securityholders. Series E Securities offer lower combined management and administration fees than the existing ISC Series Securities based on size of the holdings of the Funds in the investor's account or, in certain circumstances, the account grouping of which the investor is a member. The Filer automatically switches these ISC Series securityholders into, among and out of Series E Securities based on the size of the holdings of the Funds in the investor's account or collectively in the related accounts without the dealer or investor having to initiate the trade.

16. Series E Securities are available to holders of applicable Series B and Series S5 Securities. Series E1 through E5 correspond to Series B and Series E1T5 through E5T5 correspond to Series S5. Series S5 Securities have the same attributes as Series B Securities, except that Series S5 is designed to provide tax efficient cash flow to investors by making monthly distributions of an amount comprised of a return of capital and/or net income.

17. The programs outlined in paragraphs 12 to 15 are collectively referred to herein as the **Automatic Switching Programs** and, individually, as an **Automatic Switching Program**.

18. Investor may only access Series P Securities of a Fund by initially investing in Series F Securities of a Fund. Investors may only access Series E Securities of a Fund by initially investing in the applicable ISC Series Securities of a Fund or by acquiring ISC Series Securities of a Fund upon the automatic switch of DSC Series Securities after the expiration of the deferred sales charge period. Once an investor already holds a series of a Tiered Series of a Fund, the investor can then directly buy Securities of the applicable tier of the Tiered Series of the same Fund or any other Fund.

19. For Series F and ISC Series accounts that have qualified for Series P Securities or Series E Securities, as the case may be, the Filer automatically switches:

    (a) Series F or ISC Series accounts into the appropriate tier for Series P Securities or Series E Securities of the same Fund;

    (b) Once in Series P Securities or Series E Securities, among the appropriate tiers of Series P Securities or Series E Securities of the same Fund based on increases in the size of the holdings of the Funds in the investor's account or the related accounts, as the case may be, as a result of additional purchases and/or positive fund performance;

    (c) The account(s) to the applicable higher cost Series P Securities or Series E Securities, or from Series P Securities or Series E Securities back into Series F Securities or ISC Series Securities of the same Fund, where the account(s) no longer meets the account size threshold as a result of redemptions.

    (the **Automatic Switches** and, individually, and **Automatic Switch**).

20. The sole difference between a Tiered Series and its corresponding Program Series is the combined management fee and administration fee (the **Fee Difference**).

21. The Automatic Switching Programs are part of the Original Program. The Original Program has 4 elements:

    (a) Automatically applies to all holders of ISC Series Securities and Series F Securities.

    (b) Aggregation Rule: Applies to all assets held in the Funds by the investor even where such assets do not meet the thresholds for the tiers on their own, as long as the holdings in one Fund meet the threshold.

    (c) Financial Grouping Rule, which is defined broadly in the Funds' simplified prospectuses and includes family members of the qualified investor. The onus is on the primary account holder to advise Fidelity as to inclusions in the Household.

    (d) Automatic Switching Programs.

The Revised Program

22. The Filer intends to revise the Original Program (the **Revised Program**) by the end of this year. The Revised Program has 4 elements:

    (a) Automatically applies to all holders of ISC Series Securities and Series F Securities.

    (b) Aggregation Rule, same as before.

    (c) Financial Grouping Rule, same as before.

    (d) Automatic Rebate Programs (as defined below), replacing Automatic Switching Programs.

23. The Filer will establish five asset level tiers (each, a **Tier** and, collectively, the **Tiers**) for each Fund corresponding to the asset level tiers for the Tiered Series. The Filer will disclose, in its simplified prospectuses, the details of the Revised Program and set out a table showing the management and advisory fee and administration fee rebate or distribution ("**Fee Rebate**") for each Tier for each Fund. The Fee Rebate is similar to the Fee Difference, adjusted for any reductions in the Program Series management and advisory fees or administration fees. The Fee Rebate will be in an amount such that the net combined management and administration fee after payment of the Fee Rebate will be equal to or less than the combined management and administration fee of the applicable Tiered Series as of the Date of this Decision**.** Upon an investor in a Program Series reaching the initial asset threshold, the investor will automatically qualify for a Tier and, thus, be eligible for a Fee Rebate. As the investor passes the asset level threshold to the next Tier, the Fee Rebate will be increased and will apply to the first dollar invested. If the investor's assets fall below the asset threshold for the Tier as a result of and to the extent of an investor's redemption from a Fund, the Fee Rebate will be automatically reduced to the level of Fee Rebate applicable to the lower Tier. Fee Rebates cannot be reduced due to market losses. The foregoing is referred to as the **Automatic Rebate Program**. The right to receive a Fee Rebate is automatic and non-discretionary,

pursuant to the simplified prospectuses of the Funds. Fee Rebates are accrued daily and paid monthly by reinvestment in securities of the Fund.

24. As before, clients will continue to purchase Series F or ISC Series Securities. However, instead of the investor receiving an Automatic Switch to a Tiered Series, the investor will receive the Fee Rebate applicable to that Tier for that Fund.

25. As a result of the change from the Original Program to the Revised Program, the administrative complexity from both the Filer's perspective and the dealer's perspective will be significantly reduced. Currently, there is a separate fund code for each Tiered Series of each Fund, which places an undue burden on dealer systems.

26. From the client's perspective, the benefits received under the Revised Program will be more transparent that under the Original Program as they will see the amount of the Fee Rebate on their regular account statements.

The Prior Relief

27. On February 10, 2017, the Principal Regulator issued an order to the Filer (the **Prior Relief**) permitting the Filer to consolidate into one fund facts document Series F and the corresponding Series P Securities and each ISC Series Securities and the corresponding Series E Securities.

28. A feature of the Prior Relief is that it allowed the Filer to show, in the fund facts document of each Program Series, the corresponding Tiered Series available for the Fund as well as the Fee Difference applicable to each Tiered Series. As a result of the changes in the Revised Program, the Prior Relief will no longer be applicable as the Tiered Series will be terminated and will no longer be offered.

Generally

29. The Filer would like to continue to show the Fee Difference, as modified by the Fee Rebate, in the fund facts document of each Program Series and continue to provide a description of the Revised Program in the fund facts document, as described in the Revised Program Disclosure.

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 each fund facts document for a Program Series of a Fund contains the Revised Program Disclosure.

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

Application File #: 2021/0452

2.1.7 Convergence Blended Finance, Inc.

Headnote

Application to extend previous order – Previous order granted the Filer relief from trade confirmation and account statement requirements – Filer operates an online platform focused on blended financing for international development projects – Investment is limited to non-individual permitted clients – Filer is not involved in the negotiation, documentation, financing and transaction closing of any investment – Relief was granted subject to certain terms and conditions set out in the decision – The previous order subject to a sunset clause that expires on November 21, 2021 – Interim relief granted.

Applicable Legislative Provisions

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 36 and 147.

Instrument Cited

National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, ss. 14.12, 14.14, and 15.1.

November 18, 2021

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO AND QUÉBEC

AND

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

AND

IN THE MATTER OF
CONVERGENCE BLENDED FINANCE, INC.
(the Filer)

DECISION

Background

The securities regulatory authority or regulator in Ontario has received an application from the Filer for a decision under the securities legislation of the principal regulator (the **Legislation**) for relief from the following:

i. the requirement in Section 14.12 [*Content and delivery of trade confirmation*] of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (NI 31-103) that a registered dealer that has acted on behalf of a client in connection with a purchase or sale of a security promptly deliver to the client a written confirmation of the transaction setting out certain prescribed information (the **trade confirmation requirement**); and

ii. the requirement in Section 14.14 [*Account statements*] of NI 31-103 that a registered dealer deliver to a client a statement containing certain prescribed information at least once every three months or, if the client has requested to receive statements on a monthly basis, for each one-month period (the **account statement requirement**).

AND

The securities regulatory authority or regulator in each of Ontario and Québec (the **Jurisdictions**) (the **Coordinated Exemptive Relief Decision Makers**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions for relief from the requirement found in section 36(1) [*Confirmation of trade*] of the Act and its counterpart in the securities legislation of Québec that every registered dealer who has acted as principal or agent in connection with a purchase or sale of a security or derivative shall promptly send or deliver to the customer a written confirmation of the transaction (the **trade confirmation delivery requirement**).

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

a. the Ontario Securities Commission is the principal regulator for this application;

b. the Filer has provided notice that section 4.7(1) of the Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in Québec;

c. the decision is the decision of the principal regulator; and

d. the decision evidences the decision of each Coordinated Exemptive Relief Decision Maker.

Interpretation

Terms defined in MI 11-102 and National Instrument 14-101 *Definitions* Multilateral Instrument 11-102 *Passport System* 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 organized as a not-for-profit corporation under the *Canada Not-for-profit Corporations Act*. The Filer's head office is in Toronto, Ontario.

2. The purposes expressed in the Filer's articles of incorporation are:

   (a) to facilitate the alignment of capital from public, private and philanthropic actors in global development by providing information, services and resources to these groups on a cost-recovery basis; and

   (b) to receive and maintain government grants and similar funds, and apply all or part of the principal and income thereafter, from time to time, to organizations that are for- and not-for-profit organizations engaged in global development.

3. The Filer has received initial operational funding from Global Affairs Canada, the department of the Government of Canada responsible for international trade, international development and humanitarian assistance.

4. The mandate of the Filer is to serve as a knowledge broker and accelerator for innovative development finance models for global development projects through establishing an online platform to raise awareness and promote blended financing mechanisms, and to help global investors find and connect with each other to co-invest in blended finance projects that address critical investment gaps in health and education delivery, business growth and infrastructure development support. Blended finance is the strategic use of development finance and philanthropic funds to mobilize private capital flows for global development projects in emerging and frontier markets.

5. To carry out its mandate, the Filer offers three services through an online platform:

   (a) The Market Building Tools are intended for educational purposes to increase understanding of and share knowledge of blended finance, including training, workshops, a database of past blended finance deals and their financial and social performance, and a directory of advisors and other service providers experienced in supporting blended finance.

   (b) The New Product Design Facility is intended to allow global participants to design and to collaborate on the design of new blended finance products, to share design learnings and best practices, and to provide research grants to participants to design new blended finance products or to test and enhance existing blended finance products suitable for scaling, without being linked to live investment projects seeking funding.

   (c) The Investment Network is intended to enable parties seeking funding world-wide for potential projects, on the one hand, and global public and private investors, on the other hand, to identify and connect with one another online.

6. As the Filer is based in Ontario and its Investment Network involves the facilitation of trades in securities of issuers to investors in Ontario and Quebec, among other foreign jurisdictions, the Filer is seeking registration as a restricted dealer in the provinces of Ontario and Quebec.

7. The Filer is not in default of securities legislation in any province or territory in Canada.

Access to the online platform

8. The Filer will allow any individual or institution access to the New Product Design Facility and the Market Building Tools.

9. The Filer will limit access to the Investment Network to investors who:

   (a) are not individuals;

   (b) where such investors are resident in Canada, are "permitted clients", as defined in section 1.1 of NI 31-103;

   (c) where such investors are in a foreign jurisdiction, are non-individual sophisticated institutions, government agencies or philanthropic investors;

   (d) have been in existence for at least 2 years; and

   (e) if not a well-known investor in emerging and frontier markets, have a referral from existing users on the Investment Network.

10. As a condition to gaining access to the Investment Network, the Filer will require all potential investors:

   (a) to provide information sufficient to permit the Filer to take reasonable steps to verify each investor's status as a non-individual permitted client, if resident in Canada, or as a permitted investor under the applicable laws of the investor's home foreign jurisdiction; and

   (b) to waive in writing the suitability obligations of the Filer, as permitted by sections 13.2(6) and 13.3(4) of NI 31-103.

11. The Filer has established, maintains and applies policies and procedures reasonably designed to ensure that access to the Investment Network is limited to non-individual permitted clients or the equivalent permitted investors in foreign jurisdictions.

Investment projects

12. Investment projects will be limited to those within Convergence's mandate described in paragraph 4.

13. The party seeking funding for the project (a **Deal Sponsor**) will apply to the Filer to post an investment project on the Investment Network.

14. Prior to submitting an application for the investment project to be posted on the Investment Network, the Deal Sponsor will acknowledge that it is responsible for ensuring any eventual financing will be made in compliance with all applicable laws.

15. In order for an investment project to be posted on the Investment Network, the projects are reviewed by the Filer for the following criteria:

   (a) is a blended finance deal;

   (b) is intended to have an environmental, social or governance impact;

   (c) has provided the information satisfactory to the Filer for a project posting;

   (d) has a Deal Sponsor;

   (e) is seeking a minimum total investment of USD$5 million;

   (f) will not be listed on a "marketplace", as defined in NI 31-103; and

   (g) has an investor identified in the posted project description (an Anchor Investor) that has invested in or has indicated that it is prepared to make an initial investment in, the investment project.

16. If a project meets the criteria specified in paragraph 15, the Filer posts the project on the Investment Network.

17. The Deal Sponsor has the ability to edit information about the project posted on the Investment Network. Any subsequent changes to the deal description posted on the Investment Network are monitored and reviewed by the Filer.

Investment Process

18. Investors will be able to view potential projects posted to the Investment Network on a personalized dashboard and will be able to filter project opportunities using a variety of objective project criteria, including size, type of financing required, sector, geography, and other criteria.

19. In addition, investors may elect to receive automated e-mail notifications when opportunities which meet their filtered project criteria (as described above) are posted to the Investment Network.

20. The Filer will not make any recommendations or referrals to investors, including any recommendations or referrals based on investors' expressed filter preferences, nor will it make any recommendations or referrals to Deal Sponsors, including any recommendations or referrals based on their project criteria.

21. A Deal Sponsor will be able to communicate with and contact investors identified through the Investment Network to present a sponsored project directly.

22. Initial messages between Investment Network participants will be hosted through the Investment Network to a participant's dashboard, but replies to initial messages and subsequent related messaging will take place outside the Investment Network system on the participants' regular email. The Filer will monitor any communications that take place on the platform.

23. After indicating an initial expression of interest, investors may engage in direct communication with Deal Sponsors outside of the platform. If a Deal Sponsor and an investor decide to proceed with an investment, negotiation, documentation, financing and transaction closing will occur between investors and the Deal Sponsor directly. The Filer has no involvement in negotiation, execution or funding of a project posted on the Investment Network.

24. Investors will have access to a wide range of tools outside of the Investment Network platform to help them structure and execute blended finance transactions. These tools include checklists and a secure space where investors and Deal Sponsors can share documents, such as an on-line repository of project information and due diligence materials provided by the Deal Sponsor. Deal Sponsors and investors are not required to use these tools.

25. Apart from facilitating the initial contact between investors and Deal Sponsors, the Filer does not provide any financial services to any persons.

26. The Filer does not promote any investment or provide any advice on the suitability of any investment opportunities, nor does it carry on any other advising activity.

27. The Filer does not engage in any direct trading or settlement of securities in respect of any particular securities offerings.

28. The Filer does not act as an underwriter, on either a firm commitment or agency basis.

29. The Filer will not hold any investor or issuer funds or other client assets of any kind at any time, either in connection with an offering of securities or otherwise.

30. The Filer will conduct periodic reviews of the Investment Network to ensure that all projects on the Investment Network are active and seeking investment.

31. The Filer intends to charge users fees for access to some of its service offerings, but will not charge nor earn commissions, transaction-based compensation or incentive fees in connection with projects posted on the Investment Network or investments that it has facilitated.

32. The Filer receives seed capital, funding for grants and financial support for its operations from the Government of Canada. The Filer also received funding and grants from international philanthropic organizations.

33. As a not-for-profit corporation, the Filer's activities are required to be carried on without the purpose of gain for its members, and any profits or other accretions to the Filer are to be used in furtherance of its purposes.

34. Members of the Filer's Board of Directors serve without remuneration.

35. The Filer has established, maintains and applies policies and procedures that establish a system of controls and supervision sufficient to

    (a) provide reasonable assurance that the Filer and each individual acting on its behalf complies with securities legislation; and

    (b) manage the risks associated with its business in accordance with prudent business practices.

Relief from trade confirmation, account statement and trade confirmation delivery requirements

36. The Filer submits that compliance with the trade confirmation requirement, the account statement requirement, and the trade confirmation delivery requirement are unnecessary in the circumstances and would impose an undue regulatory burden on the Filer and that the cost of such compliance would outweigh the benefits to its investors.

37. The trade confirmation requirement in Section 14.12 of NI 31-103 applies to "a registered dealer that has acted on behalf of a client in connection with a purchase or sale of a security".

38. Unlike a conventional dealer, the Filer does not act on behalf of investors as clients in connection with a purchase or sale of securities, since:

    (a) the Filer's role is generally limited to providing an online introductory platform whereby potential investors may be made aware of potential investment projects meeting the investor's self-selected criteria;

    (b) the Filer does not act on behalf of any investor as a client in connection with that investor's purchase or sale of any securities and has no involvement in negotiation, execution or funding of a project posted on the Investment Network; and

    (c) the Filer does not hold or have access to any investor or issuer funds or securities.

Decision

The principal regulator and each of the Coordinated Exemptive Relief Decision Makers is satisfied that the decision meets the test set out in the Legislation for the principal regulator and the Coordinated Exemptive Relief Decision Makers to make the decision.

The decision of the Coordinated Review Decision Makers under the Legislation is that the trade confirmation delivery requirement is granted, provided that and for so long as:

(a) unless otherwise exempted by this decision or by a further decision of the Decision Makers, the Filer complies with all of the registration requirements of a registered dealer and to a registered individual under Ontario securities laws, including the Act and NI 31-103, and any other terms, conditions, restrictions or requirements imposed by a securities regulatory authority or regulator on the Filer;

(b) the Filer will deal fairly, honestly and in good faith with users of the platform.

(c) the Filer has its head office in Ontario or Québec;

(d) the Filer remains a not-for-profit corporation under the *Canada Not-for-profit Corporations Act*;

(e) the Filer's primary source of operational funding is from governments or philanthropic organizations;

(f) the Filer's mandate remains focused on blended finance for global development projects in emerging and frontier markets;

(g) the Filer ensures that access to the Investment Network is limited in Canada to non-individual permitted clients or in foreign jurisdictions to sophisticated institutions, government agencies or philanthropic investors who, in each case, waive the requirement for the Filer to conduct a suitability assessment, in accordance with section 13.3(4) of NI 31-103;

(h) where the Filer charges user fees, the Filer charges access fees and does not receive any commissions or transaction-based fees or incentive fees for its services;

(i) neither the Filer nor any representative of the Filer provides a recommendation or advice to any investor in connection with an offering of securities or potential offering of securities;

(j) the Filer is not involved in the negotiation, documentation, financing and transaction closing of any investment;

(k) the Filer does not hold, handle or have access to any funds or securities of any investor or issuer;

(l) the Filer does not engage in any direct trading or settlement of securities in respect of any particular securities offering;

(m) the Filer does not act as an underwriter, on either a firm commitment or agency basis; and

(n) this decision shall expire six months after the date hereof.

"Cecilia Williams"
Commissioner
Ontario Securities Commission

"Frances Kordyback"
Commissioner
Ontario Securities Commission

The decision of Director under the Legislation is that the trade confirmation requirement and the account statement requirement are granted, provided that and for so long as:

(a) the Filer complies with the terms and conditions of the decision with respect to the relief from the trade confirmation delivery requirement as set forth above;

(b) this decision shall expire six months after the date hereof; and

(c) this decision may be amended by the Director from time to time upon prior written notice to the Filer.

"Felicia Tedesco"
Director
Ontario Securities Commission

OSC File #: 2021/0652

2.1.8 TSX Venture Exchange Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief from subsection 7.1(1) of National Instrument 21-101 Marketplace Operation to permit TSX Venture Exchange Inc. to implement a new functionality that allows for the interaction between conditional orders and firm dark orders.

Applicable Legislative Provisions

National Instrument 21-101 Marketplace Operation, ss. 7.1 and 15.1.
National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions, ss. 3.4 and 3.6.

Citation: *Re TSX VENTURE EXCHANGE INC.*, 2021 ABASC 175

November 18, 2021

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA,
BRITISH COLUMBIA,
MANITOBA,
ONTARIO, AND
QUEBEC
(the Jurisdictions)

AND

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

AND

IN THE MATTER OF
TSX VENTURE EXCHANGE INC.
(the Filer)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (**Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) for an exemption from the requirement in subsection 7.1(1) of National Instrument 21-101 – Marketplace Operation (**NI 21-101**) to provide accurate and timely information regarding orders for the exchange-traded securities displayed by the marketplace to an information processor as required by the information processor or, if there is no information processor, to an information vendor that meets the standards set by a regulation services provider in respect of a Dark Order Interaction (as defined below) (the **Exemptive Relief Sought**).

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

(a) the Alberta Securities Commission is the principal regulator for this application, and

(b) the decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

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

Representations

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

The Filer

1. The Filer is a corporation existing under the *Business Corporations Act* (Alberta).

2. The Filer's head office is in Calgary, Alberta, Canada.

3. The Filer is an exchange recognized by each of the Alberta Securities Commission, and British Columbia Securities Commission, and a wholly-owned subsidiary of TSX Inc.

4. The Filer operates the TSX Venture Exchange.

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

6. The Filer proposes to introduce a trading functionality whereby participants may enter a non-committed order that generates an invitation to send a firm order when there is a contra side match (each, a **Conditional Order**).

Conditional Orders

7. The Filer will create a new order book for Conditional Orders (the **Conditional Order Book**), and Conditional Orders will not interact with orders in the visible Central Limit Order Book.

8. Conditional Orders must meet a minimum size determined by the Filer and approved by the applicable regulator, from time to time. As of the date of this Order, a Conditional Order must have a minimum order size (the **Global Minimum Size**) of either (a) greater than 50 boardlots and greater than $30,000 in value, or (b) greater than $100,000 in value.

9. The ability to enter Conditional Orders will start at 7:00 am ET and end at 4:00 pm ET (the **Conditional Order Period**).

10. When there is a potential match in the Conditional Order Book, each applicable participant who entered a Conditional Order will receive an invitation to 'firm up' the desired size and price at which they wish to trade. Participants must accept the invitation within the time specified by the Filer, as such may be changed from time to time.

11. All 'firmed up' orders in the Conditional Order Book will execute at the mid-point price of the protected National Best Bid and Offer (the **mid-point**). Subject to the Opt-in (as defined below), any remaining unfilled portion of the Conditional Order (a **Remaining Order**) will be cancelled.

12. Participants may also, at their election, opt-in to have their Remaining Order interact with the Filer's dark book (the **Opt-in**) with price improvement. If there are no matches in the dark book for the Remaining Order, the Remaining Order will be cancelled.

13. Orders in the Conditional Order Book will be allocated first to offset orders from the same participating organization (i.e., broker preferencing), and then on a pro rata basis.

14. All unmatched Conditional Orders will expire at the end of the Conditional Order Period.

15. A participant may also elect to opt-in to have its dark orders interact with a Conditional Order (a **Dark Order Interaction**). In order to do so, the dark order (1) must meet the Global Minimum Size, (2) will not receive an invitation to 'firm up', and (3) will execute at the mid-point if there is a contra side Conditional Order match.

16. Only the participant who entered the Conditional Order can see the size of the order and the price, which they entered, and the contra side of a Conditional Order will not have any visible information.

Policy Rationale

17. The lack of visibility to the contra side of a Conditional Order will give participants the opportunity to seek price improvement on large size orders while minimizing market impact. If the Filer is required to comply with the pre-trade transparency in subsection 7.1(1) of NI 21-101, the anticipated benefits of Conditional Orders would be lost.

18. Guidance in subsection 5.1(4) of Companion Policy 21-101CP (**21-101CP**) outlines criteria that the securities regulatory authority may consider in granting an exemption from the pre-trade transparency requirements in subsection 7.1(1) of NI 21-101.

19. The Filer believes that the Exemptive Relief Sought can be granted because:

    (a) a Dark Order Interaction will be limited to the Global Minimum Size;

(b) a Dark Order Interaction only becomes available if a participant has opted-in to have its dark orders interact with a Conditional Order, and such opt-in must be done on an order-by-order basis;

(c) when an invitation is provided to the participant who entered the Conditional Order in a Dark Order Interaction, such invitation will only provide the symbol and side (i.e., buy or sell), of the dark order. The size of the dark order may be inferred since the Dark Order Interaction will be limited to the Global Minimum Size. However, such inference will not be precise;

(d) when an invitation is provided to the participant who entered the Conditional Order in a Dark Order Interaction, the participant receiving the invitation will be unable to determine whether the contra side order is another Conditional Order or a dark order; and

(e) there can be no guarantee that the participant who entered the Conditional Order will 'firm up' the invitation in a Dark Order Interaction.

20. In addition, subsection 5.1(4) of 21-101CP provides that, in granting an exemption, the securities regulatory authority may consider whether each order entered on the marketplace meets the size threshold set by a regulation services provider as provided in subsection 7.1(2) of NI 21-101. As of the date of this Order, no size threshold has been set. However, the Filer believes that the Global Minimum Size is an appropriate size threshold for an exemption contemplated in subsection 5.1(4) of 21-101CP.

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 Exemptive Relief Sought is granted provided that:

(a) A Dark Order Interaction will only apply to dark orders for which a participant has affirmatively consented to using the functionality.

(b) A dark order will only be eligible for a Dark Order Interaction where it meets the Global Minimum Size.

(c) An invitation to firm up through a Dark Order Interaction conveys only symbol and side as known order elements; information about price or quantity is not conveyed and may only be inferable without precision.

(d) An invitation to firm up through a Dark Order Interaction does not enable the recipient to determine whether the contra-side liquidity is immediately actionable.

(e) The Filer will test the Dark Order Interaction feature prior to implementation to ensure the functionality works as designed.

(f) The Filer will analyze the impact of the Dark Order Interaction feature and will share the results with the Decision Maker. The manner and format of the analysis will be agreed to with Staff of the Decision Maker no later than 90 days after the signing of this decision.

"Lynn Tsutsumi"
Director
Market Regulation Alberta Securities Commission

2.1.9 Dynamic Active Canadian Dividend ETF et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Approval granted for change of manager of exchange traded mutual funds for the purpose of 5.5(1)(a) NI 81-102, subject to securityholder approval.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 5.5(1)(a), 5.3, 5.7 and 19.1.

November 17, 2021

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

AND

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

AND

IN THE MATTER OF
DYNAMIC ACTIVE CANADIAN DIVIDEND ETF
DYNAMIC ACTIVE CROSSOVER BOND ETF
DYNAMIC ACTIVE GLOBAL DIVIDEND ETF
DYNAMIC ACTIVE PREFERRED SHARES ETF
DYNAMIC ACTIVE U.S. DIVIDEND ETF
DYNAMIC ACTIVE TACTICAL BOND ETF
DYNAMIC ACTIVE U.S. MID-CAP ETF
DYNAMIC ACTIVE GLOBAL FINANCIAL SERVICES ETF
DYNAMIC ACTIVE INVESTMENT GRADE FLOATING RATE ETF
(collectively, the Dynamic ETFs)

AND

IN THE MATTER OF
BLACKROCK ASSET MANAGEMENT CANADA LIMITED AND
1832 ASSET MANAGEMENT L.P.
(collectively, the Filers)

DECISION

Background

The principal regulator in the Jurisdiction (the **Principal Regulator**) has received an application from the Filers for a decision under the securities legislation of the Jurisdiction (the **Legislation**) approving the change of manager of the Dynamic ETFs from BlackRock Asset Management Canada Limited (**BlackRock Canada**) to 1832 Asset Management L.P. (**1832 L.P.**) (the **Change of Manager**) under subsection 5.5(1)(a) 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):

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

(ii) the Filers have 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 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.

Representations

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

BlackRock Canada

1. BlackRock Canada is a corporation amalgamated under the laws of the Province of Ontario and is an indirect, wholly-owned subsidiary of BlackRock, Inc., with its head office located in Toronto, Ontario.

2. BlackRock Canada is currently registered as: (i) an investment fund manager, exempt market dealer and portfolio manager in each of the Jurisdictions; and (ii) a commodity trading manager in Ontario and an adviser under the *Commodity Futures Act* in Manitoba.

3. BlackRock Canada is the manager, trustee and portfolio manager of the Dynamic ETFs.

4. BlackRock Canada is not in default of securities legislation in any of the Jurisdictions.

The Dynamic ETFs

5. The Dynamic ETFs are exchange-traded mutual funds established under the laws of the Province of Ontario pursuant to a master declaration of trust, amended and restated as of January 20, 2020 (the **Master Declaration of Trust**).

6. Units of the Dynamic ETFs (the **Units**) are distributed in each of the Jurisdictions under a long form prospectus and ETF facts dated January 26, 2021, as they may be amended from time to time, prepared in accordance with the requirements of National Instrument 41-101 *General Prospectus Requirements* (**NI 41-101**) and NI 81-102, as applicable.

7. The Units are currently listed on the Toronto Stock Exchange (the **TSX**) under the symbols noted in the table below:

Dynamic ETFs	**Ticker**
Dynamic Active Canadian Dividend ETF	DXC
Dynamic Active Crossover Bond ETF	DXO
Dynamic Active Global Dividend ETF	DXG
Dynamic Active Preferred Shares ETF	DXP
Dynamic Active U.S. Dividend ETF	DXU
Dynamic Active Tactical Bond ETF	DXB
Dynamic Active U.S. Mid-Cap ETF	DXZ
Dynamic Active Global Financial Services ETF	DXF
Dynamic Active Investment Grade Floating Rate ETF	DXV

8. Currently, each Dynamic ETF obtains investment exposure indirectly by investing substantially all of its assets in a corresponding underlying investment fund managed by 1832 L.P (collectively, the **Dynamic Master Funds**).

9. The Filers have entered into a cooperation services agreement dated November 18, 2016, as amended (the **Cooperation Services Agreement**), pursuant to which they established a co-operative and strategic relationship regarding the establishment, operation, marketing and distribution of the Dynamic ETFs and the underlying Dynamic Master Funds. Under the Cooperation Services Agreement, the Filers provide each other with certain information, review and consent rights to facilitate the relationship and the operation of the Dynamic ETFs and the Dynamic Master Funds. Under the Cooperation Services Agreement, BlackRock Canada agrees to pay a portion of the management fees it receives from the Dynamic ETFs to 1832 L.P. in connection with any investment in a Dynamic Master Fund.

10. Each Dynamic ETF is a reporting issuer under the applicable securities legislation of each of the Jurisdictions.

11. The Dynamic ETFs are not in default of securities legislation in any of the Jurisdictions.

1832 L.P.

12. 1832 L.P. is an Ontario limited partnership, which is wholly-owned by the Bank of Nova Scotia (**BNS**). The general partner of 1832 L.P. is 1832 Asset Management G.P. Inc., an Ontario corporation wholly-owned by BNS with its head office located in Toronto, Ontario.

13. 1832 L.P. 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.

14. 1832 L.P. is the manager, trustee and portfolio manager of the Dynamic Master Funds.

15. 1832 L.P. is not in default of securities legislation in any of the Jurisdictions.

16. The Filers are not related parties. Except pursuant to the Agreement (as defined below) and the Cooperation Services Agreement, there are currently no relationships between the Filers.

The Proposed Transaction

17. On September 8, 2021, BlackRock Canada announced that it and 1832 L.P. had entered into a definitive agreement (the **Agreement**) pursuant to which 1832 L.P. would acquire and assume trustee, portfolio management and investment fund management duties in respect of the Dynamic ETFs that are currently managed and operated by BlackRock Canada, resulting in the Change of Manager (the **Proposed Transaction**).

18. The Filers have agreed to pay all of the costs and expenses related to the Proposed Transaction.

19. Closing of the Proposed Transaction is expected to occur on or about December 1, 2021 (**Closing**), subject to the receipt of all necessary regulatory, TSX and securityholder approvals and the satisfaction or waiver of all other conditions to the Proposed Transaction.

20. It is intended that the Proposed Transaction will result in 1832 L.P. becoming the manager, trustee and portfolio manager of the Dynamic ETFs pursuant to the Master Declaration of Trust.

21. In accordance with National Instrument 81-106 *Investment Fund Continuous Disclosure*, a press release announcing the Proposed Transaction was issued on September 8, 2021 and the press release and a corresponding material change report were subsequently filed on SEDAR.

22. An amendment to the long form prospectus and ETF facts of the Dynamic ETFs dated January 26, 2021 announcing the proposed Change of Manager were filed on SEDAR on September 8, 2021.

23. Pursuant to section 5.1(1)(b) of NI 81-102, special meetings (the **Meeting**) of the holders of Units (collectively, the **Unitholders**) will be held virtually on or about November 17, 2021 for the purpose of seeking approval of the Change of Manager.

24. The notice of the Meeting and the management information circular in respect of the Meeting (together, the **Meeting Materials**) describing the Proposed Transaction were made available to Unitholders on or about October 15, 2021 and copies thereof were filed on SEDAR following the mailing of Notice and Access documents in accordance with applicable securities legislation, or an exemption therefrom. The Meeting Materials contain sufficient information regarding the Proposed Transaction and all information necessary to allow Unitholders to make an informed decision about the Proposed Transaction. All other information and documents necessary to comply with applicable proxy solicitation requirements of securities legislation for the Meetings were mailed or made available to Unitholders.

25. BlackRock Canada has determined that the Change in Manager is a conflict of interest matter pursuant to section 5.1 of National Instrument 81-107 *Independent Review Committee for Investment Funds* (**NI 81-107**). BlackRock Canada has provided information relating to the Change in Manager to the Independent Review Committee (the **IRC**) of the Dynamic ETFs as required by section 5.3 of NI 81-107. The IRC has reviewed and provided a positive recommendation in respect of the Change in Manager on the basis that the proposed action achieves a fair and reasonable result for the Dynamic ETFs.

Impact of the Change of Manager

26. Subject to obtaining the Approval Sought, upon Closing, 1832 L.P. will become the manager, trustee and portfolio manager of the Dynamic ETFs pursuant to the Master Declaration of Trust.

27. Upon Closing, the individuals that comprise the IRC of the Dynamic ETFs will cease to be members of the IRC by operation of subsection 3.10(1)(b) of NI 81-107. 1832 L.P. intends to appoint Stephen Griggs (Chair), Steve Donald, Heather Hunter, Simon Hitzig and Jennifer L. Witterick to form the new IRC for the Dynamic ETFs at Closing, who are currently members of the independent review committee of investment funds managed by 1832 L.P., including the Dynamic Master Funds.

28. 1832 L.P. intends to manage and administer the Dynamic ETFs in a substantially similar manner as BlackRock Canada. There is no current intention to change the investment objectives, strategies and management fees of the Dynamic ETFs following the Closing and the Change of Manager. By operation of the Cooperation Services Agreement and the fund-of-fund structure employed by the Dynamic ETFs, 1832 L.P. is already significantly involved in the management of the portfolio to which the Dynamic ETFs are exposed.

29. There is no intention to change the officers, directors or registered individuals of 1832 L.P. The experience and integrity of each of the members of the 1832 L.P. management team is apparent by their education and years of experience in the investment industry. 1832 L.P. submits that such experience and integrity has been established and accepted by the Principal Regulator through the granting of registration to such individuals.

30. The material service providers currently employed by the Dynamic ETFs, including the custodian, transfer agent and auditors, are expected to remain the same following Closing.

31. Upon Closing, the individuals that will be principally responsible for the investment fund management and portfolio management of the Dynamic ETFs will have the requisite integrity and experience as contemplated under section 5.7(1)(a)(v) of NI 81-102. The individual portfolio managers primarily responsible for the performance of the portfolio to which the Dynamic ETFs are currently exposed will remain the same following Closing.

32. The Proposed Transaction will not adversely affect 1832 L.P.'s financial position or its ability to fulfill its regulatory obligations.

33. None of the costs of the Proposed Transaction will be borne by the Dynamic ETFs or their Unitholders. The costs of the transaction will instead be borne by the Filers.

34. The Proposed Transaction is not expected to have any material impact on the business, operations or affairs of the Dynamic ETFs or their Unitholders.

Approval Sought

35. Under paragraph 5.5(1)(a) of NI 81-102, the approval of the securities regulatory authority or regulator is required before the manager of an investment fund is changed, unless the new manager is an affiliate of the current manager.

36. The Filers are not affiliates. Therefore, the Approval Sought is required before the Change of Manager can occur.

37. The Approval Sought will not be detrimental to the protection of investors in the Dynamic ETFs or 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 Approval Sought is granted, provided that BlackRock Canada obtains the requisite prior approval of Unitholders of the Dynamic ETFs for the Change of Manager.

"Darren McKall"
Manager
Investment Funds and Structured Products Branch
Ontario Securities Commission

Application File #: 2021/0510
Sedar #: 3296543

2.1.10 Horizons ETFs Management (Canada) Inc. and Horizons Morningstar Hedge Fund Index ETF

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – approval of investment fund merger – approval required because the merger does not meet all the pre-approval criteria in National Instrument 81-102 Investment Funds – continuing fund and terminating fund do not have substantially similar investment objectives – funds do not have substantially similar fee structure – merger will not be a "qualifying exchange" or a tax-deferred transaction under the Income Tax Act – merger to otherwise comply with pre-approval criteria, including securityholder vote and IRC approval – securityholders of the terminating funds provided timely and adequate disclosure regarding the merger.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 5.5(1)(b), 5.6(1), 5.7(1)(b) and 19.1(2).

November 18, 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
HORIZONS ETFS MANAGEMENT (CANADA) INC.
(the Filer)

AND

HORIZONS MORNINGSTAR HEDGE FUND INDEX ETF
(the Terminating Fund)

DECISION

BACKGROUND

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of 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 Horizons ReSolve Adaptive Asset Allocation ETF (the **Continuing Fund** and, together with the Terminating Fund, the **Funds**) pursuant to paragraph 5.5(1)(b) of National Instrument 81-102 *Investment Funds* (**NI 81-102**) (the **Merger Approval**).

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.

REPRESENTATIONS

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

The Filer and the Funds

3. The Filer is registered as (a) an investment fund manager in Newfoundland and Labrador, Ontario and Québec, (b) a portfolio manager in Alberta, British Columbia, Ontario and Québec (c) a dealer in the category of exempt market dealer in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island, Québec and Saskatchewan, (d) a commodity trading adviser in Ontario and (e) a commodity trading manager in Ontario.

4. The Filer is the manager of each Fund.

5. Horizons ETF Corp. (**Horizons MFC**) is a mutual fund corporation established under the laws of Canada, with its head office located in Toronto, Ontario. The authorized capital of Horizons MFC includes an unlimited number of non-cumulative, redeemable, non-voting classes of shares (each, a **Corporate Class**) issuable in an unlimited number of series, and one class of voting shares.

6. Each Fund is represented by a separate Corporate Class of shares consisting of one series of shares. Each Fund is considered an alternative mutual fund under NI 81-102.

7. The Terminating Fund is an exchange-traded mutual fund (**ETF**) whose shares are listed on the Toronto Stock Exchange (the **TSX**).

8. The Continuing Fund is an ETF whose shares are listed on the TSX.

9. The Filer and each Fund is not in default of securities legislation in any Jurisdiction.

10. Each Fund is a reporting issuer (or the equivalent) under the securities legislation of each Jurisdiction and is subject to the requirements of NI 81-102.

11. Each of the Funds follows the standard investment restrictions and practices established under the Legislation, except to the extent that the Fund has received an exemption to deviate therefrom.

12. Securities of the Terminating Fund were previously offered and distributed in all of the Jurisdictions pursuant to a prospectus and ETF Facts dated June 22, 2020. Securities of the Terminating Fund are no longer in distribution (since August 31, 2021).

13. Securities of the Continuing Fund are currently qualified for sale in each of the Jurisdictions under a prospectus and ETF Facts dated August 26, 2021.

14. The net asset value (**NAV**) of each Fund is calculated on each day that the TSX is open for business in accordance with the Funds' valuation policy and as described in each Fund's prospectus.

Reason for Approval of the Merger

15. 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, a reasonable person may not consider (i) the Terminating Fund to have substantially similar fundamental investment objectives as the Continuing Fund and (ii) the Terminating Fund to have a substantially similar fee structure as the Continuing Fund. Additionally, the Merger will not be a "qualifying exchange" within the meaning of section 132.2 of the *Income Tax Act* (Canada) (the **ITA**) and is not expected to be a tax-deferred transaction under subsection 85(1), 85.1(1), 86(1) or 87(1) of the ITA.

16. The investment objectives of the Terminating Fund and the Continuing Fund are as follows:

Terminating Fund	Continuing Fund
To seek investment results, before fees, expenses, distributions, brokerage commissions and other transaction costs, that replicate the performance of the Morningstar Broad Hedge Fund Index (the "**Hedge Fund Index**"), hedged to the Canadian dollar. The Terminating Fund uses an index replication strategy that provides exposure to futures contracts, exchange traded funds, money market instruments and cash. The Terminating Fund does not invest, directly or indirectly, in the constituent hedge funds comprising the Hedge Fund Index.	To seek long-term capital appreciation by investing, directly or indirectly, in major global asset classes including but not limited to equity indexes, fixed income indexes, interest rates, commodities and currencies.

17. The Terminating Fund currently pays a management fee to the Filer equal to 0.95% of the NAV of the Terminating Fund's shares, while the Continuing Fund currently pays a management fee to the Filer equal to 0.85% of the NAV of the Continuing Fund's shares. However, shares of the Continuing Fund are also subject to a performance fee (the **Performance Fee**) that may be payable to the Filer. The Performance Fee, if any, payable by the Continuing Fund is equal to 15% of the amount by which the performance of Continuing Fund, at any date on which the Performance Fee is payable, (i) exceeds the greater of: (a) the initial NAV per share of the Continuing Fund; and (b) the highest NAV per share previously utilized for the purposes of calculating a Performance Fee that was paid, and (ii) is greater than an annualized return of 3%. The detailed formula by which the Performance Fee is determined is outlined in the Continuing Fund's prospectus and the Circular.

18. The Merger will be implemented on a taxable basis because a tax-deferred alternative is not available under the ITA. The assets and liabilities of the Terminating Fund will be reallocated to the Continuing Fund. The reallocation will not be a taxable transaction for the Terminating Fund.

19. Except as described above, the 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.

20. Although the investment objectives of the Terminating Fund may not be substantially similar to the Continuing Fund, each of the Terminating Fund and Continuing Fund is an alternative mutual fund for purposes of NI 81-102 and each is exposed to multiple and varied global asset classes.

The Proposed Merger

21. The Filer intends to merge the Terminating Fund into the Continuing Fund.

22. The proposed Merger was announced in a press release dated August 31, 2021. A material change report with respect to the Merger was also filed via SEDAR on September 2, 2021.

23. As required by National Instrument 81-107 *Independent Review Committee for Investment Funds*, the Filer presented the terms of the Merger to the independent review committee of the Funds (the **IRC**) for its review. The IRC determined that the Merger, if implemented, will achieve a fair and reasonable result for the Terminating Fund.

24. The Filer is convening a special meeting (the **Meeting**) of the shareholders of the Terminating Fund on or about November 30, 2021 in order to seek the approval of the shareholders to complete the Merger, as required by paragraph 5.1(1)(f) of NI 81-102.

25. The Filer has concluded that the Merger is not a material change to the Continuing Fund (a substantially larger fund), and, accordingly, there is no intention to convene a meeting of shareholders of the Continuing Fund to approve the Merger pursuant to paragraph 5.1(1)(g) of NI 81-102.

26. 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* (**NI 81-106**) to send a printed management information circular to shareholders 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 shareholders. In accordance with the Filer's standard of care owed to the Funds 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 Funds would obtain a better participation rate by sending the management information circular with the other proxy-related materials.

27. Pursuant to requirements of the Notice-and-Access Relief, a notice-and-access document and applicable proxies in connection with the Meeting and any adjournment thereof, along with the ETF Facts of the Continuing Fund, was mailed to shareholders of the Terminating Fund on October 29, 2021, and filed via SEDAR immediately prior to such mailing. A management information circular in respect of the Meeting (the **Circular**), which the notice-and-access document provided a link to, was also filed via SEDAR at the same time.

28. If all required approvals for the Merger are obtained, it is intended that the Merger will occur on or about December 3, 2021 (the **Effective Date**). The Filer therefore anticipates that each shareholder of the Terminating Fund will become a shareholder of the Continuing Fund after the close of business on the Effective Date. The Terminating Fund will be wound-up as soon as reasonably practicable following the Merger.

29. 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 will be described in the Circular, so that shareholders may make an informed decision before voting on whether to approve the Merger. The Circular will also describe the various ways in which

shareholders 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.

30. Shareholders of the Terminating Fund will continue to have the right to sell their shares of the Terminating Fund on the TSX at any time until the shares are delisted, which will occur shortly prior to the Merger being implemented. In addition, if shareholders of the Terminating Fund approve the Merger at the Meeting, shareholders of the Terminating Fund who do not wish to participate in the Merger will also have the opportunity to redeem their shares of the Terminating Fund in accordance with the articles of incorporation, as amended from time to time, of the Terminating Fund prior to the Effective Date.

31. The costs of preparing and sending the proxy materials and of the solicitation of proxies, as well as other costs and expenses associated with the Meeting and the Merger, will be borne by the Filer.

32. No sales charges will be payable by shareholders of the Funds in connection with the Merger.

33. 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 on or prior to the Effective Date, acceptable to the portfolio manager of the Continuing Fund and are, or will be, consistent with the investment objectives of the Continuing Fund.

Steps of the Merger

34. The specific steps to implement the Merger are expected to be as follows:

    (a) Shares of the Terminating Fund will be exchanged for shares of the Continuing Fund. The number of shares of the Continuing Fund received will be determined by multiplying the number of shares of the Terminating Fund outstanding at the close of trading on the business day immediately preceding the Merger by an exchange ratio (which will be equal to the NAV per share of the Terminating Fund as of the close of trading on the business day immediately preceding the Merger, divided by the NAV per share of the Continuing Fund as of the close of trading on such date).

    (b) All the assets of the Terminating Fund notionally allocated to the Terminating Fund will become assets that are notionally allocated to the Continuing Fund.

    (c) The Terminating Fund will cease to exist and a notice pursuant to 2.10 of NI 81-106 will be filed on the Terminating Fund's SEDAR profile.

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 Merger Approval is granted, provided that the Filer obtains the prior approval of the shareholders of the Terminating Fund for the Merger at the Meeting, or any adjournment thereof.

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

Application File #: 2021/0610
Sedar #: 3300256

2.1.11 3iQ Corp.

Headnote

NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief from sections 6.8(1) and 6.8(2)(c) of NI 81-102 exempting an investment fund from margin deposit limits to invest in specified futures – subject to conditions.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 6.8(1), 6.8(2)(c) and 19.1

November 18, 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
3iQ CORP.
(the Filer)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of Bitcoin Split Trust (the **Fund**) a non-redeemable investment fund to be established as a trust under the laws of the Jurisdiction, for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) that exempts the Fund from the requirement in:

(a) section 6.8(1) of National Instrument 81-102 – *Investment Funds* (**NI 81-102**), which restricts an investment fund from depositing portfolio assets as margin with a member of a regulated clearing agency or dealer that is a member of a self-regulatory organization that is a participating member of the Canadian Investor Protection Fund (**CIPF**) for a transaction in Canada involving certain specified derivatives in excess of 10% of the net asset value (**NAV**) of the investment fund at the time of deposit; and

(b) section 6.8(2)(c) of NI 81-102, which restricts an investment fund from depositing portfolio assets as margin with a member of a regulated clearing agency or dealer for a transaction outside of Canada involving certain specified derivatives in excess of 10% of the NAV of the investment fund as at the time of deposit,

to permit the Fund to deposit as margin portfolio assets of up to 35% of the Fund's NAV as at the time of deposit with any one futures commission merchant in Canada or the United States (each a **Dealer**) and up to 70% of the Fund's NAV as at the time of deposit with all Dealers in the aggregate, in each case for transactions in standardized futures, subject to certain conditions proposed in this Application (the **Requested Relief**).

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

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

(a) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 – *Passport System* is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, the Northwest Territories, Nunavut and Yukon (together with the Jurisdiction, the **Jurisdictions**).

Interpretation

Terms defined in National Instrument 14-101 – *Definitions* (**NI 14-101**), NI 81-102 and MI 11-102 have the same meaning if used in this Application, unless otherwise defined herein. Certain other defined terms have the meanings given to them below under "Representations".

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 Canada, with its head office located at 4800-1 King Street West, Box 160, Toronto, Ontario M5H 1A1.

2. The Filer is registered as (a) a portfolio manager and exempt market dealer in Alberta, British Columbia, Ontario and Quebec, (b) an investment fund manager in Alberta, Ontario and Quebec and (c) a commodity trading manager in Ontario.

3. The Filer will be the investment fund manager of the Fund. The Filer has applied to list the Securities on the Toronto Stock Exchange (the **TSX**).

4. The Filer is not in default of securities legislation in any of the Jurisdictions.

The Fund

5. The Fund will be a non-redeemable investment fund structured as a trust that is governed by the laws of the Province of Ontario.

6. The Fund will be a reporting issuer in each of the Jurisdictions.

7. Subject to receiving conditional approval from the TSX and the Fund satisfying the listing requirements of the TSX, the Securities will be listed on the TSX.

8. The Filer will file a final long form prospectus prepared and filed in accordance with National Instrument 41-101 – *General Prospectus Requirements*, subject to any exemptions that may be granted by the applicable securities regulatory authorities.

9. The investment objectives for the Preferred Securities are to provide their holders with fixed quarterly cash interest payments of 6% (US$0.60) per annum on the issue price of US$10.00 and to return the original issue price of the Preferred Security to holders on March 31, 2025 (the **Maturity Date**), subject to extension for successive terms of up to three years as determined by the Filer.

10. The investment objectives for the Capital Units are to provide their holders with quarterly cash distributions targeted to be US$0.1125 per Capital Unit (US$0.45 per annum or 3% per annum) on the issue price of US$15.00 per Capital Unit until the Maturity Date, subject to extension for successive terms of up to three years as determined by the Filer and to provide their holders with the opportunity to participate in the performance of bitcoin held by the Fund on a leveraged basis.

11. To achieve its investment objectives, the Fund will invest, directly or indirectly (through bitcoin futures contracts and micro bitcoin futures contracts traded on the Chicago Mercantile Exchange (**CME**) under the tickers BTC and MBT, respectively (**Bitcoin Futures**)), in long-term holdings of bitcoin. Bitcoin will be purchased from reputable bitcoin trading platforms (commonly referred to as bitcoin exchanges) and over-the-counter (OTC) counterparties, in order to provide securityholders with a convenient, safer alternative to a direct investment in bitcoin. In order to seek to generate income, the Fund may write covered call options and put options from time to time on Bitcoin Futures.

12. Subject to any exemptions that may be granted by the applicable securities regulatory authorities, the Fund will be subject to the investment practices permitted by NI 81-102.

13. Generally, the Fund does not intend to borrow money or employ other forms of leverage to acquire bitcoin for its portfolio. The Fund may however borrow money on a short term basis to acquire bitcoin in anticipation of and prior to any follow on offering of Securities by the Fund. Any borrowing by the Fund will be made in accordance with the borrowing restrictions applicable to a non-redeemable investment fund under NI 81-102.

14. The Filer is authorized to establish, maintain, change and close brokerage accounts on behalf of the Fund. In order to facilitate transactions in Bitcoin Futures on behalf of the Fund, the Filer will establish one or more accounts (each an **Account**) with one or more Dealers.

15. Each Dealer in the United States (each a **U.S. Dealer**) is regulated by the Commodity Futures Trading Commission (the **CFTC**) and the National Futures Association (the **NFA**) in the United States and is required to segregate all assets held on behalf of clients, including the Fund. Each U.S. Dealer is subject to regulatory audit and must have insurance to guard against employee fraud. Each U.S. Dealer has a net worth, determined from its most recent audited financial statements,

in excess of the equivalent of C$50 million. Each U.S. Dealer has an exchange assigned to it as its designated self-regulatory organization (the **DSRO**). As a member of a DSRO, each U.S. Dealer must meet capital requirements, comply with the conduct rules of the CFTC, NFA and its DSRO, and participate in an arbitration process with a complainant.

16. The Fund may use U.S. Dealers and/or Dealers in Canada (**Canadian Dealer**). Each Canadian Dealer will be a member of a regulated clearing agency or dealer that is a member of a self-regulatory organization that is a participating member of the CIPF.

17. Additionally, each Dealer is a member of the clearing corporations and exchanges that the standardized futures in the Fund's portfolio are primarily traded through. Each clearing corporation is obliged to apply its surplus funds and the security deposits of its members to reimburse clients of failed members.

18. A Dealer will require, for each Account, that portfolio assets of the Fund be deposited with the Dealer as collateral for transactions in Bitcoin Futures (**Initial Margin**). Initial Margin represents the minimum initial amount of portfolio assets that must be deposited with a Dealer to initiate trading in specified derivatives transactions or to maintain the Dealer's open position in standardized futures.

19. Levels of Initial Margin are established at a Dealer's discretion. At no time will more than 70% of the NAV of the Fund be deposited as Initial Margin with one or more Dealers in the aggregate.

20. Each Dealer is required to hold all Initial Margin, including cash and government securities, in segregated accounts and the Initial Margin will not be available to satisfy claims against the Dealer made by creditors of the Dealer.

Reasons for the Requested Relief

21. The use of Initial Margin is an essential element of investing in Bitcoin Futures for the Fund.

22. The Requested Relief would allow the Fund to invest in standardized futures more extensively with any one Dealer, which would allow the Fund to pursue its investment strategies more efficiently and flexibly.

23. Opening Accounts and transacting with multiple Dealers adds complexity and cost to the management of the Fund. Using fewer Dealers will considerably simplify the Fund's investment and operations and will reduce the cost of implementing the Fund's investment strategy. Using fewer Dealers also simplifies compliance and risk management, as monitoring the data, controls and policies of a smaller number of Dealers is less complex.

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 provided that:

(a) the Fund will only use Initial Margin such that the amount of Initial Margin held by any one Dealer on behalf of the Fund does not exceed 35% of the NAV of the Fund as at the time of the deposit;

(b) the Fund shall only use Initial Margin such that the amount of Initial Margin held by Dealers in aggregate on behalf of the Fund does not exceed 70% of the NAV of the Fund as at the time of the deposit; and

(c) all Initial Margin deposited with any Dealer is and will be held in segregated accounts and is not, and will not be available to satisfy claims against such Dealer made by creditor of the Dealer.

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

Application File #: 2021/0570
Sedar #: 3286628

2.1.12 Fidelity Investments Canada ULC and Fidelity Advantage Bitcoin ETF™

Headnote

NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Exemptive relief granted from s. 9.4(2) of NI 81-102 to an exchange-traded fund in order to permit the fund to accept certain digital assets as subscription proceeds for units of the fund – Exemptive relief granted from related issuer restrictions to permit the purchase by the fund of Crypto Contracts from an entity affiliated to the manager of the fund – subject to conditions.

Applicable Legislative Provisions

Securities Act (Ontario), ss. 111(2)(c)(ii), 111(4) and 113.
National Instrument 31-103 Registration Requirements and Exemptions, ss. 13.5(2)(a) and 15.1.
National Instrument 81-102 Investment Funds, ss. 4.2(1), 9.4(2), and 19.1.

November 19, 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
FIDELITY INVESTMENTS CANADA ULC
(the Filer)

AND

IN THE MATTER OF
FIDELITY ADVANTAGE BITCOIN ETF™
(the Proposed ETF)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Filer, the Proposed ETF and any additional exchange-traded mutual funds (the **Future ETFs**, and, together with the Proposed ETF, the **ETFs** and individually, an **ETF**) established in the future for which the Filer is the manager, for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) that:

(i) exempts the ETFs from subsection 9.4(2) of National Instrument 81-102 *Investment Funds* (**NI 81-102**), to permit each ETF to accept Digital Assets (as defined below) as subscription proceeds for Creation Units (as defined below) (the **Subscription Proceeds Relief**);

(ii) exempts the ETFs from subsection 4.2(1) of NI 81-102 to permit each ETF to purchase Crypto Contracts (as defined below) from, and sell Crypto Contracts to, Fidelity Clearing Canada ULC (**FCC**) (the **NI 81-102 Relief**);

(iii) exempts the Filer from subsection 13.5(2)(a) of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**NI 31-103**) to permit the Filer to cause an ETF to purchase Crypto Contracts from FCC (the **NI 31-103 Relief**); and

(iv) exempts the ETFs from subsections 111(2)(c)(ii) and 111(4) of the *Securities Act* (Ontario) (the **Act**) to permit each ETF to purchase Crypto Contracts from FCC (the **Act Relief**),

(collectively, the **Requested Relief**).

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

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

(b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland, Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon (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.

Authorized Dealer means a registered dealer that has entered, or intends to enter, into an agreement with the manager of an ETF authorizing the dealer to subscribe for, purchase and redeem Creation Units from one or more ETFs on a continuous basis from time to time.

Creation Units means Listed Securities that are subscribed for or purchased directly from the ETFs by Authorized Dealers, Designated Brokers and other permitted purchasers.

Crypto Contract means the contractual right of an ETF to receive, or the contractual obligation of an ETF to deliver, a Digital Asset, in each case from or to FCC.

Designated Broker means a registered dealer that has entered, or intends to enter, into an agreement with the manager of an ETF to perform certain duties in relation to the ETF, including the posting of a liquid two-way market for the trading of the ETF's Listed Securities on the Toronto Stock Exchange or another Marketplace.

Digital Assets means bitcoin and ether.

IRC means the independent review committee of, among others, the ETFs.

Listed Securities means a series of securities of an ETF distributed pursuant to a long form prospectus that is listed on the Toronto Stock Exchange or another Marketplace that is an exchange.

Marketplace means a "marketplace" as defined in National Instrument 21-101 *Marketplace Operation* that is located in Canada.

NI 81-107 means National Instrument 81-107 *Independent Review Committee for Investment Funds*.

Prescribed Number of Listed Securities means the number of Listed Securities of an ETF determined by the Filer from time to time for the purpose of subscription orders, exchanges, redemptions or for other purposes.

Securityholders means beneficial or registered holders of Listed Securities or Unlisted Securities, as applicable.

Unlisted Securities means a series of securities of an ETF offered only on a private placement basis pursuant to available prospectus exemptions, including the accredited investor exemption, under securities laws.

Representations

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

1. The Filer is a corporation amalgamated under the laws of the Province of Alberta with its head office located in Toronto, Ontario.

2. The Filer is registered as an investment fund manager in Ontario, Québec and Newfoundland and Labrador, as a portfolio manager and mutual fund dealer in each of the Jurisdictions and as a commodity trading manager in Ontario.

3. The Filer will be the investment fund manager of the ETFs and the Filer or an affiliate of the Filer will be the portfolio manager of the ETFs.

4. The Filer is not in default of securities legislation in any of the Jurisdictions.

5. The Proposed ETF will be a mutual fund structured as a trust that is governed by the laws of the Province of Ontario. The Future ETFs will be either trusts or corporations or classes thereof governed by the laws of a Jurisdiction or the laws of Canada. Each ETF will be a reporting issuer in the Jurisdiction(s) in which its Listed Securities are distributed.

6. Subject to any exemption that may be granted by the applicable securities regulatory authorities, each ETF will be an open-ended mutual fund subject to NI 81-102.

7. The Filer has established the IRC in respect of, among others, the ETFs in accordance with NI 81-107.

8. Each ETF may issue more than one series of securities, including, but not limited to, Listed Securities and Unlisted Securities.

9. The Filer has filed, or will file, a long form prospectus in respect of the Listed Securities of the Proposed ETF, subject to any exemption that may be granted by the applicable securities regulatory authorities.

10. Because the Listed Securities of the ETFs will be distributed pursuant to a long form prospectus, each ETF will be a reporting issuer in the Jurisdictions in which its securities are distributed.

11. The Listed Securities will be listed on the Toronto Stock Exchange or another Marketplace that is an exchange. The Filer will not file a final prospectus for any ETF in respect of its Listed Securities until the Toronto Stock Exchange or other applicable Marketplace has conditionally approved the listing of such Listed Securities.

12. Listed Securities will be distributed on a continuous basis in one or more of the Jurisdictions under a prospectus.

13. The investment objective of the Proposed ETF is to aim to invest in bitcoin. The investment objectives of the Future ETFs will include investment in one or more Digital Assets.

In-kind Subscriptions and Redemptions

14. Generally, subscriptions or purchases of Creation Units may only be placed for a Prescribed Number of Listed Securities (or a multiple thereof) on any day when there is a trading session on the Toronto Stock Exchange or other Marketplace. Authorized Dealers or Designated Brokers subscribe for Creation Units for the purpose of facilitating investor purchases of Listed Securities on the Toronto Stock Exchange or another Marketplace.

15. Subsection 9.4(2) of NI 81-102 provides that a mutual fund may accept as subscription proceeds for its securities, including Creation Units, either cash or securities. Digital Assets are neither cash nor securities.

16. Absent exemptive relief, each ETF is prohibited under subsection 9.4(2) of NI 81-102 from accepting Digital Assets as payment, in whole or in part, for Creation Units.

17. The price that investors can purchase the Listed Securities of an ETF for on the Toronto Stock Exchange or another Marketplace is largely determined by the hedging costs of the Authorized Dealers and Designated Broker. The lower the cost of the hedging instruments, the closer the trading price that the investor receives for their Listed Securities will be to the net asset value per security of the ETF.

18. In the case of each ETF, if the Authorized Dealers and the Designated Broker are not able to hedge with the applicable Digital Asset itself and if these parties cannot deliver that Digital Asset in kind to the ETF, the trading price for the Listed Securities of the ETF will be determined based on the price of those futures contracts where the underlying interest is the applicable Digital Asset. The difference between the price of the Digital Asset and the price of the futures contract is reflected in the premium or the discount that the trading price of the Listed Securities bears to the net asset value per security of the Listed Securities. This differential is borne by the investors in the ETF.

19. Permitting Digital Assets to be used to satisfy in-kind subscriptions of Creation Units of each ETF will result in the trading price of the Listed Securities being more closely aligned to the net asset value per security of the ETF.

20. The Digital Asset delivered to an ETF to satisfy the issue price for in-kind subscriptions of Creation Units will be valued by the ETF for purposes of determining the net asset value of the ETF in accordance with the valuation principles of the ETF disclosed in its most recent prospectus.

21. Each ETF may also accept cash as subscription proceeds for its securities, including Creation Units. To the extent that an ETF holds cash and consistent with its investment objective, it may use that cash to purchase Digital Assets.

ETFs Entering into Crypto Contracts with FCC

22. FCC is a registered dealer that is permitted to sell Digital Assets to certain of its clients, including the ETFs. FCC is an affiliate of the Filer and the two have a common shareholder structure. In addition, an officer of the Filer is currently an officer of FCC. In the future, other individuals may be officers of both the Filer and FCC.

23. The purchase by an ETF of a Digital Asset through, and the sale by the ETF of a Digital Asset through, FCC creates a Crypto Contract issued by FCC in favour of the ETF. Section 6.2 of NI 81-107 provides an exemption which permits an investment fund to make an investment in the security of an issuer related to its manager if the purchase is made on the exchange where the security is listed and traded, but it does not permit an ETF, or the Filer on behalf of an ETF, to purchase a Crypto Contract issued by FCC.

24. Absent exemptive relief, each ETF is prohibited under subsection 4.2(1) of NI 81-102, subsection 13.5(2)(a) of NI 31-103, and subsections 111(2)(c)(ii) and 111(4) of the Act from purchasing, holding or selling Crypto Contracts.

25. The Requested Relief is not prejudicial to the public interest or to investor protection.

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, provided that:

(a) the acceptance of Digital Assets as payment, in whole or in part, for the issue price of Creation Units is made in accordance with paragraph 9.4(2)(b) of NI 81-102; and

(b) the Filer enter into an agreement with the Designated Broker, each Authorized Dealer and any other person that is permitted to pay for Listed Securities or Unlisted Securities purchased directly from an ETF by delivering Digital Assets to the ETF that requires, among other things, that all Digital Assets delivered in kind to an ETF as payment for the issue price of securities of the ETF:

  (i) be acquired only on an exchange, trading platform or trading venue, or from an OTC counterparty, that (A) is registered, or exempt from registration, as a dealer or a marketplace in Canada, or (B) is regulated as a trust company or a broker-dealer under the laws of a state of the United States, and, in each case, is required under such registration or by its regulator, as the case may be, to comply with the laws of the applicable jurisdiction aimed at the prevention and detection of money laundering and terrorist financing activities; and

  (ii) be delivered directly from the exchange, trading venue or counterparty to the digital wallet of the ETF at its custodian or sub-custodian;

(c) any Crypto Contract purchased, held or sold by an ETF is subject to the following conditions:

  (i) the purchase, holding or sale is consistent with the investment objectives of the ETF;

  (ii) the Filer, as the investment fund manager of the ETF, refers the purchase, holding and sale of Crypto Contracts involving such ETF to the IRC in the manner contemplated by section 5.1 of NI 81-107, and the Filer and the IRC comply with section 5.4 of NI 81-107 in respect of any standing instructions the IRC provides in connection with such transactions;

  (iii) the IRC has approved the transactions in Crypto Contracts in respect of the ETF in accordance with the terms of section 5.2 of NI 81-107;

  (iv) other than the purchase or sale price of the applicable Digital Asset and the execution costs payable by the ETF for such purchases and sales, the ETF neither pays nor receives any consideration in respect of the Crypto Contract and does not pay a fee in respect of any transaction in Crypto Contracts; and

  (v) the ETF keeps written records of each purchase and sale of Crypto Contracts for five years after the end of the fiscal year in which the purchase or sale occurred, and in a reasonably accessible place for each purchase and sale that occurred during the most recent two years.

The Subscription Proceeds Relief, the 81-102 Relief and the NI 31-103 Relief:

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

The Act Relief:

“Tim Moseley”
Vice-Chair
Ontario Securities Commission

“Frances Kordyback”
Commissioner
Ontario Securities Commission

Application File #: 2021/0681
Sedar #: 3303970

2.2 Orders

2.2.1 First Global Data Ltd. et al.

IN THE MATTER OF
FIRST GLOBAL DATA LTD.,
GLOBAL BIOENERGY RESOURCES INC.,
NAYEEM ALLI,
MAURICE AZIZ,
HARISH BAJAJ, and
ANDRE ITWARU

File No. 2019-22

Timothy Moseley, Vice-Chair and Chair of the Panel

November 17, 2021

ORDER

WHEREAS the Ontario Securities Commission held a hearing in writing to consider a request from Staff of the Commission to vary the schedule set out in the Commission's order of October 27, 2021, relating to a motion brought by Nayeem Alli for, among other things, a stay of this proceeding against him, and a motion filed by Staff to dismiss Alli's Stay Motion (**Dismissal Motion**);

ON READING Staff's request, and on considering that Alli consents to that request;

IT IS ORDERED THAT the parties shall adhere to the following timeline for the delivery of outstanding materials for the Dismissal Motion:

a. by 4:30 p.m. on November 18, 2021, Staff shall serve and file written submissions, and reply affidavit evidence, if any;

b. by 4:30 p.m. on November 30, 2021, Alli shall serve and file responding written submissions, if any; and

c. by 4:30 p.m. on December 6, 2021, Staff shall serve and file reply written submissions, if any.

"Timothy Moseley"

2.2.2 Harvest Health & Recreation Inc.

Headnote

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

Applicable Legislative Provisions

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

November 11, 2021

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

AND

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

AND

IN THE MATTER OF
HARVEST HEALTH & RECREATION INC.
(the Filer)

ORDER

Background

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

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

(a) the British Columbia Securities Commission is the principal regulator for this application;

(b) the Filer has provided notice that subsection 4C.5(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador; and

(c) this order is the order of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

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

Representations

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

1. the Filer is not an OTC reporting issuer under Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*;

2. the outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 securityholders in each of the jurisdictions of Canada and fewer than 51 securityholders in total worldwide;

3. no securities of the Filer, including debt securities, are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported;

4. the Filer is applying for an order that the Filer has ceased to be a reporting issuer in all of the jurisdictions of Canada in which it is a reporting issuer; and

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

Order

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

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

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

2.2.3 Golden Valley Mines and Royalties Ltd.

Headnote

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

Applicable Legislative Provisions

Securities Act , CQLR, c. V-1.1, s. 69.

DECISION Nº 2021-IC0036
File N°: 19411

November 22, 2021

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

AND

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

AND

IN THE MATTER OF
GOLDEN VALLEY MINES AND ROYALTIES LTD.
(the Filer)

ORDER

Background

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 Autorité des marchés financiers is the principal regulator for this application,

(b) the Filer has provided notice that subsection 4C.5(1) of *Regulation 11-102 respecting Passport System* (Regulation 11-102) is intended to be relied upon in Alberta and British Columbia;

(c) this order is the order of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

Terms defined in *Regulation 14-101 respecting Definitions*, in Regulation 11-102 and, in *Regulation 14-501Q respecting Definitions* 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 *Regulation 51-105 respecting 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 *Regulation 21-101 respecting Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported;

4. the Filer is applying for an order that the Filer has ceased to be a reporting issuer in all of the jurisdictions of Canada in which it is a reporting issuer; and

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

Order

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

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

"Marie-Claude Brunet-Ladrie"
Director, Continuous Disclosure

Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions

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

Citation: Daley (Re), 2021 ONSEC 29
Date: 2021-11-22
File No. 2019-28

IN THE MATTER OF
SEAN DALEY; and
SEAN DALEY carrying on business as
the ASCENSION FOUNDATION,
OTO.Money,
SilentVault, and
CryptoWealth;
WEALTH DISTRIBUTED CORP.;
CYBERVISION MMX INC.;
KEVIN WILKERSON; and
AUG ENTERPRISES INC.

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

Hearing:	October 29, 2021	
Decision:	November 22, 2021	
Panel:	Lawrence P. Haber	Commissioner and Chair of the Panel
Appearances:	Hanchu Chen	For Staff of the Ontario Securities Commission
	Sean Daley	For himself No one appearing for Sean Daley carrying on business as the Ascension Foundation, OTO.Money, SilentVault, and CryptoWealth; Wealth Distributed Corp.; Cybervision MMX Inc.; Kevin Wilkerson; or Aug Enterprises Inc.

REASONS FOR DECISION

I. OVERVIEW

[1] This was a hearing pursuant to section 127(8) of the *Securities Act*[1] (the **Act**) to consider whether it is in the public interest to extend a temporary cease trade order (the **Temporary Order**) against the respondents Sean Daley, Sean Daley carrying on business as the Ascension Foundation, OTO.Money, SilentVault and CryptoWealth, Wealth Distributed Corp., Cybervision MMX Inc., Kevin Wilkerson, and Aug Enterprises Inc. (collectively, the **Respondents**).

[2] The Temporary Order has been extended eleven times.

[3] Daley contests the extension. Daley appeared on his own behalf and made submissions. No other Respondents attended the hearing or made submissions, although having been properly served.

[4] After hearing the submissions from Staff and Daley, and considering the evidence submitted in this matter, I ordered that the Temporary Order be extended until the public release of the sanctions and costs decision in a separate, but related, proceeding involving Daley and Wilkerson, File No. 2019-39 (the **Related Matter**). These are the reasons for my decision.

[1] RSO 1990, c S.5

II. BACKGROUND

[5] Staff began an investigation on November 9, 2018 (the **Investigation**) based on concerns that the Respondents were breaching the registration, distribution and fraud provisions of the Act through their operation of, what Staff describes as, a crypto-asset investment scheme.

[6] The Temporary Order was issued on August 6, 2019, pursuant to s. 127(5) of the Act.[2] In the original request for a temporary order, Staff stated that it appears that the Respondents may have:

a. traded in securities without registration and without an exemption to the registration requirement contrary to s. 25 of the Act; and

b. traded securities without a prospectus having been receipted by a Director contrary to s. 53 of the Act.

[7] The Temporary Order provides that:

a. trading in all securities by the Respondents shall cease;

b. all trading in 'overcome the odds' vouchers, also known as OTO Vouchers, and Lyra shall cease (**OTO/Lyra**); and

c. the exemptions contained in Ontario securities law do not apply to the Respondents

for the period of time as specified in the order, unless it is extended by order of the Commission.

[8] The Temporary Order has been extended on August 16, 2019, September 24, 2019, November 6, 2019, February 12, 2020, May 25, 2020, July 10, 2020, September 14, 2020, October 19, 2020 and July 14, 2021. On September 15, 2021, the Temporary Order was extended until the fourteenth day following the date of the Reasons and Decision in the merits hearing in the Related Matter. On October 22, 2021, the Temporary Order was extended until October 29, 2021, when this motion was heard, on the consent of the parties.

[9] Staff have not commenced an enforcement proceeding against the Respondents relating to the Investigation giving rise to the Temporary Order. On November 18, 2019, Staff filed a Statement of Allegations in the Related Matter and a merits hearing in that matter was held in April, June and July, 2021.

[10] On October 12, 2021, the Commission issued its Reasons and Decision in the merits hearing in the Related Matter.[3] The Commission found that Daley and Wilkerson obstructed Staff's investigation and that their conduct engaged the animating principles of the Act and was abusive of the capital markets. The Commission ordered that the Related Matter proceed to a sanctions and costs hearing, which has not yet been held.[4]

III. ISSUE AND ANALYSIS

[11] As a preliminary issue, both parties requested to be able to rely on the evidentiary record of the Related Matter for the purposes of this motion. I granted the request that the evidentiary record in the Related Matter could be relied upon in this motion, to the extent necessary.

[12] The sole issue before me is whether the Temporary Order should be extended again, until the public release of the sanctions and costs decision in the Related Matter.

[13] The Commission may extend a temporary order, under s. 127(8) of the Act, "for such period as it considers necessary if satisfactory information is not provided to the Commission".

[14] As noted in an earlier decision extending the Temporary Order in this proceeding, the Commission's authority to issue and extend temporary cease trade orders is an important tool for the Commission in achieving its mandate to protect investors and the capital markets.[5]

[15] Staff must satisfy the Commission that there is "sufficient evidence of conduct that may be harmful to the public interest."[6] In considering the sufficiency of the evidence, the Commission should consider "the seriousness of the allegations and the evidence supporting them" as well as "any explanations or evidence that may contradict such evidence."[7] This "will

2 (2019) 42 OSCB 6630
3 *Daley (Re)*, 2021 ONSEC 27, (2021) 44 OSCB 8747 (***Daley Merits***)
4 *Daley Merits* at para 74
5 *Daley (Re)*, 2020 ONSEC 26, (2020) 43 OSCB 8239 (***Daley TCTO 1***) at para 14, citing *Watson (Re),* 2008 ONSEC 2, (2008) 31 OSCB 705 (***Watson***) at para 31
6 *Watson* at para 35
7 *Valentine (Re)*, (2002) 25 OSCB 5329 (***Valentine***) at para 27

allow [the Commission] to weigh the threat to the public interest against the potential consequences of the order."[8] The evidence presented "may fall short of what would be required in a hearing on the merits", but must be "more than mere suspicion or speculation."[9]

[16] Staff submits that the Commission has repeatedly found sufficient evidence here of conduct that may be harmful to the public interest. Staff also submits that the sanctions it will seek in the Related Matter would enhance investor protection and that the merits decision in the Related Matter reinforces that it is in the public interest to extend the Temporary Order.

[17] In my October 2020 reasons and decision extending the Temporary Order, I concluded that "the investor protection concerns are still present and have not dissipated."[10] The Panel in the September 2021 extension motion found that Daley's statements about the continued circulation of OTO/Lyra despite the Temporary Order and about his potential engagement with a new investor raised a heightened concern that the risk of potential harm to the public persists and may be increasing.[11] Daley repeated those statements in the present motion and I share those heightened concerns.

[18] Since I have found that there is sufficient evidence of conduct that may be harmful to the public interest, the onus shifts to a respondent to provide satisfactory information that the Temporary Order should not be extended, absent which the Commission is justified in extending the Temporary Order.[12]

[19] None of the Respondents have submitted any evidence regarding the grounds forming the basis for the issuance of the Temporary Order, although Daley did conduct a cross-examination of Staff's witness on this motion. Daley commented that extending the Temporary Order was prejudicial to him in his personal capacity as the order effectively prevented him from conducting discussions with the potential new investor in order to infuse capital into the crypto-asset project and prevented him from funding the crypto-asset project through the sale of OTO/Lyra. Staff submits that Daley has repeatedly stated that any decision of the Commission in the Related Matter would be "inconsequential" to him, thus acknowledging that no prejudice would result from the extension sought.

[20] As indicated above, I received no evidence about the existence of these investment discussions or how far along they might be. In addition, Daley was appearing only on his own behalf. The Panel deciding the September 2021 motion found that any prejudice suffered would be by one or more of the corporate respondents and not by Daley in his personal capacity.[13] Daley submits that he has in fact suffered prejudice in his personal capacity as he was prevented by the Temporary Order from selling OTO/Lyra to fund his work. I find that his inability to sell OTO/Lyra is one of the main purposes of the Temporary Order and such prejudice is suffered by all respondents to a temporary order. Such prejudice does not suffice to justify the termination of a temporary order.

[21] Daley submits, with reference to the evidentiary record of the Related Matter referenced in paragraph 11 above, that the Temporary Order should not be extended because OTO/Lyra is not a "security", as he has maintained throughout this proceeding and the Related Matter. The issue of whether OTO/Lyra is a security is irrelevant in the context of this motion. In the merits decision in the Related Matter, the Panel found that even where it is unclear whether the product at issue is a security, the Commission is justified in pursuing an investigation.[14] At this stage, Staff is only required to satisfy the Commission that there is "sufficient evidence of conduct that may be harmful to the public interest" and a finding that OTO/Lyra is a security is not necessary.

[22] Daley submits that Staff has not tendered any new evidence in support of this extension request and there is no evidence of an ongoing investigation. However, during cross-examination, Daley asked Staff's witness, Kevin Dusseldorp, lead investigator, whether there was still an investigation. Mr. Dusseldorp replied, "This is an open Enforcement matter still…"[15] Staff submits that new evidence of an ongoing investigation is not required in order to extend a temporary order and that evidence regarding further steps taken in the investigation may be privileged. I agree with Staff's submissions that it is not required in this instance to adduce evidence of the new steps taken in the investigation for the purposes of extending the Temporary Order, especially where there is evidence and findings in the Related Matter that the Respondents have obstructed that investigation.

[23] I conclude that there is insufficient evidence before me that would warrant a decision not to extend the Temporary Order.

[24] Staff requested an extension of the Temporary Order until the public release of the sanctions and costs decision in the Related Matter. I had questions about the appropriateness of that timing. In response, Staff explained that the timing would allow Staff to factor the outcome in the Related Matter into their consideration of appropriate next steps regarding

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8 *Valentine* at para 27
9 *Western Wind Energy Corp (Re)*, 2013 ONSEC 25, (2013) 36 OSCB 6749 at para 11
10 *Daley TCTO 1* at para 29
11 *Daley (Re),* 2021 ONSEC 23, (2021) 44 OSCB 8203 (***Daley TCTO 2***) at paras 14-15
12 *Daley TCTO 1* at para 17; *Meharchand (Re)*, 2015 ONSEC 43, (2015) 38 OSCB 10761 at para 57
13 *Daley TCTO 2* at para 18
14 *Daley Merits* at paras 46-47
15 Hearing Transcript, Daley (Re), October 29, 2021 at 42 lines 3-4

the Investigation in this matter and that the sanctions they are seeking in the Related Matter, if granted, will sufficiently cover the public interest and investor protection concerns that underlie the Temporary Order. I was satisfied with this explanation.

CONCLUSION

[25] The allegations against the Respondents are serious. The Respondents have provided no evidence to counter the basis on which the Temporary Order was issued. Daley's comments, while not evidence, suggests that the risk of public harm remains. There is no evidence that extending the Temporary Order for the period sought is prejudicial. I therefore conclude that the threat to the public interest outweighs the potential consequences of extending the Temporary Order.

[26] I find that it is appropriate to extend the Temporary Order until the public release of the sanctions and costs decision in File No. 2019-39 with respect to Sean Daley and Kevin Wilkerson.

Dated at Toronto this 22nd day of November, 2021.

"Lawrence P. Haber"

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
Esrey Resources Inc.	February 3, 2021	November 19, 2021
Midway Gold Corp.	November 19, 2021	
Walter Energy, Inc.	November 19, 2021	

4.2.1 Temporary, Permanent & Rescinding Management Cease Trading Orders

Company Name	Date of Order	Date of Lapse
AION THERAPEUTIC INC.	September 1, 2021	November 17, 2021
Cronos Group Inc.	November 16, 2021	
NextPoint Financial Inc.	November 16, 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	
Reservoir Capital Corp.	May 5, 2021	
AION THERAPEUTIC INC.	September 1, 2021	November 17, 2021
Helix BioPharma Corp.	November 1, 2021	
KetamineOne Capital Limited	November 2, 2021	
Cronos Group Inc.	November 16, 2021	
NextPoint Financial Inc.	November 16, 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:
IA Clarington Global Risk-Managed Income Portfolio
IA Clarington Inhance Conservative SRI Portfolio
IA Clarington Inhance High Growth SRI Portfolio
Principal Regulator – Quebec
Type and Date:
Preliminary Simplified Prospectus dated Nov 15, 2021
NP 11-202 Preliminary Receipt dated Nov 16, 2021
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #3301951

Issuer Name:
Mackenzie Private Equity Replication Fund
Principal Regulator – Ontario
Type and Date:
Final Simplified Prospectus dated Nov 18, 2021
NP 11-202 Final Receipt dated Nov 19, 2021
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #3288670

Issuer Name:
Flaherty & Crumrine Investment Grade Preferred Income Fund
Principal Regulator – Ontario
Type and Date:
Preliminary Long Form Prospectus dated Nov 15, 2021
NP 11-202 Final Receipt dated Nov 19, 2021
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #3287400

Issuer Name:
Horizons Global Metaverse Index ETF
Principal Regulator – Ontario
Type and Date:
Preliminary Long Form Prospectus dated Nov 16, 2021
NP 11-202 Preliminary Receipt dated Nov 16, 2021
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #3302746

Issuer Name:
Fidelity Advantage Bitcoin ETF
Principal Regulator – Ontario
Type and Date:
Preliminary Long Form Prospectus dated Nov 16, 2021
NP 11-202 Preliminary Receipt dated Nov 17, 2021
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #3302878

Issuer Name:
Lysander-Canso Corporate Treasury Fund
Lysander-Canso U.S. Corporate Treasury Fund
Principal Regulator – Ontario
Type and Date:
Combined Preliminary and Pro Forma Simplified Prospectus dated Nov 19, 2021
NP 11-202 Preliminary Receipt dated Nov 22, 2021
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #3304657

Issuer Name:
Fidelity Advantage Bitcoin ETF Fund
Principal Regulator – Ontario
Type and Date:
Preliminary Simplified Prospectus dated Nov 16, 2021
NP 11-202 Preliminary Receipt dated Nov 17, 2021
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #3302880

Issuer Name:
Primerica Balanced Yield Fund
Primerica Canadian Balanced Growth Fund
Primerica Canadian Money Market Fund
Primerica Global Balanced Growth Fund
Primerica Global Equity Fund
Primerica Income Fund
Principal Regulator – Ontario
Type and Date:
Final Simplified Prospectus dated Nov 19, 2021
NP 11-202 Final Receipt dated Nov 22, 2021
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #3289469

Issuer Name:
NEI Global Growth Fund (formerly NEI Global Equity Fund)
Principal Regulator - Ontario
Type and Date:
Amendment #3 to Final Annual Information dated November 15, 2021
NP 11-202 Final Receipt dated Nov 18, 2021
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #3226925

Issuer Name:
Canada Life Canadian Income Fund
Canada Life Pathways Emerging Markets Equity Fund
Principal Regulator - Ontario
Type and Date:
Amendment #1 to Final Simplified Prospectus dated November 10, 2021
NP 11-202 Final Receipt dated Nov 18, 2021
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #3247848

Issuer Name:
Brompton Global Real Assets Dividend ETF
Principal Regulator - Ontario
Type and Date:
Amendment #3 to Final Long Form Prospectus dated November 15, 2021
NP 11-202 Final Receipt dated Nov 17, 2021
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #3175495

Issuer Name:
Mackenzie Global Growth Fund
Mackenzie US Small-Mid Cap Growth Fund
Mackenzie Emerging Markets Fund II
Mackenzie Ivy European Fund
Mackenzie Precious Metals Fund
Principal Regulator - Ontario
Type and Date:
Amendment #1 to Final Simplified Prospectus dated November 12, 2021
NP 11-202 Final Receipt dated Nov 18, 2021
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #3229156

Issuer Name:
Harvest Digital Sports & Entertainment Index ETF
(formerly, Harvest Sports & Entertainment Index ETF)
Principal Regulator - Ontario
Type and Date:
Amendment #1 to Final Long Form Prospectus dated November 10, 2021
NP 11-202 Final Receipt dated Nov 17, 2021
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #3284773

Issuer Name:
Templeton Global Bond Fund
Principal Regulator - Ontario
Type and Date:
Amendment #3 to Final Simplified Prospectus and Amendment #4 to Final AIF dated November 15, 2021
NP 11-202 Final Receipt dated Nov 19, 2021
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #3203753

Issuer Name:
Fidelity U.S. Dividend for Rising Rates Index ETF
Fidelity U.S. High Dividend Index ETF
Fidelity U.S. Low Volatility Index ETF
Fidelity U.S. High Quality Index ETF
Fidelity International High Quality Index ETF
Fidelity U.S. Value Index ETF
Fidelity U.S. Momentum Index ETF
Fidelity Global Core Plus Bond ETF
Fidelity Global Investment Grade Bond ETF
Fidelity Sustainable World ETF
Principal Regulator - Ontario
Type and Date:
Amendment #1 to Final Long Form Prospectus dated November 12, 2021
NP 11-202 Final Receipt dated Nov 16, 2021
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #3250218

Issuer Name:
Fidelity Canadian Disciplined Equity Class
Fidelity Canadian Growth Company Class
Fidelity Canadian Large Cap Class
Fidelity Canadian Opportunities Class
Fidelity Dividend Class
Fidelity Greater Canada Class
Fidelity Dividend Plus Class
Fidelity Special Situations Class
Fidelity True North Class
Fidelity North American Equity Class
Fidelity CanAM Opportunities Class
Fidelity CanAM Opportunities Currency Neutral Class
Fidelity American Disciplined Equity Class
Fidelity American Disciplined Equity Currency Neutral Class
Fidelity American Equity Class
Fidelity American Equity Currency Neutral Class
Fidelity U.S. Focused Stock Class
Fidelity U.S. Focused Stock Currency Neutral Class
Fidelity Small Cap America Class
Fidelity Small Cap America Currency Neutral Class
Fidelity U.S. All Cap Class
Fidelity U.S. All Cap Currency Neutral Class
Fidelity U.S. Growth Opportunities Class
Fidelity U.S. Growth Opportunities Systematic Currency Hedged Class
Fidelity Insights Class
Fidelity Insights Currency Neutral Class
Fidelity AsiaStar Class
Fidelity China Class
Fidelity Emerging Markets Class
Fidelity Europe Class
Fidelity Far East Class
Fidelity Global Class
Fidelity Global Disciplined Equity Class
Fidelity Global Disciplined Equity Currency Neutral Class
Fidelity Global Dividend Class
Fidelity Global Large Cap Class
Fidelity Global Large Cap Currency Neutral Class
Fidelity Global Concentrated Equity Class
Fidelity International Disciplined Equity Class
Fidelity International Disciplined Equity Currency Neutral Class
Fidelity Japan Class
Fidelity NorthStar Class
Fidelity NorthStar Currency Neutral Class
Fidelity International Growth Class
Fidelity Global Intrinsic Value Class
Fidelity Global Intrinsic Value Currency Neutral Class
Fidelity Global Innovators Class
Fidelity Global Innovators Currency Neutral Class
Fidelity Founders Class
Fidelity Founders Currency Neutral Class
Fidelity Global Growth and Value Class
Fidelity Global Growth and Value Currency Neutral Class
Fidelity Global Consumer Industries Class
Fidelity Global Financial Services Class
Fidelity Global Health Care Class
Fidelity Global Natural Resources Class
Fidelity Global Real Estate Class
Fidelity Technology Innovators Class
Fidelity Canadian Asset Allocation Class

Fidelity Canadian Balanced Class
Fidelity Monthly Income Class
Fidelity Income Class Portfolio
Fidelity Global Income Class Portfolio
Fidelity Balanced Class Portfolio
Fidelity Global Balanced Class Portfolio
Fidelity Growth Class Portfolio
Fidelity Global Growth Class Portfolio
Fidelity Canadian Short Term Income Class
Fidelity Corporate Bond Class
Fidelity Canadian Equity Private Pool
Fidelity Concentrated Canadian Equity Private Pool
Fidelity U.S. Equity Private Pool
Fidelity U.S. Equity Currency Neutral Private Pool
Fidelity International Equity Private Pool
Fidelity International Equity Currency Neutral Private Pool
Fidelity Global Equity Private Pool
Fidelity Global Equity Currency Neutral Private Pool
Fidelity Concentrated Value Private Pool
Fidelity Balanced Income Private Pool
Fidelity Balanced Income Currency Neutral Private Pool
Fidelity Balanced Private Pool
Fidelity Balanced Currency Neutral Private Pool
Fidelity Asset Allocation Private Pool
Fidelity Asset Allocation Currency Neutral Private Pool
Fidelity Premium Fixed Income Private Pool Class
Principal Regulator - Ontario
Type and Date:
Amended and Restated to Final Simplified Prospectus dated November 12, 2021
NP 11-202 Final Receipt dated Nov 17, 2021
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #3187283

Issuer Name:
Fidelity Disruptors Class
Fidelity Disruptive Automation Class
Fidelity Inflation-Focused Fund
Principal Regulator - Ontario
Type and Date:
Amended and Restated to Final Simplified Prospectus dated November 12, 2021
NP 11-202 Final Receipt dated Nov 17, 2021
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #3256569

Issuer Name:
Sprott Physical Uranium Trust
Principal Regulator - Ontario
Type and Date:
Amendment #2 to Final Shelf Prospectus dated November 22, 2021
Received on November 22, 2021
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #3257748

Issuer Name:
Financial 15 Split Corp.
Principal Regulator - Ontario
Type and Date:
Final Shelf Prospectus (NI 44-102) dated November 22, 2021
NP 11-202 Receipt dated November 22, 2021
Offering Price and Description:
$800,000,000
Preferred Shares
Class A Shares
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #3297815

Issuer Name:
Sprott Physical Uranium Trust
Principal Regulator - Ontario
Type and Date:
Amendment #2 to Final Shelf Prospectus dated November 22, 2021
NP 11-202 Receipt dated November 22, 2021
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #3257748

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NON-INVESTMENT FUNDS

Issuer Name:
Aclara Resources Inc.
Principal Regulator - Ontario
Type and Date:
Amendment dated November 17, 2021 to Preliminary Long Form Prospectus dated October 18, 2021
NP 11-202 Preliminary Receipt dated November 17, 2021
Offering Price and Description:
$59,512,500.00 -Common Shares
Price: $ ● per Offered Share
Underwriter(s) or Distributor(s):
RBC DOMINION SECURITIES INC.
CANACCORD GENUITY CORP.
BMO NESBITT BURNS INC.
MERRILL LYNCH CANADA INC.
SCOTIA CAPITAL INC.
SPROTT CAPITAL PARTNERS LP, by its general partner, SPROTT CAPITAL PARTNERS GP INC.
Promoter(s):
HOCHSCHILD MINING PLC
Project #3289081

Issuer Name:
Aclara Resources Inc.
Principal Regulator - Ontario
Type and Date:
Amendment dated November 19, 2021 to Preliminary Long Form Prospectus dated October 21, 2021
NP 11-202 Preliminary Receipt dated November 19, 2021
Offering Price and Description:
Distribution in specie by Hochschild Mining PLC of * Common Shares of Aclara Resources Inc.
Underwriter(s) or Distributor(s):
-
Promoter(s):
HOCHSCHILD MINING PLC
Project #3290366

Issuer Name:
DIRTT Environmental Solutions Ltd.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated November 19, 2021
NP 11-202 Preliminary Receipt dated November 19, 2021
Offering Price and Description:
$35,000,000.00 - 6.25% Convertible Unsecured Subordinated Debentures
Price: $1,000.00 per Debenture
Underwriter(s) or Distributor(s):
NATIONAL BANK FINANCIAL INC.
RAYMOND JAMES LTD.
PARADIGM CAPITAL INC.
Promoter(s):
-
Project #3302154

Issuer Name:
Dream Impact Trust (formerly Dream Hard Asset Alternatives Trust)
Principal Regulator - Ontario
Type and Date:
Preliminary Shelf Prospectus dated November 22, 2021
NP 11-202 Preliminary Receipt dated November 22, 2021
Offering Price and Description:
$500,000,000.00 - Units, Subscription Receipts, Debt Securities
Underwriter(s) or Distributor(s):
-
Promoter(s):
DREAM ASSET MANAGEMENT CORPORATION
Project #3304998

Issuer Name:
Exro Technologies Inc.
Principal Regulator - Alberta
Type and Date:
Preliminary Shelf Prospectus dated November 18, 2021
NP 11-202 Preliminary Receipt dated November 19, 2021
Offering Price and Description:
$200,000,000.00 - Common Shares, Preferred Shares, Debt Securities, Warrants, Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3303924

Issuer Name:
Field Trip Health Ltd.
Principal Regulator - Ontario
Type and Date:
Preliminary Shelf Prospectus dated November 19, 2021
NP 11-202 Preliminary Receipt dated November 22, 2021
Offering Price and Description:
$150,000,000.00 - Common Shares Preferred Shares Debt Securities Subscription Receipts Warrants Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3304644

Issuer Name:
Intermap Technologies Corporation
Principal Regulator - Alberta
Type and Date:
Preliminary Shelf Prospectus dated November 17, 2021
NP 11-202 Preliminary Receipt dated November 17, 2021
Offering Price and Description:
$20,000,000.00 - Common Shares, Preferred Shares, Debt Securities, Subscription Receipts, Warrants, Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3303180

Issuer Name:
LEAA Health Technologies Corp.
Principal Regulator - British Columbia
Type and Date:
Preliminary Long Form Prospectus dated November 15, 2021
NP 11-202 Preliminary Receipt dated November 19, 2021
Offering Price and Description:
8,333,300 Common Shares
Price: $0.60 per Common Share
Underwriter(s) or Distributor(s):
CANACCORD GENUITY CORP.
Promoter(s):
Isaak N. Yakubov
Eli Ofel Lestat
Project #3304120

Issuer Name:
Nextleaf Solutions Ltd.
Principal Regulator - British Columbia
Type and Date:
Preliminary Shelf Prospectus dated November 15, 2021
NP 11-202 Preliminary Receipt dated November 16, 2021
Offering Price and Description:
$20,000,000.00 - Common Shares Warrants Options Subscription Receipts Debt Securities Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3302191

Issuer Name:
NFI Group Inc. (formerly New Flyer Industries Inc.)
Principal Regulator - Manitoba
Type and Date:
Preliminary Short Form Prospectus dated November 19, 2021
NP 11-202 Preliminary Receipt dated November 19, 2021
Offering Price and Description:
$150,000,500.00 6,110,000 Common Shares; Price $24.55 per Offered Share
$300,000,000.00 5.0% Unsecured Convertible Debentures: Price $1,000 per Debenture
Underwriter(s) or Distributor(s):
BMO NESBITT BURNS INC.
CIBC WORLD MARKETS INC.
NATIONAL BANK FINANCIAL INC.
SCOTIA CAPITAL INC.
TD SECURITIES INC.
MERILL LYNCH CANADA INC.
HSBC SECURITIES (CANADA) INC.
Promoter(s):
-
Project #3302346

Issuer Name:
Pembina Pipeline Corporation
Principal Regulator - Alberta
Type and Date:
Preliminary Shelf Prospectus dated November 18, 2021
NP 11-202 Preliminary Receipt dated November 18, 2021
Offering Price and Description:
$5,000,000,000.00
Medium Term Notes (Unsecured)
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3304004

Issuer Name:
Pembina Pipeline Corporation
Principal Regulator - Alberta
Type and Date:
Preliminary Shelf Prospectus dated November 18, 2021
NP 11-202 Preliminary Receipt dated November 18, 2021
Offering Price and Description:
$5,000,000,000.00 - Common Shares, Preferred Shares, Warrants, Debt Securities, Subscription Receipts, Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3304007

Issuer Name:
Silver Mountain Resources Inc.
Principal Regulator - Ontario
Type and Date:
Amendment dated November 18, 2021 to Preliminary Long Form Prospectus dated October 18, 2021
NP 11-202 Preliminary Receipt dated November 19, 2021
Offering Price and Description:
$15,000,000.00
* Units
Underwriter(s) or Distributor(s):
EIGHT CAPITAL
SPROTT CAPITAL PARTNERS LP by its General Partner, SPROTT CAPITAL PARTNERS GP INC.
Promoter(s):
-
Project #3289289

Issuer Name:
Turquoise Hill Resources Ltd.
Principal Regulator - Quebec
Type and Date:
Preliminary Shelf Prospectus dated November 17, 2021
NP 11-202 Preliminary Receipt dated November 18, 2021
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3303289

Issuer Name:
Vegano Foods Inc.
Principal Regulator - British Columbia
Type and Date:
Amendment dated November 15, 2021 to Preliminary Long Form Prospectus dated August 13, 2021
NP 11-202 Preliminary Receipt dated November 16, 2021
Offering Price and Description:
0.00
Underwriter(s) or Distributor(s):
-
Promoter(s):
Conor Power
Project #3262286

Issuer Name:
Zentek Ltd. (formerly, ZEN Graphene Solutions Ltd.)
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus (NI 44-101) dated November 22, 2021
NP 11-202 Preliminary Receipt dated November 22, 2021
Offering Price and Description:
$30,010,172.00 - 5,129,944 Common Shares
Price: $5.85 per Common Share
Underwriter(s) or Distributor(s):
EIGHT CAPITAL
LEEDE JONES GABLE INC.
RESEARCH CAPITAL CORPORATION
Promoter(s):
-
Project #3304963

Issuer Name:
Algonquin Power & Utilities Corp.
Principal Regulator - Ontario
Type and Date:
Final Shelf Prospectus dated November 18, 2021
NP 11-202 Receipt dated November 19, 2021
Offering Price and Description:
US$4,000,000,000.00 - Debt Securities (unsecured), Subscription Receipts, Preferred Shares, Common Shares, Warrants, Share Purchase Contracts, Share Purchase or Equity Units, Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3300835

Issuer Name:
Coveo Solutions Inc.
Principal Regulator - Quebec
Type and Date:
Final Long Form Prospectus dated November 17, 2021
NP 11-202 Receipt dated November 17, 2021
Offering Price and Description:
C$215,000,000.00 - * Subordinate Voting Shares
Price: C$ Š per Subordinate Voting Share
Underwriter(s) or Distributor(s):
BMO NESBITT BURNS INC. M
ERRILL LYNCH CANADA INC.
RBC DOMINION SECURITIES INC.
UBS SECURITIES CANADA INC.
CANACCORD GENUITY CORP.
NATIONAL BANK FINANCIAL INC.
SCOTIA CAPITAL INC.
TD SECURITIES INC.
Promoter(s):
-
Project #3295637

Issuer Name:
Definity Financial Corporation
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated November 17, 2021
NP 11-202 Receipt dated November 17, 2021
Offering Price and Description:
$1,400,000,000.00 -* Common Shares
Price: $ Š per Common Share
Underwriter(s) or Distributor(s):
BMO NESBITT BURNS INC.
RBC DOMINION SECURITIES INC.
BARCLAYS CAPITAL CANADA INC.
SCOTIA CAPITAL INC.
TD SECURITIES INC.
CIBC WORLD MARKETS INC.
NATIONAL BANK FINANCIAL INC.
UBS SECURITIES CANADA INC.
DESJARDINS SECURITIES INC.
RAYMOND JAMES LTD.
CANACCORD GENUITY CORP.
CORMARK SECURITIES INC.
Promoter(s):
-
Project #3270491

Issuer Name:
Dominus Acquisitions Corp.
Principal Regulator - British Columbia
Type and Date:
Final CPC Prospectus (TSX-V) dated November 10, 2021
NP 11-202 Receipt dated November 17, 2021
Offering Price and Description:
Minimum Offering: $400,000.00 or 4,000,000 Common Shares
Maximum Offering: $500,000.00 or 5,000,000 Common Shares
Price: $0.10 per Common Share
Underwriter(s) or Distributor(s):
Haywood Securities Inc.
Promoter(s):
-
Project #3267521

Issuer Name:
EV Nickel Inc.
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated November 19, 2021
NP 11-202 Receipt dated November 19, 2021
Offering Price and Description:
Minimum Offering: 5,333,333 Units and 1,162,791 FT Shares
Maximum Offering: 5,600,000 Units and 1,511,628 FT Shares
Price: $0.75 per Unit and $0.86 per FT Share
(Minimum Offering of $5,000,000.00 and up to a Maximum Offering of $5,500,000.00)
Underwriter(s) or Distributor(s):
ECHELON WEALTH PARTNERS INC.
STIFEL NICOLAUS CANADA INC.
CORMARK SECURITIES INC.
CANACCORD GENUITY CORP.
Promoter(s):
Michael Silver
Aaron Unger
Alan Friedman
Project #3227320

Issuer Name:
Forte Minerals Corp.
Principal Regulator - British Columbia
Type and Date:
Final Long Form Prospectus dated November 12, 2021
NP 11-202 Receipt dated November 16, 2021
Offering Price and Description:
8,333,333 Units $2,500,000.00 Each Unit comprises one common share and one share purchase warrant
Price: $0.30 per Unit
Underwriter(s) or Distributor(s):
Haywood Securites Inc.
Promoter(s):
Patrick Elliott
Project #3255411

Issuer Name:
Freehold Royalties Ltd.
Principal Regulator - Alberta
Type and Date:
Final Shelf Prospectus dated November 19, 2021
NP 11-202 Receipt dated November 19, 2021
Offering Price and Description:
$500,000,000.00 - Common Shares, Preferred Shares, Subscription Receipts, Warrants, Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3300902

Issuer Name:
Harmony Acquisitions Corp.
Principal Regulator - Ontario
Type and Date:
Final CPC Prospectus dated November 12, 2021
NP 11-202 Receipt dated November 16, 2021
Offering Price and Description:
Minimum Offering: $200,000 Maximum Offering: $300,000 Minimum of 2,000,000 Common Shares and up to a Maximum of 3,000,000 Common shares Price: $0.10 per Common Share
Underwriter(s) or Distributor(s):
Gravitas Securities Inc,.
Promoter(s):
-
Project #3276055

Issuer Name:
mCloud Technologies Corp. (formerly Universal mCloud Corp.)
Principal Regulator - British Columbia
Type and Date:
Amendment dated November 18, 2021 to Final Shelf Prospectus dated April 28, 2021
NP 11-202 Receipt dated November 19, 2021
Offering Price and Description:
$200,000,000.00 - COMMON SHARES PREFERRED SHARES DEBT SECURITIES SUBSCRIPTION RECEIPTS WARRANTS UNITS
Underwriter(s) or Distributor(s):
-
Promoter(s):
Russel McMeekin
Michael Sicuro
Costantino Lanza
Project #2987423

Issuer Name:
NexLiving Communities Inc.
Principal Regulator - Nova Scotia
Type and Date:
Final Short Form Prospectus dated November 19, 2021
NP 11-202 Receipt dated November 19, 2021
Offering Price and Description:
$20,000,000.00 - 100,000,000 Common Shares
Price: $0.20 per Common Share
Underwriter(s) or Distributor(s):
ECHELON WEALTH PARTNERS INC.
CIBC WORLD MARKETS INC.
CORMARK SECURITIES INC.
DESJARDINS SECURITIES INC.
SCOTIA CAPITAL INC.
CANACCORD GENUITY CORP.
iA PRIVATE WEALTH INC.
RICHARDSON WEALTH LTD.
Promoter(s):
-
Project #3295734

Issuer Name:
Planet X Capital Corp.
Principal Regulator - British Columbia
Type and Date:
Final CPC Prospectus dated November 15, 2021
NP 11-202 Receipt dated November 16, 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:
Final CPC Prospectus dated November 15, 2021
NP 11-202 Receipt dated November 16, 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:
Railtown II Capital Corp.
Principal Regulator - British Columbia
Type and Date:
Final CPC Prospectus dated November 12, 2021
NP 11-202 Receipt dated November 17, 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):
Curtis White
Project #3262258

Issuer Name:
Southern Energy Corp.
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated November 18, 2021
NP 11-202 Receipt dated November 18, 2021
Offering Price and Description:
Up to $8,250,000.00 - Up to 165,000,000 Common Shares
$0.05 per Common Share
Underwriter(s) or Distributor(s):
EIGHT CAPITAL
INFOR FINANCIAL INC.
HAYWOOD SECURITIES INC.
CANACCORD GENUITY CORP.
Promoter(s):
-
Project #3292854

Issuer Name:
Telesat Corporation
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated November 16, 2021
NP 11-202 Receipt dated November 16, 2021
Offering Price and Description:
0.00
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3298857

Issuer Name:
Telesat Partnership LP
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated November 16, 2021
NP 11-202 Receipt dated November 16, 2021
Offering Price and Description:
0.00
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3298860

Issuer Name:
Three Valley Copper Corp. (formerly, SRHI Inc.)
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated November 22, 2021
NP 11-202 Receipt dated November 22, 2021
Offering Price and Description:
$16,000,000.00 - 50,000,000 Units
PRICE: $0.32 PER UNIT
Underwriter(s) or Distributor(s):
PI FINANCIAL CORP.
EIGHT CAPITAL
Promoter(s):
-
Project #3295745

Issuer Name:
Wildpack Beverage Inc.
Principal Regulator - British Columbia
Type and Date:
Final Short Form Prospectus dated November 18, 2021
NP 11-202 Receipt dated November 18, 2021
Offering Price and Description:
$22,000,000.00 - 22,680,412 Units
PRICE: $0.97 per Unit
Underwriter(s) or Distributor(s):
STIFEL NICOLAUS CANADA INC.
ROTH CANADA, ULC
PI FINANCIAL CORP.
LEEDE JONES GABLE INC.
Promoter(s):
-
Project #3294851

Issuer Name:
Algonquin Power & Utilities Corp.
Principal Jurisdiction - Ontario
Type and Date:
Final Shelf Prospectus dated April 3, 2020
Withdrawn on November 19, 2021
Offering Price and Description:
US$3,000,000,000.00 - Debt Securities (unsecured), Subscription Receipts, Preferred Shares, Common Shares, Warrants, Share Purchase Contracts, Share Purchase or Equity Units, Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3026607

Issuer Name:
Carbon Streaming Corporation (formerly Mexivada Mining Corp.)
Principal Jurisdiction - Ontario
Type and Date:
Preliminary Long Form Prospectus dated August 25, 2021
Withdrawn on November 22, 2021
Offering Price and Description:
US$104,901,256.00 - 104,901,256 COMMON SHARES AND 104,901,256 WARRANTS ISSUABLE ON DEEMED EXERCISE OF OUTSTANDING SPECIAL WARRANTS
Underwriter(s) or Distributor(s):
-
Promoter(s):
Justin Cochrane
Project #3267076

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Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
New Registration	Cadence Investment Management Inc.	Portfolio Manager	November 15, 2021
Voluntary Surrender	Canaccord Asset Management Inc.	Exempt Market Dealer	November 17, 2021
Name Change	From: Cardinal Point Capital Management Inc. To: Cardinal Point Capital Management ULC	Portfolio Manager	November 2, 2021
Voluntary Surrender	Pennant Capital Partners Inc.	Exempt Market Dealer	November 17, 2021
Voluntary Surrender	Wingate Investment Management Ltd	Exempt Market Dealer, Portfolio Manager, Investment Fund Manager	November 22, 2021

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Chapter 13

SROs, Marketplaces, Clearing Agencies and Trade Repositories

13.1 SROs

13.1.1 Mutual Fund Dealers Association of Canada (MFDA) – Proposed New MFDA Policy No. 11 – Proficiency Standards for the Sale of Alternative Mutual Funds – Request for Comment

REQUEST FOR COMMENT

MUTUAL FUND DEALERS ASSOCIATION OF CANADA (MFDA)

PROPOSED NEW MFDA POLICY NO. 11 – PROFICIENCY STANDARDS FOR THE SALE OF ALTERNATIVE MUTUAL FUNDS

The MFDA is publishing for public comment new Policy No. 11 *Proficiency Standards for the Sale of Alternative Mutual Funds* (the **Proposed MFDA Policy No. 11**) to establish proficiency requirements for the distribution of alternative mutual funds by MFDA Members and Approved Persons.

On October 4, 2018, the Canadian Securities Administrators (**CSA**) published amendments (**Amendments**) to adopt the final phase of the CSA's Modernization of Investment Fund Product Regulation Project, relating to the establishment of a regulatory framework for "alternative mutual funds". As part of the Amendments, key provisions of the rules relating to commodity pools were migrated into National Instrument 81-102 *Investment Funds* and other instruments. The CSA retained the proficiency standards for mutual fund dealers distributing alternative mutual funds in National Instrument 81-104 *Alternative Mutual Funds* (**NI 81-104**), with the acknowledgement that alternative mutual funds can be more complex than other types of mutual funds and that additional proficiency may be needed for mutual funds dealers selling these products.

The Ontario Securities Commission and the other CSA regulators recognized that the proficiency requirements in NI 81-104 significantly limited retail investor access to alternative mutual funds. Accordingly, on January 28, 2021, the CSA issued blanket orders to reduce regulatory burden and provide mutual fund dealers and mutual fund dealing representatives with additional course options to satisfy the proficiency requirements in NI 81-104. In Ontario, blanket relief was issued with Ontario Instrument 81-506 *Temporary Exemptions from National Instrument 81-104 Alternative Mutual Funds* (**Ontario Instrument 81-506**).

The Proposed MFDA Policy No. 11 aims to: (i) adopt requirements that are consistent with Ontario Instrument 81-506 and similar blanket orders issued by the other CSA regulators; and (ii) ensure that alternative mutual funds, whether sold pursuant to a prospectus or on a prospectus-exempt basis, will be subject to appropriate proficiency requirements.

The Proposed MFDA Policy No. 11 is intended to replace the proficiency requirements in NI 81-104. The CSA expects that NI 81-104 will eventually be repealed if Proposed MFDA Policy No. 11 comes into effect.

A copy of the MFDA Notice, including the Proposed MFDA Policy No. 11, is published on our website at www.osc.ca. The comment period ends on January 24, 2022.

13.2 Marketplaces

13.2.1 Toronto Stock Exchange – TSX Company Manual – Notice of Housekeeping Rule Amendments

TORONTO STOCK EXCHANGE

NOTICE OF
HOUSEKEEPING RULE AMENDMENTS TO
THE TSX COMPANY MANUAL

Introduction

In accordance with the Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 (the "**Protocol**"), Toronto Stock Exchange ("**TSX**") has adopted, and the Ontario Securities Commission ("**OSC**") has approved, certain housekeeping amendments (the "**Amendments**") to Parts I, III, IV, VI and IX, Appendix H – Company Reporting Forms – TSX Company Reporting Forms – User Guide, TSX Listing Agreement, TSX Listing Application, and various other TSX Company Reporting Forms of the TSX Company Manual (the "**Manual**"). The Amendments are Housekeeping Rules under the Protocol and therefore have not been published for comment. The OSC has not disagreed with the categorization of the Amendments as Housekeeping Rules. This Notice of Housekeeping Rule Amendments to the Manual will be published separately on the OSC website on November 25, 2021. In accordance with Section 5 of the Protocol, TSX has obtained a waiver from the OSC in connection with the effective date of the amendments as designated by TSX.

Summary and Rationale of the Non-Public Interest Amendments

	Section of the Manual	Amendment	Rationale
1.	Part I – Introduction – Interpretation	Replace references to "TSX SecureFile" with "TMX LINX".	Effective November 19, 2021, TSX SecureFile, the platform on which TSX listed issuers currently file certain TSX Reporting Forms and make other TSX submissions, will be decommissioned and replaced with TMX LINX. TMX LINX is a centralized portal for TSX listed issuers and other stakeholders to interact with TSX. It is a single point of access for TSX listed issuers and their advisors to file submissions, while having transparency into the progress of their transactions. The web-based platform enables TSX listed issuers and their legal counsel to manage the submission, send and receive documents, and communicate with TSX, all through a user-friendly and highly secure system. Effective November 22, 2021, all TSX Reporting Forms and certain other documents must be filed on TMX LINX.
2.	Part III – Original Listing Requirements – Minimum Listing Requirements for Mining Companies – Section 314(a)(iv) – Requirements for Eligibility for Listing – Non-Exempt Issuers	Add appropriate commas to "$4000000".	Adding comma to be consistent with other sections of the Manual.

	Section of the Manual	Amendment	Rationale
3.	Part III – Original Listing Requirements – Minimum Listing Requirements for Mining Companies – Section 314(a)(v) – Requirements for Eligibility for Listing – Non-Exempt Issuers	Add appropriate commas to "$3000000".	Adding comma to be consistent with other sections of the Manual.
4.	Part IV – Maintaining a Listing – B. Timely Disclosure – Announcements of Material Information – Pre-Notification to Exchange – Section 416	Replace reference to "TSX SecureFile, faxed or e-mailed to Market Surveillance" with "TMX LINX".	Documents currently filed on TSX SecureFile will be required to be filed on TMX LINX. Please see Rationale for Amendment #1 above.
5.	Part IV – Maintaining a Listing – D. Dividends and Other Distributions to Security Holders – Notification Procedure – Section 431	Amend typographical error and replace reference to "SecureFile" with "TMX LINX".	Please see Rationale for Amendment #4 above.
6.	Part IV – Maintaining a Listing – D. Dividends and Other Distributions to Security Holders – Dividend Omissions or Deferrals – Section 432	Replace reference to "SecureFile" with "TMX LINX".	Please see Rationale for Amendment #4 above.
7.	Part VI – Changes in Capital Structure of Listed Issuers – B. Distributions of Securities of a Listed Class – Section 607 – Private Placements & Section 611 - Acquisitions	Replace reference to "TSX SecureFile, by email or by courier" with "TMX LINX".	Please see Rationale for Amendment #4 above.
8.	Part IX – Dealing with News Media – B. Notifying the Financial Media – Section 906	Replace reference to "TSX Secure File" with "TMX LINX" and update website address. Remove references to fax and email submission.	Please see Rationale for Amendment #4 above.
9.	Appendix H – Company Reporting Forms – TSX Company Reporting Forms – User Guide	Replace references to TSX Secure File and replace with TMX LINX.	Please see Rationale for Amendment #4 above.
10.	TSX Listing Agreement	Replace references to TSX Secure File and replace with TMX LINX and update related website address.	Please see Rationale for Amendment #4 above.
11.	TSX Listing Application	Replace reference to TSX Secure File and replace with TMX LINX. Amend Instruction #13 to remove requirement to include trading history of securities of applicant.	Please see Rationale for Amendment #4 above. TSX does not require this. TSX can obtain trading history internally and does not need to burden issuers with obtaining this information.
12.	Form 1 – Change in Issued & Outstanding Securities	Fix grammatical errors and add certain headers for organizational purposes.	Certain grammatical, formatting and organizational changes are being made to simplify and enhance the user experience in TMX LINX.

	Section of the Manual	Amendment	Rationale
13.	Form 2A - Change in General Company Information	Remove colons after each field, remove references to “Country Code”, “Area Code” and “Local Number” and add “Extension”. Add certain headers for organizational purposes.	Please see Rationale for Amendment #12 above.
14.	Form 2B – Change in Jurisdiction of Incorporation (Country only)	Remove colons after each field add certain headers for organizational purposes.	Please see Rationale for Amendment #12 above.
15.	Form 2C – Change in Fiscal Year-End	Include “Name” after “Issuer”, remove colons after each field, and add certain headers for organizational purposes.	Please see Rationale for Amendment #12 above.
16.	Form 2D – Change in Interlisting Status	Include “Name” after “Issuer”, remove colons after each field, and add certain headers for organizational purposes.	Please see Rationale for Amendment #12 above.
17.	Form 2E – Change in Transfer Agent & Registrar	Include “Name” after “Issuer”, fix grammatical errors and add certain headers for organizational purposes.	Please see Rationale for Amendment #12 above.
18.	Form 3 - Change in Officers / Directors / Trustees	Fix grammatical errors and add certain headers for organizational purposes. Update TSX address.	Please see Rationale for Amendment #12 above.
19.	Form 5 - Dividend / Distribution Declaration	Fix grammatical errors and add certain headers for organizational purposes. Add contact information section.	Please see Rationale for Amendment #12 above.
20.	Form 8 - Change in Investor Relations Contact	Fix grammatical errors, remove references to “Country Code”, “Area Code” and “Local Number”, add certain headers for organizational purposes.	Please see Rationale for Amendment #12 above.
21.	Form 9A - Request for Extension for Annual Meeting	Fix grammatical errors, include “Name” after “Issuer, fix grammatical errors and add certain headers for organizational purposes.	Please see Rationale for Amendment #12 above.
22.	Form 9B – Request for Extension for Financial Reporting	Fix grammatical errors and add certain headers for organizational purposes.	Please see Rationale for Amendment #12 above.
23.	Form 9C – Request for Exemption for Financial Reporting/Annual Meeting	Fix grammatical errors and add certain headers for organizational purposes.	Please see Rationale for Amendment #12 above.
24.	Form 11 - Notice of Private Placement – Instructions	Replace reference to “TSX SecureFile” with “TMX LINX” and remove references to fax and e-mail submission (and related fax numbers and e-mail address) as methods of filing the form.	Please see Rationale for Amendment #4 above.
25.	Form 11A - Price Protection Form – Instructions	Replace reference to “TSX SecureFile” with “TMX LINX” and remove reference to fax and e-mail submission (and related fax numbers and e-mail address) as methods of filing the form.	Please see Rationale for Amendment #4 above.

	Section of the Manual	Amendment	Rationale
26.	Form 12 - Notice of Intention To Make a Normal Course Issuer Bid ("NCIB") – Instructions	Replace reference to “TSX SecureFile” and replace with “TMX LINX”. Remove reference to fax and e-mail submission (and related fax numbers and e-mail address) as methods of filing the form.	Please see Rationale for Amendment #4 above.
27.	Form 13 - Notice of Intention To Make a Debt Substantial Issuer Bid ("DSIB")	Replace reference to “TSX SecureFile” and replace with “TMX LINX”. Remove reference to fax and e-mail submission (and related fax numbers and e-mail addresses) as methods of filing the form, and correct typographical error.	Please see Rationale for Amendment #4 above.
28.	Form 14 A – NCIB Monthly Report for Investment Funds	Replace references to “TSX SecureFile” with “TMX LINX.	Please see Rationale for Amendment #4 above.
29.	Form 14B – NCIB Monthly Report for Issuers that are not Investment Funds	Replace references to “TSX SecureFile” with “TMX LINX.	Please see Rationale for Amendment #4 above.

Text of the Amendments

The Amendments are set out as blacklined text at **Appendix A**. For ease of reference, a clean version of the Amendments are set out at **Appendix B**.

Effective Date

The Amendments become effective on November 22, 2021.

APPENDIX "A"

BLACKLINE OF NON-PUBLIC INTEREST AMENDMENTS TO THE TSX COMPANY MANUAL

Amendment 1

Part I Introduction

"TMX LINX~~SecureFile~~ means TMX LINX™ ~~TSX SecureFile~~, the secure web-based filing system that enables listed issuers to file reporting forms and other documents to TSX;

Amendments 2 & 3

Part III Original Listing Requirements

Minimum Listing Requirements for Mining Companies

Sec. 314. Requirements for Eligibility for Listing – Non-exempt issuers[15]

a) Producing Mining Companies

[…]

iv) net tangible assets[17] of $4,000,000.

[…]

b) Mineral Exploration and Development—Stage Companies

[…]

v) net tangible assets[22] of $3,000,000.

Amendment 4

Part IV Maintaining a Listing — General Requirements

B. Timely Disclosure

Announcements of Material Information

Pre-Notification to Exchange

Sec. 416.

[…]

Regardless of when an announcement involving material information is released, Market Surveillance must be advised of its content and supplied with a copy in advance of its release. Market Surveillance must also be advised of the proposed method of dissemination. Market Surveillance must be advised by telephone in advance if an announcement is ready to be made during trading hours, and submission of a written copy of the release should follow. Where an announcement is to be released after the Exchange has closed, Market Surveillance staff should be advised before trading opens on the next trading day. Copies may be filed through TMX LINX~~TSX SecureFile, faxed or e-mailed to Market Surveillance~~.

[…]

Amendment 5

D. Dividends and Other Distributions to Security Holders

Notification Procedure

Sec. 431.

Listed Issuer Services of the Exchange should be notified of a dividend declaration in writing by filing a Form 5—Dividend/~~Distribrution~~Distribution Declaration via TMX LINX~~SecureFile~~ immediately following, or even during, the directors' meeting at which the decision to declare the dividend is made.

Amendment 6

Dividend Omissions or Deferrals

Sec. 432.

Listed companies should notify the Exchange's Listed Issuer Services immediately in writing by filing a Form 5—Dividend/Distribution Declaration via TMX LINX~~SecureFile~~ after any decision is made to omit or defer a dividend, if the omission or deferral constitutes a departure from the company's previously established dividend policy. This applies to all preferred shares as well as any other shares in respect of which the company has previously advised the Exchange of a dividend policy. Dividend omissions or deferrals may also give rise to timely disclosure obligations (see Sections 406 to 423.3).

Amendment 7

Part VI Changes in Capital Structure of Listed Issuers

B. Distributions of Securities of a Listed Class

Sec. 607. Private Placements

[…]

(h) In order to list the additional securities issued and/or reserved for issuance pursuant to a private placement, listed issuers must:

[…]

ii) Prior to the close of business on the business day following the closing of the private placement, file with TSX all the required documents as outlined in the TSX conditional approval. Such documents may be filed using TMX LINX~~TSX SecureFile, by email or by courier~~.

[…]

Sec. 611. Acquisitions

[…]

(h) In order to list the additional securities issued and/or reserved for issuance pursuant to an acquisition which has been conditionally approved by TSX, listed issuers must:

[…]

(ii) Prior to the close of business on the business day following the closing of the acquisition, file with TSX all the requirements documents as outlined in the TSX conditional approval. Such documents may be filed using TMX LINX~~TSX SecureFile, by email or by courier~~.

Amendment 8

Part IX Dealing with the News Media

B. Notifying the Financial Media

Sec. 906.

Regardless of when an announcement involving material information is released, Market Surveillance must be advised of its content and supplied with a copy in advance of its release. Market Surveillance must also be advised of the proposed method of dissemination. Market Surveillance must be advised by telephone in advance if an announcement is ready to be made during

trading hours, and submission of a written copy of the release must follow. Where an announcement is to be released after the Exchange has closed, Market Surveillance should be advised before trading opens on the next trading day. Copies may be filed through TMX LINX at https://linx.tmx.com~~TSX Securefile, faxed or e-mailed to Market Surveillance, at https://secure.tsx.com, (416) 646-7263, or pr@iiroc.ca, respectively~~.

Amendment 9

Appendix H Company Reporting Forms

TSX Company Reporting Forms — User Guide

Refer to the "Filing Instructions" section of each Company Reporting Form or to the ~~TSX SecureFile~~TMX LINX Reporting Forms User~~'s~~ Guide, available on the TMX LINX ~~SecureFile~~ website, to determine when the filing of such Form is required.

- All of the Company Reporting Forms are available on the TSX website at www.tsx.com and/or through TMX LINX at https://linx.tmx.com. ~~by clicking on "A Listed company" and selecting "TSX Company Manual", then scroll down the page for the respective forms.~~
- Company Reporting Forms 1, 2, 3, 5, 8, 9, ~~and~~ 10[1], 11, 12, 13 and 14 ~~are available on TSX SecureFile and~~ may only be filed via ~~TSX SecureFile~~TMX LINX.
- ~~Company Reporting Forms 4, 11, 12 and 13 can be filed via fax, email, mail/courier or TSX SecureFIle.~~

[…]

[1] On ~~TSX SecureFile~~TMX LINX, the content of former Company Reporting Form 10 is now located in Company Reporting Form 2.

Amendment 10

TSX Listing Agreement

[…]

2. Without limiting the generality of paragraph 1 hereof, the Applicant shall:

[…]

g. notify the Exchange on a monthly basis of any changes to the number of issued securities of any listed class (nil reports being required on a quarterly basis) using ~~TSX SecureFile®~~TMX LINX™;

[…]

Amendment 11

TSX Listing Application

[…]

DOCUMENTS AND INFORMATION AVAILABLE ON WWW.TMX.COM

The following documents which may be helpful in preparing your listing application are available on www.tmx.com.

Document	Format
TSX Listing Application (and Attachments)	Word
Personal Information Form and Consent for Disclosure of Criminal Record Information Form	Word
Statutory Declaration Form and Consent for Disclosure of Criminal Record Information Form	Word
TSX Original Listing Requirements	HTML
TMX LINX Registration Form ~~TSX SecureFile Registration Form~~	HTML
TSX Listing Fee Schedule	PDF

For more information on the completion of the listing application, the listing requirements, or the listing process, please call (416) 947-4533 or email listedissuers@tmx.com.

PRODUCTS AND SERVICES AVAILABLE TO LISTED ISSUERS

Once listed on TSX, issuers have access to a variety of products and services. A description of these products and services is available on www.tmx.com.

Product/Service
TSX InfoSuite
~~TSX SecureFile®~~TMX LINX™
TSX Enhanced Broker Summary
Historical Data Access
Listed Logo Program
Hosting at the Exchange
TMX Learning Academy

For more information on TSX products and services, please call 1-888-788-2490 or email issuersupport@tmx.com.

LIST OF DOCUMENTS TO BE FILED

The following documents must be filed concurrently with the Principal Listing Document and the TSX Listing Application in draft form.

Applicants that are listed on the TSX Venture Exchange may be exempted from filing certain documents as noted below. Please refer to the footnotes for complete details.

[…]

13. Information required to update the Principal Listing Document, including continuous disclosure filings such as material change reports, business acquisition reports, press releases and any other information required to make the listing application current. ~~In addition, such appendix should include an updated chart of the trading history of the securities of the Applicant up to the end of the month preceding the application to list on TSX, if applicable.~~

[…]

The following documents must be filed after the Applicant has been conditionally approved for listing on TSX, together with any additional documentation specified in the conditional approval letter.

7. Duly completed registration form for TMX LINX~~TSX SecureFile~~ which is available on https://www.tsx.com/listings/tsx-and-tsxv-issuer-resources/tmx-linx-exchange-submission-portal~~www.tmx.com~~.

Amendment 12

Form 1 – Change in Issued and Outstanding Securities

~~Issuer:~~ Security Symbol *
~~Symbol:~~
~~Filing Expires on:~~
Reporting Period: From~~:~~ *
Reporting Period: To~~:~~ *
Issued ~~&~~and Outstanding Opening Balance~~:~~ *
As at~~:~~ *
~~Select a Share Compensation Arrangement:~~
~~Working List~~
~~Effect on~~
Issued ~~& Outstanding Securities~~
~~Issued &~~and Outstanding Closing Balance~~:~~
Please complete and save the questions above before beginning to add your Working List Items.

Working List

Note: Summary values for share compensation plans and security transactions will be displayed and included in the closing balance once the details are entered.

TSX Security Symbol *
Please select the type of Working Listing Item *
Share Compensation Arrangements
Other Issuances and Cancellations
For transactions that reduce issued capital, please precede the value with the negative symbol (-).

Issuer: TSX Security Symbol *
Please select the type of Working List Item *
Share Compensation Agreement *
SymbolReporting Period:
Reporting Period: From: *
To:Reporting Period: To *
Opening Reserve: *
As at:* *
Effective Date*
Securities Listed
Securities Issued
Comment:
Totals:
Total Securities Listed
Total Securities Issued
Closing Reserve:
As at (MM/DD/YYYY):

Issuer: TSX Security Symbol *
Symbol:
Please select the type of Working List Item *
Share Compensation Agreement *
Reporting Period: From: *
To: Reporting Period: To *
Stock Options Outstanding Opening Balance:* *
As at (MM/DD/YYYY):* *
Effective Date*
SAR SAR – Stock Appreciation Rights
Options Granted
Options Exercised
Options Cancelled
SAR Reduction in Reserve
Comment:
Totals:
Total Options Granted
Total Options Cancelled
Total Options Exercised
Total SAR Reduction in Reserve
Stock Options Outstanding Closing Balance:
As at (MM/DD/YYYY):

Issuer:
TSX Security Symbol: *
Please select the type of Working List Item *
Other Issuances and Cancellations
Reporting Period: From: *
To:
Reporting Period: To *
Total
For transactions that reduce issued capital, please precede the value with the negative symbol (-).
Effective Date*
Transaction Type*
Acquisition
Adjustment
Agreement
Amalgamation
Cancellation

Charitable Options/Warrants
Consolidation
Conversion (General)
Convertible Bonds/Notes/Loans/Debentures
Convertible Preferred Shares
Finder's Fees
Flow-Thru Shares
Fractional Shares
Issuer Bid
Opening Balance
Original Listing
Other
Over-Allotment Option (Greenshoe)
Private Placement
Prospectus Offering/Public Offering
Reclassification/Reorganization/Substitution
Reconciliation
Redemption/Retraction
Repurchase
Rights Offering
Share Exchange Offer
Shares for Debt/Litigation/Creditors
Split
Stock Dividend (No Plan)
Supplemental Listing
Take-Over Bid/Merger
Warrants

Number of Securities*
Comment:
Total:

Amendment 13

Form 2A - Change in General Company Information

Issuer:
Filing Expires on :
Effective Date of Change:*
Head Office Address:*
City:*
Province/State:*
Postal/Zip Code:*
Country:*
Province/State
General Email:*
Website:*
Phone - General:*
Area Code
Local Number
Country Code
Extension
Toll Free:
Fax:

Amendment 14

Form 2B – Change in Jurisdiction of Incorporation (Country only)

Issuer:
Filing Expires on:
New Jurisdiction of Incorporation:*
Comment:
Effective Date of Change:*

Amendment 15

Form 2C – Change in Fiscal Year-End

Issuer~~:~~ Name
~~Filing Expires on:~~
New Fiscal Year-End~~:~~*
Effective Date of Change~~:~~*
Comment~~:~~

Amendment 16

Form 2D – Change in Interlisting Status

Issuer~~:~~ Name
~~Filing Expires on:~~
TSX Security Symbol*
Interlisted Market*
Trading Symbol*
Listed/Delisted~~*~~ Listed Delisted
Effective Date of Change*

Amendment 17

Form 2E – Change in Transfer Agent & Registrar

Issuer~~:~~
~~Filing Expires on :~~
Transfer Agent (~~new~~New)~~:~~*
Co-Transfer Agent (~~if applicable):~~ If Applicable)
Name of Registrar~~:~~*
Effective Date of Change~~:~~*

Amendment 18

Form 3 - Change in Officers / Directors / Trustees

~~Issuer:~~
~~Filing Expires on :~~

~~For changes to current officers / directors / trustees~~
~~Civil Title*~~
- ~~Mr.~~
- ~~Ms.~~
- ~~Mrs.~~
- ~~M.~~
- ~~Mme.~~
- ~~Dr.~~

~~First Name*~~
~~Full Middle Name(s)*~~
~~Surname*~~
~~Full Middle name is required, initials are not accepted.~~ ~~If a person does not have a middle name, enter "N/A".~~

~~Date of Birth:*~~

~~Add new position(s) or edit / end current position(s)~~
~~Position*~~
- ~~Chief Executive Officer~~
- ~~Chief Financial Officer~~
- ~~Chair of the Board~~
- ~~Controller~~
- ~~Chief Operating Officer~~
- ~~Director~~

~~Legal Counsel~~
~~Officer~~
~~President~~
~~Corporate Secretary~~
~~Trustee~~
~~Vice President~~
~~Senior Vice President~~
~~Executive Vice President~~
~~Other~~
~~Vice Chair~~
~~Full Position Title~~
~~Effective Date*~~
~~End Date~~
~~Comment:~~

~~Position Summary~~
~~Status~~
~~Position~~
~~Full Position Title~~
~~Effective Date~~
~~End Date~~

~~For new appointments of officers / directors / trustees~~

REPRESENTATION AND WARRANTY REGARDING PERSONAL INFORMATION

By submitting this Form 3 to TSX, the Company represents and warrants that the Company has obtained all consents required under applicable law (including without limitation the Personal Information Protection and Electronic Documents Act (Canada)) in order for TSX to use, collect and disclose information contained in this Form 3 that relates to an identifiable individual, and information about such individual collected subsequently by TSX in accordance with Exhibit 1 to this Form 3 (Form 3 Personal Information Collection Policy), for the purposes set out in Exhibit 1 to this Form 3.

EXHIBIT 1: FORM 3 PERSONAL INFORMATION COLLECTION POLICY

Collection, Use and Disclosure

TSX Inc. and its affiliates, their authorized agents, subsidiaries and divisions, including Toronto Stock Exchange and TSX Venture Exchange (collectively referred to as “TSX”) collect the information (which may include personal, confidential, non-public, criminal or other information) in Form 3 and in other forms that are submitted by an Issuer and use it for the following purposes:

~~o~~ - to conduct background checks on the individual to whom such information relates (the “Subject”),

~~o~~ - to verify the information that has been provided about the Subject,

~~o~~ - to consider the Subject’s suitability to act as an officer, director or insider of an Issuer, as applicable,

~~o~~ - to detect and prevent fraud, and

~~o~~ - to determine whether to request a TSX Personal Information Form (Form 4) for the Subject.

As part of this process, TSX also collects additional information about the Subject from public and non-public sources, including news, regulatory, bankruptcy and court records, and internal TSX databases, to ensure that the purposes set out above can be accomplished.

Personal information may be transferred (or otherwise made available) to our affiliates and other third parties who provide services on our behalf. For example, we use service providers to help us process, store and secure data. This may include sending email or other communications using their online services. Our service providers are given the information they need to perform their designated functions, and are not authorized to use or disclose personal information for their own purposes. Personal information may be maintained and processed by us, our affiliates and other third party service providers in other jurisdictions. In the event personal information is transferred to another jurisdiction, it will be subject to the laws of that jurisdiction and may be disclosed to or accessed by the courts, law enforcement and governmental authorities in accordance with those laws.

Due to the nature of Internet communications and evolving technologies, TSX cannot provide assurance that the information that is submitted or sent by e-mail or other electronic communication will remain free from loss, interception, misuse or alteration by third parties and neither TSX nor its service providers shall have any liability for any loss, interception, misuse or alteration.

Security

The personal information that is retained by TSX is kept in a secure environment. Only those employees of TSX or its service providers who require access to personal information in order to accomplish the purposes and/or services identified above will be authorized to access to personal information.

Employees of TSX or its service providers who have access to personal information are obligated to keep it confidential.

Accuracy

Information about the Subject maintained by TSX that is identified by the Subject as inaccurate or obsolete will be replaced or removed, as applicable.

Questions

If you have any questions or enquiries with respect to the privacy principles outlined above or about our practices, please send a written request to: Chief Privacy Officer, TMX Group, ~~The Exchange Tower, 130 King~~300 – 100 Adelaide Street West, Toronto, Ontario, Canada, M5~~X~~H 1~~J2~~S3 or by e-mail to privacyofficer@tmx.com.

~~Issuer:~~
~~Filing Expires on :~~
~~The following attachment can be used to collect required information for completing the form below.~~

Civil Title*
- Dr.
- M.
- Miss
- Mme.
- Mr.
- ~~Ms.~~
- Mrs.
- ~~M.~~
- ~~Mme.~~
- ~~Dr.~~Ms.

First Name~~*~~
Full Middle Name~~(s)*~~
Surname~~*~~
Date of Birth
Full legal middle name is required, initials are not accepted. If a person does not have a middle name, enter "N/A".

Previously used names and or/names commonly known by, maiden name

~~Date of Birth~~

~~Previously used names and/or names commonly known by, maiden name(s), etc.~~

Current and previous addresses for the past 10 years

RESIDENTIAL HISTORY - Provide all residential addresses for the past 10 YEARS starting with your current principal residential address. If you are unable to correctly identify the complete residential address for a period, which is beyond five years from the date of completion of this form, the municipality and province or state and country must be identified. TSX reserves the right to require the full address

~~STREET ADDRESS, CITY, PROVINCE/STATE, COUNTRY and POSTAL/ZIP CODE*~~
FULL ADDRESS Street Address, City, Province/State, Country and Postal/Zip Code
FROM
TO

Email Address*
Telephone*

Citizenship
CANADIAN CITIZENSHIP*
(i) Are you a Canadian citizenCitizen?
YesYES
NoNO
OTHER CITIZENSHIP*
(ii) Do you hold citizenship in any other country other than Canada?
YesYES
NoNO
(iii) If "Yes", the name of the country(s):
(iv) Please provide U.S. Social Security Number, where you have such a number
Comment:

Position
Auditor
Chair of the Board
Chief Executive Officer
Chief Legal Officer
Chief Operating Officer
Chief Technology Officer
Continuous Disclosure
Controller
Corporate Secretary
Director
Executive Vice President
Foreign Registrar
General Contact
Head of Compliance
Head Trader
Investor Relations
Legal Counsel
Officer
President
Registrar
Senior Executive
Senior Vice President
Treasurer
Trustee
Vice Chair
Vice President
Full Position Title
Effective Date

PositionCivil Title*
Chief Executive Officer
Chief Financial Officer
Dr.
M.
Miss
Mme.
Mr.
Mrs.
Ms.
First Name
Full Middle Name
Surname

Position
If person holds multiple positions, one record must be created for each.
Auditor

Chair of the Board
~~Controller~~
Chief Executive Officer
Chief Legal Officer
Chief Operating Officer
Chief Technology Officer
Continuous Disclosure
Controller
Corporate Secretary
Director
Executive Vice President
Foreign Registrar
General Contact
Head of Compliance
Head Trader
Investor Relations
Legal Counsel
Officer
President
~~Corporate Secretary~~
Registrar
Senior Executive
Senior Vice President
Treasurer
Trustee
Vice Chair
Vice President
~~Senior Vice President~~
~~Executive Vice President~~
~~Other~~
~~Vice Chair~~

Full Position Title
Effective Date~~*~~
If yet to be appointed, enter future appointment date or leave date empty, to be added once confirmed.
End Date
Once entered, will render the appointment as inactive.

Amendment 19

Form 5 - Dividend / Distribution Declaration

WHEN TO FILE :

a) After the declaration of the dividend and at least 5 trading days prior to the dividend record date or,

b) Immediately after the decision has been made to omit or defer a dividend

HOW :

Via ~~TSX SecureFile~~ TMX LINX (issuer may also want to follow up with a phone call to Dividend Administration)

QUESTIONS :

Dividend Administration ~~-~~ - Call 416.947.4663

NOTE:
If the dividend being declared is a stock dividend, the Company must also comply with the requirements in the Toronto Stock Exchange Company Manual under the headings "Stock Dividends" and "Additional Listings". For dividends without a cash component, a Form 5 is not required.

Issuer~~:~~ Name
Submitter Telephone Number*

~~Filing Expires on:~~

Officer Contact Information
Name:*
Telephone Number*
Email*

TSX Security Symbol*

Type of Dividend*
- Regular Dividend (Dividend with fixed frequency, e.g. monthly or quarterly)
- Occasional Dividend (Dividend with no fixed frequency, but not a special/extra Dividend)
- Special/Extra Dividend (one-time Dividend)
- Omitted Dividend (departure from a previously established dividend policy, e.g. monthly or quarterly - a Dividend expected but not declared)
- Deferred Dividend (postponement of a cumulative Dividend payment)
- Resumption (first Dividend to be paid following an omission/deferral)

- Regular Dividend (Dividend with fixed frequency, e.g. monthly or quarterly)

Declaration Date*
Payable Date~~*~~ in Canada*
Record Date~~*~~ in Canada*

Please note that if an issuer notifies TSX less than five trading days prior to the record date, in accordance with Section 430 of the TSX Company Manual, the issuer will be held liable for Dividend claims made by both buyers and sellers of the securities.

Is this the first time a dividend is being declared on this security with TSX?*

- Yes
  - Frequency of Dividend*
    - Monthly
    - Bi-Monthly
    - Quarterly
    - Semi-Annually
    - Annually
    - Interim
    - Not Applicable

Actual/approximate annual dollar amount of Dividend per security (if known)

- No
  - Except for variable dividend amount types, please specify if the amount per share changed from the previous declaration.

Certainty of Dividend Amount*
- The amount is actual/final
- The amount is estimated
- The amount is unknown at this time
  - Applicable Notes*

Please note that if the amount is an estimated/unknown amount, you must file an amended Form 5 when the amount is finalized.

Cash ~~amount~~Amount per ~~security* (dollar amount, e.g. 0.01)~~Dividend*
For stock only dividends, refer to the NOTE on the summary page.

Currency of Dividend*
- Canadian Dollar
- U.S. Dollar
- Foreign

~~Due Bills~~

The Exchange will normally defer ex-dividend trading by using Due Bills when the Dividend per listed security represents 25% or more of the value of the security on TSX on the declaration date.

For information about Due Bills, please see Section 429.1 of the TSX Company Manual.

Are there Due Bills attached to this Dividend?*
- Yes
- No

Is there a security portion as part of this Dividend?*
- Yes
  - Provide details (per security)*
- No

Is the security also listed in the U.S?*
- Yes
  - Please note if the security is listed on one of the following markets*
    - New York Stock Exchange
    - NYSE MKT
    - Nasdaq
- No

~~Notification to the market~~

Please note that if the information about the Dividend is material and the market has not been notified (i.e. via news release), the issuer must contact IIROC.

If the issuer has not notified the market yet, can TSX publish a dividend bulletin immediately?*
- Yes
- No
  - Reason for the delay*

Date ~~and time~~ when TSX can publish the bulletin ~~Date~~*
Time~~*~~ when TSX can publish the bulletin*
- Pre-Open
- Post Market Close
- Other

Additional Details/Comments

- Occasional Dividend (Dividend with no fixed frequency, but not a special/extra Dividend)

Declaration Date*
Payable Date~~*~~ in Canada*
Record Date~~*~~ in Canada*

Please note that if an issuer notifies TSX less than five trading days prior to the record date, in accordance with Section 430 of the TSX Company Manual, the issuer will be held liable for Dividend claims made by both buyers and sellers of the securities.

Is this the first time a dividend is being declared on this security with TSX?*
- Yes
- No

Certainty of Dividend Amount*
- The amount is actual/final
- The amount is estimated
- The amount is unknown at this time
  - Applicable Notes*

Please note that if the amount is an estimated/unknown amount, you must file an amended Form 5 when the amount is finalized.

Cash ~~amount~~Amount per ~~security* (dollar amount, e.g. 0.01)~~Dividend*
For stock only dividends, refer to the NOTE on the summary page.

Currency of Dividend*
- Canadian Dollar
- U.S. Dollar
- Foreign

~~Due Bills~~

The Exchange will normally defer ex-dividend trading by using Due Bills when the Dividend per listed security represents 25% or more of the value of the security on TSX on the declaration date.

For information about Due Bills, please see Section 429.1 of the TSX Company Manual.

Are there Due Bills attached to this Dividend?*
- Yes
- No

Is there a security portion as part of this Dividend?*
- Yes
  - Provide details (per security)*
- No

Is the security also listed in the U.S?*
- Yes
  - Please note if the security is listed on one of the following markets*
    - New York Stock Exchange
    - NYSE MKT
    - Nasdaq
- No

~~Notification to the market~~

Please note that if the information about the Dividend is material and the market has not been notified (i.e. via news release), the issuer must contact IIROC.

If the issuer has not notified the market yet, can TSX publish a dividend bulletin immediately?*
- Yes
- No
  - Reason for the delay*

Date ~~and time~~ when TSX can publish the bulletin ~~Date~~*
Time~~*~~ when TSX can publish the bulletin*
- Pre-Open
- Post Market Close
- Other

Additional Details/Comments

- Special/Extra Dividend (one-time Dividend)

Declaration Date*
Payable Date~~*~~ in Canada*
Record Date~~*~~ in Canada*

Please note that if an issuer notifies TSX less than five trading days prior to the record date, in accordance with Section 430 of the TSX Company Manual, the issuer will be held liable for Dividend claims made by both buyers and sellers of the securities.

Certainty of Dividend Amount*
- The amount is actual/final
- The amount is estimated
- The amount is unknown at this time
  - Applicable Notes*

Please note that if the amount is an estimated/unknown amount, you must file an amended Form 5 when the amount is finalized.

Cash ~~amount~~Amount per ~~security* (dollar amount, e.g. 0.01)~~Dividend*
For stock only dividends, refer to the NOTE on the summary page.

Currency of Dividend*
- Canadian Dollar
- U.S. Dollar
- Foreign

~~Due Bills~~

The Exchange will normally defer ex-dividend trading by using Due Bills when the Dividend per listed security represents 25% or more of the value of the security on TSX on the declaration date.

For information about Due Bills, please see Section 429.1 of the TSX Company Manual.

Are there Due Bills attached to this Dividend?*
- Yes
- No

Is there a security portion as part of this Dividend?*

- Yes
  - Provide details (per security)*
- No

Is the security also listed in the U.S?*
- Yes
  - Please note if the security is listed on one of the following markets*
    - New York Stock Exchange
    - NYSE MKT
    - Nasdaq
- No

~~Notification to the market~~

Please note that if the information about the Dividend is material and the market has not been notified (i.e. via news release), the issuer must contact IIROC.

If the issuer has not notified the market yet, can TSX publish a dividend bulletin immediately?*
- Yes
- No
  - Reason for the delay*

Date ~~and time~~ when TSX can publish the bulletin ~~Date~~*
Time when TSX can publish the bulletin*
- Pre-Open
- Post Market Close
- Other

Additional Details/Comments

- Omitted Dividend (departure from a previously established dividend policy, e.g. monthly or quarterly - a Dividend expected but not declared)

Decision Date*
First Affected Payment Date*

~~Notification to the market~~

Please note that if the information about the Dividend is material and the market has not been notified (i.e. via news release), the issuer must contact IIROC.

If the issuer has not notified the market yet, can TSX publish a dividend bulletin immediately?*
- Yes
- No
  - Reason for the delay*

Date ~~and time~~ when TSX can publish the bulletin ~~Date~~*
Time when TSX can publish the bulletin*
Pre-Open
Post Market Close
Other

Additional Details/Comments

- Deferred Dividend (postponement of a cumulative Dividend payment)

Please note that TSX does not require another Form 5 until resumption of Dividend

Decision Date*
First Affected Payment Date*
Initial Affected Period: From*
Initial Affected Period: To*

~~Notification to the market~~

Please note that if the information about the Dividend is material and the market has not been notified (i.e. via news release), the issuer must contact IIROC.

If the issuer has not notified the market yet, can TSX publish a dividend bulletin immediately?*
Yes
No
Reason for the delay*

Date ~~and time~~ when TSX can publish the bulletin ~~Date~~*
Time~~*~~ when TSX can publish the bulletin*
Pre-Open
Post Market Close
Other

Additional Details/Comments

- Resumption (first Dividend to be paid following an omission/deferral)

Declaration Date*
Payable Date~~*~~ in Canada*
Record Date~~*~~ in Canada*

Please note that if an issuer notifies TSX less than five trading days prior to the record date, in accordance with Section 430 of the TSX Company Manual, the issuer will be held liable for Dividend claims made by both buyers and sellers of the securities.

Type of Dividend to be resumed*
Regular D~~d~~ividend
Occasional D~~d~~ividend
Special D~~d~~ividend

Frequency of Dividend*
Monthly
Bi-Monthly
Quarterly
Semi-Annually
Annually
Interim
Not Applicable

Certainty of Dividend Amount*
The amount is actual/final
The amount is estimated
The amount is unknown at this time
Applicable Notes*

Please note that if the amount is an estimated/unknown amount, you must file an amended Form 5 when the amount is finalized.

Cash ~~amount~~Amount per ~~security* (dollar amount, e.g. 0.01)~~Dividend*
For stock only dividends, refer to the NOTE on the summary page.

Currency of Dividend*
- Canadian Dollar
- U.S. Dollar
- Foreign

~~Due Bills~~

The Exchange will normally defer ex-dividend trading by using Due Bills when the Dividend per listed security represents 25% or more of the value of the security on TSX on the declaration date.

For information about Due Bills, please see Section 429.1 of the TSX Company Manual.

Are there Due Bills attached to this Dividend?*
- Yes
- No

Is there a security portion as part of this Dividend?*
- Yes
  - Provide details (per security)*
- No

Is the security also listed in the U.S?*
- Yes
  - Please note if the security is listed on one of the following markets*
    - New York Stock Exchange
    - NYSE MKT
    - Nasdaq
- No

~~Notification to the market~~

Please note that if the information about the Dividend is material and the market has not been notified (i.e. via news release), the issuer must contact IIROC.

If the issuer has not notified the market yet, can TSX publish a dividend bulletin immediately?*
- Yes
- No
  - Reason for the delay*

Date ~~and time~~ when TSX can publish the bulletin ~~Date~~*
Time~~*~~ when TSX can publish the bulletin*
- Pre-Open
- Post Market Close
- Other

Additional Details/Comments

Amendment 20

Form 8 - Change in Investor Relations Contact

Issuer~~:~~
Symbol~~:~~*
~~Filing Expires on:~~
Effective Date of Change~~:~~*
Civil ~~Title:~~title*
First Name~~:~~*
Middle Name(s)~~:~~

Surname:*
Professional Designations:
Title:*
Address:*
City:*
Country*
Province/State:*
Postal/Zip Code:*
~~Country:*~~
Email:*
Phone:*
~~Country Code~~
~~Area Code~~
~~Local Number~~
Extension
Fax:

Amendment 21

Form 9A - Request for Extension or Exemption for Financial Reporting / Annual Meeting

Issuer: Name
~~Filing Expires on:~~
Apply ~~To~~to Fiscal Year:* *
Annual Meeting Proposed Date:* *
Reason *

Amendment 22

Form 9B – Request for Extension for Financial Reporting

Issuer:
~~Filing Expires on:~~
Apply ~~To~~to Fiscal Year:*
Annual Financials:
Proposed Date:
Reason
Quarterly Financials:
Quarter 1st Quarter 2nd Quarter 3rd Quarter
Proposed Date:
Reason

Amendment 23

Form 9C – Request for Exemption for Financial Reporting/Annual Meeting

Issuer:
~~Filing Expires on:~~
Annual Meeting
Fiscal Year :
Court Order~~?~~ Yes No
Securities Commission Order? Yes No
Reason
Financial Statements
Effective Date:*
Quarterly Financials
1st Quarter 2nd Quarter 3rd Quarter
Court Order~~?~~ Yes No
Securities Commission Order? Yes No
Reason
Annual Financials
Court Order~~?~~ Yes No
Securities Commission Order? Yes No
Reason

Amendment 24

Form 11 - Notice of Private Placement - Instructions

[…]

HOW: ~~Via TSX SecureFile or via email to listedissuers@tsx.com or via fax for issuers reporting to:~~ Via TMX LINX at https://linx.tmx.com/.

~~**Toronto Office: 416-947-4547**~~
~~**Montreal Office: 514-788-2421**~~
~~**Calgary Office**~~
~~**(first letter of issuer name A – J): 403-234-4213**~~
~~**Calgary Office**~~
~~**(first letter of issuer name K – Z): 403-234-4212**~~
~~**Vancouver Office: 604-844-7502**~~

[…]

Amendment 25

Form 11A - Price Protection Form - Instructions

[…]

HOW: ~~Via TSX SecureFile or via email to listedissuers@tsx.com or via fax for issuers reporting to:~~ Via TMX LINX at https://linx.tmx.com/.

~~**Toronto Office: 416-947-4547**~~
~~**Montreal Office: 514-788-2421**~~
~~**Calgary Office**~~
~~**(first letter of issuer name A – J): 403-234-4213**~~
~~**Calgary Office**~~
~~**(first letter of issuer name K – Z): 403-234-4212**~~
~~**Vancouver Office: 604-844-7502**~~

[…]

Amendment 26

Form 12 - Notice of Intention To Make a Normal Course Issuer Bid ("NCIB") - Instructions

[…]

HOW: ~~Via TSX SecureFile or via email to listedissuers@tsx.com or via fax for issuers reporting to:~~ Via TMX LINX at https://linx.tmx.com/.

~~**Toronto Office: 416-947-4547**~~
~~**Montreal Office: 514-788-2421**~~
~~**Calgary Office**~~
~~**(first letter of issuer name A – J): 403-234-4213**~~
~~**Calgary Office**~~
~~**(first letter of issuer name K – Z): 403-234-4212**~~
~~**Vancouver Office: 604-844-7502**~~

[…]

Amendment 27

Form 13 - Notice of Intention To Make a Debt Substantial Issuer Bid ("DSIB")

[…]

HOW:	Via ~~TSX SecureFile or via email to listedissuers@tsx.com or via fax for issuers reporting to:~~TMX LINX at https://linx.tmx.com/. ~~**Toronto TSX Office: 416-947-4547**~~ ~~**Montreal TSX Office: 514-788-2421**~~ ~~**Calgary Office: 403-237-0450**~~ ~~**Vancouver Office: 604-844-7502**~~

[…]

Amendment 28

Form 14 A – NCIB Monthly Report for Investment Funds

[…]

Instructions:

[…]

Purchases made under an issuer bid circular do not count towards NCIB purchases and should not be reported using this Form 14A, but reported using Form 1 - "Change in Issued and Outstanding ~~and Reserved~~ Securities" which must be filed through TMX LINX~~TSX SecureFile~~ within ten (10) days of the end of the month.

[…]

Amendment 29

Form 14B – NCIB Monthly Report for Issuers that are not Investment Funds

[…]

Instructions:

[…]

Purchases made under an issuer bid circular do not count towards NCIB purchases and should not be reported using this Form 14B, but reported using Form 1 - "Change in Issued and Outstanding ~~and Reserved~~ Securities" which must be filed through TMX LINX~~TSX SecureFile~~ within ten (10) days of the end of the month.

[…]

APPENDIX "B"

CLEAN VERSION OF NON-PUBLIC INTEREST AMENDMENTS TO THE TSX COMPANY MANUAL

Amendment 1

Part I Introduction

"**TMX LINX**" means TMX LINX™, the secure web-based filing system that enables listed issuers to file reporting forms and other documents to TSX;

Amendments 2 & 3

Part III Original Listing Requirements

Minimum Listing Requirements for Mining Companies

Sec. 314. Requirements for Eligibility for Listing – Non-exempt issuers[15]

a) Producing Mining Companies

[…]

iv) net tangible assets[17] of $4,000,000.

[…]

b) Mineral Exploration and Development—Stage Companies

[…]

v) net tangible assets[22] of $3,000,000.

Amendment 4

Part IV Maintaining a Listing — General Requirements

B. Timely Disclosure

Announcements of Material Information

Pre-Notification to Exchange

Sec. 416.

[…]

Regardless of when an announcement involving material information is released, Market Surveillance must be advised of its content and supplied with a copy in advance of its release. Market Surveillance must also be advised of the proposed method of dissemination. Market Surveillance must be advised by telephone in advance if an announcement is ready to be made during trading hours, and submission of a written copy of the release should follow. Where an announcement is to be released after the Exchange has closed, Market Surveillance staff should be advised before trading opens on the next trading day. Copies may be filed through TMX LINX.

[…]

Amendment 5

D. Dividends and Other Distributions to Security Holders

Notification Procedure

Sec. 431.

Listed Issuer Services of the Exchange should be notified of a dividend declaration in writing by filing a Form 5—Dividend/Distribution Declaration via TMX LINX immediately following, or even during, the directors' meeting at which the decision to declare the dividend is made.

Amendment 6

Dividend Omissions or Deferrals

Sec. 432.

Listed companies should notify the Exchange's Listed Issuer Services immediately in writing by filing a Form 5—Dividend/Distribution Declaration via TMX LINX after any decision is made to omit or defer a dividend, if the omission or deferral constitutes a departure from the company's previously established dividend policy. This applies to all preferred shares as well as any other shares in respect of which the company has previously advised the Exchange of a dividend policy. Dividend omissions or deferrals may also give rise to timely disclosure obligations (see Sections 406 to 423.3).

Amendment 7

Part VI Changes in Capital Structure of Listed Issuers

B. Distributions of Securities of a Listed Class

Sec. 607. Private Placements

[…]

(h) In order to list the additional securities issued and/or reserved for issuance pursuant to a private placement, listed issuers must:

[…]

ii) Prior to the close of business on the business day following the closing of the private placement, file with TSX all the required documents as outlined in the TSX conditional approval. Such documents may be filed using TMX LINX.

[…]

Sec. 611. Acquisitions

[…]

(h) In order to list the additional securities issued and/or reserved for issuance pursuant to an acquisition which has been conditionally approved by TSX, listed issuers must:

[…]

(ii) Prior to the close of business on the business day following the closing of the acquisition, file with TSX all the requirements documents as outlined in the TSX conditional approval. Such documents may be filed using TMX LINX.

Amendment 8

Part IX Dealing with the News Media

B. Notifying the Financial Media

Sec. 906.

Regardless of when an announcement involving material information is released, Market Surveillance must be advised of its content and supplied with a copy in advance of its release. Market Surveillance must also be advised of the proposed method of dissemination. Market Surveillance must be advised by telephone in advance if an announcement is ready to be made during

trading hours, and submission of a written copy of the release must follow. Where an announcement is to be released after the Exchange has closed, Market Surveillance should be advised before trading opens on the next trading day. Copies may be filed through TMX LINX at https://linx.tmx.com.

Amendment 9

Appendix H Company Reporting Forms

TSX Company Reporting Forms — User Guide

Refer to the "Filing Instructions" section of each Company Reporting Form or to the TMX LINX Reporting Forms User Guide, available on the TMX LINX website, to determine when the filing of such Form is required.

- All of the Company Reporting Forms are available on the TSX website at www.tsx.com and/or through TMX LINX at https://linx.tmx.com.
- Company Reporting Forms 1, 2, 3, 5, 8, 9, 10[1], 11, 12, 13 and 14 may only be filed via TMX LINX.

[…]

[1] On TMX LINX, the content of former Company Reporting Form 10 is now located in Company Reporting Form 2.

Amendment 10

TSX Listing Agreement

[…]

2. Without limiting the generality of paragraph 1 hereof, the Applicant shall:

[…]

h. notify the Exchange on a monthly basis of any changes to the number of issued securities of any listed class (nil reports being required on a quarterly basis) using TMX LINX™;

[…]

Amendment 11

TSX Listing Application

[…]

DOCUMENTS AND INFORMATION AVAILABLE ON WWW.TMX.COM

The following documents which may be helpful in preparing your listing application are available on www.tmx.com.

Document	Format
TSX Listing Application (and Attachments)	Word
Personal Information Form and Consent for Disclosure of Criminal Record Information Form	Word
Statutory Declaration Form and Consent for Disclosure of Criminal Record Information Form	Word
TSX Original Listing Requirements	HTML
TMX LINX Registration Form	HTML
TSX Listing Fee Schedule	PDF

For more information on the completion of the listing application, the listing requirements, or the listing process, please call (416) 947-4533 or email listedissuers@tmx.com.

PRODUCTS AND SERVICES AVAILABLE TO LISTED ISSUERS

Once listed on TSX, issuers have access to a variety of products and services. A description of these products and services is available on www.tmx.com.

Product/Service
TSX InfoSuite
TMX LINX™
TSX Enhanced Broker Summary
Historical Data Access
Listed Logo Program
Hosting at the Exchange
TMX Learning Academy

For more information on TSX products and services, please call 1-888-788-2490 or email issuersupport@tmx.com.

LIST OF DOCUMENTS TO BE FILED

The following documents must be filed concurrently with the Principal Listing Document and the TSX Listing Application in draft form.

Applicants that are listed on the TSX Venture Exchange may be exempted from filing certain documents as noted below. Please refer to the footnotes for complete details.

[…]

13. Information required to update the Principal Listing Document, including continuous disclosure filings such as material change reports, business acquisition reports, press releases and any other information required to make the listing application current.

[…]

The following documents must be filed after the Applicant has been conditionally approved for listing on TSX, together with any additional documentation specified in the conditional approval letter.

7. Duly completed registration form for TMX LINX which is available on https://www.tsx.com/listings/tsx-and-tsxv-issuer-resources/tmx-linx-exchange-submission-portal.

Amendment 12

Form 1 – Change in Issued and Outstanding Securities

Security Symbol *
Reporting Period: From *
Reporting Period: To *
Issued and Outstanding Opening Balance *
As at *
Issued and Outstanding Closing Balance
Please complete and save the questions above before beginning to add your Working List Items.

Working List
Note: Summary values for share compensation plans and security transactions will be displayed and included in the closing balance once the details are entered.
TSX Security Symbol *
Please select the type of Working Listing Item *
Share Compensation Arrangements
Other Issuances and Cancellations
For transactions that reduce issued capital, please precede the value with the negative symbol (-).

TSX Security Symbol *
Please select the type of Working List Item *
Share Compensation Agreement *
Reporting Period: From *

Reporting Period: To *
Opening Reserve *
As at *
Effective Date
Securities Listed
Securities Issued
Comment
Total Securities Listed
Total Securities Issued
Closing Reserve
As at

TSX Security Symbol *
Please select the type of Working List Item *
Share Compensation Agreement *
Reporting Period: From *
Reporting Period: To *
Stock Options Outstanding Opening Balance *
As at *
Effective Date
SAR Stock Appreciation Rights
Options Granted
Options Exercised
Options Cancelled
SAR Reduction in Reserve
Comment
Total Options Granted
Total Options Cancelled
Total Options Exercised
Total SAR Reduction in Reserve
Stock Options Outstanding Closing Balance
As at

TSX Security Symbol *
Please select the type of Working List Item *
Other Issuances and Cancellations
Reporting Period: From *
Reporting Period: To *
Total
For transactions that reduce issued capital, please precede the value with the negative symbol (-).
Effective Date
Transaction Type
Acquisition
Adjustment
Agreement
Amalgamation
Cancellation
Charitable Options/Warrants
Consolidation
Conversion (General)
Convertible Bonds/Notes/Loans/Debentures
Convertible Preferred Shares
Finder’s Fees
Flow-Thru Shares
Fractional Shares
Issuer Bid
Opening Balance
Original Listing
Other
Over-Allotment Option (Greenshoe)
Private Placement
Prospectus Offering/Public Offering
Reclassification/Reorganization/Substitution

Reconciliation
Redemption/Retraction
Repurchase
Rights Offering
Share Exchange Offer
Shares for Debt/Litigation/Creditors
Split
Stock Dividend (No Plan)
Supplemental Listing
Take-Over Bid/Merger
Warrants
Number of Securities
Comment

Amendment 13

Form 2A - Change in General Company Information

Issuer
Effective Date of Change*
Head Office Address*
City*
Postal/Zip Code*
Country
Province/State
General Email*
Website*
Phone - General*
Extension
Toll Free
Fax

Amendment 14

Form 2B – Change in Jurisdiction of Incorporation (Country only)

Issuer
New Jurisdiction of Incorporation*
Comment
Effective Date of Change*

Amendment 15

Form 2C – Change in Fiscal Year-End

Issuer Name
New Fiscal Year-End*
Effective Date of Change*
Comment

Amendment 16

Form 2D – Change in Interlisting Status

Issuer Name
TSX Security Symbol*
Interlisted Market*
Trading Symbol*
Listed/Delisted Listed Delisted
Effective Date of Change*

Amendment 17

Form 2E – Change in Transfer Agent & Registrar

Issuer
Transfer Agent (New)*
Co-Transfer Agent (If Applicable)
Name of Registrar*
Effective Date of Change*

Amendment 18

Form 3 - Change in Officers / Directors / Trustees

REPRESENTATION AND WARRANTY REGARDING PERSONAL INFORMATION

By submitting this Form 3 to TSX, the Company represents and warrants that the Company has obtained all consents required under applicable law (including without limitation the Personal Information Protection and Electronic Documents Act (Canada)) in order for TSX to use, collect and disclose information contained in this Form 3 that relates to an identifiable individual, and information about such individual collected subsequently by TSX in accordance with Exhibit 1 to this Form 3 (Form 3 Personal Information Collection Policy), for the purposes set out in Exhibit 1 to this Form 3.

EXHIBIT 1: FORM 3 PERSONAL INFORMATION COLLECTION POLICY

Collection, Use and Disclosure

TSX Inc. and its affiliates, their authorized agents, subsidiaries and divisions, including Toronto Stock Exchange and TSX Venture Exchange (collectively referred to as "TSX") collect the information (which may include personal, confidential, non-public, criminal or other information) in Form 3 and in other forms that are submitted by an Issuer and use it for the following purposes:

- to conduct background checks on the individual to whom such information relates (the "Subject"),

- to verify the information that has been provided about the Subject,

- to consider the Subject's suitability to act as an officer, director or insider of an Issuer, as applicable,

- to detect and prevent fraud, and

- to determine whether to request a TSX Personal Information Form (Form 4) for the Subject.

As part of this process, TSX also collects additional information about the Subject from public and non-public sources, including news, regulatory, bankruptcy and court records, and internal TSX databases, to ensure that the purposes set out above can be accomplished.

Personal information may be transferred (or otherwise made available) to our affiliates and other third parties who provide services on our behalf. For example, we use service providers to help us process, store and secure data. This may include sending email or other communications using their online services. Our service providers are given the information they need to perform their designated functions, and are not authorized to use or disclose personal information for their own purposes. Personal information may be maintained and processed by us, our affiliates and other third party service providers in other jurisdictions. In the event personal information is transferred to another jurisdiction, it will be subject to the laws of that jurisdiction and may be disclosed to or accessed by the courts, law enforcement and governmental authorities in accordance with those laws.

Due to the nature of Internet communications and evolving technologies, TSX cannot provide assurance that the information that is submitted or sent by e-mail or other electronic communication will remain free from loss, interception, misuse or alteration by third parties and neither TSX nor its service providers shall have any liability for any loss, interception, misuse or alteration.

Security

The personal information that is retained by TSX is kept in a secure environment. Only those employees of TSX or its service providers who require access to personal information in order to accomplish the purposes and/or services identified above will be authorized to access to personal information.

Employees of TSX or its service providers who have access to personal information are obligated to keep it confidential.

Accuracy

Information about the Subject maintained by TSX that is identified by the Subject as inaccurate or obsolete will be replaced or removed, as applicable.

Questions

If you have any questions or enquiries with respect to the privacy principles outlined above or about our practices, please send a written request to: Chief Privacy Officer, TMX Group, 300 – 100 Adelaide Street West, Toronto, Ontario, Canada, M5H 1S3 or by e-mail to privacyofficer@tmx.com.

Civil Title*
- Dr.
- M.
- Miss
- Mme.
- Mr.
- Mrs.
- Ms.

First Name
Full Middle Name
Surname
Date of Birth
Full legal middle name is required, initials are not accepted. If a person does not have a middle name, enter "N/A".

Previously used names and or/names commonly known by, maiden name

Current and previous addresses for the past 10 years

RESIDENTIAL HISTORY - Provide all residential addresses for the past 10 YEARS starting with your current principal residential address. If you are unable to correctly identify the complete residential address for a period, which is beyond five years from the date of completion of this form, the municipality and province or state and country must be identified. TSX reserves the right to require the full address

FULL ADDRESS Street Address, City, Province/State, Country and Postal/Zip Code
FROM
TO

Email Address
Telephone
Are you a Canadian Citizen?
- Yes
- No

Do you hold citizenship in any other country other than Canada?
- Yes
- No

If “Yes”, the name of the country(s)÷
Please provide U.S. Social Security Number, where you have such a number
Comment

Position
- Auditor
- Chair of the Board
- Chief Executive Officer
- Chief Legal Officer
- Chief Operating Officer
- Chief Technology Officer
- Continuous Disclosure
- Controller
- Corporate Secretary

Director
Executive Vice President
Foreign Registrar
General Contact
Head of Compliance
Head Trader
Investor Relations
Legal Counsel
Officer
President
Registrar
Senior Executive
Senior Vice President
Treasurer
Trustee
Vice Chair
Vice President

Full Position Title
Effective Date

Civil Title*
Dr.
M.
Miss
Mme.
Mr.
Mrs.
Ms.

First Name
Full Middle Name
Surname
Position
If person holds multiple positions, one record must be created for each.
Auditor
Chair of the Board
Chief Executive Officer
Chief Legal Officer
Chief Operating Officer
Chief Technology Officer
Continuous Disclosure
Controller
Corporate Secretary
Director
Executive Vice President
Foreign Registrar
General Contact
Head of Compliance
Head Trader
Investor Relations
Legal Counsel
Officer
President
Registrar
Senior Executive
Senior Vice President
Treasurer
Trustee
Vice Chair
Vice President

Full Position Title
Effective Date
If yet to be appointed, enter future appointment date or leave date empty, to be added once confirmed.

End Date
Once entered, will render the appointment as inactive.

Amendment 19

Form 5 - Dividend / Distribution Declaration

WHEN TO FILE :

a) After the declaration of the dividend and at least 5 trading days prior to the dividend record date or,

b) Immediately after the decision has been made to omit or defer a dividend

HOW :

Via TMX LINX (issuer may also want to follow up with a phone call to Dividend Administration)

QUESTIONS :

Dividend Administration - Call 416.947.4663

NOTE:
If the dividend being declared is a stock dividend, the Company must also comply with the requirements in the Toronto Stock Exchange Company Manual under the headings "Stock Dividends" and "Additional Listings". For dividends without a cash component, a Form 5 is not required.

Issuer Name
Submitter Telephone Number*
Officer Contact Information
Name:*
Telephone Number*
Email*

TSX Security Symbol*
Type of Dividend*
Regular Dividend (Dividend with fixed frequency, e.g. monthly or quarterly)
Occasional Dividend (Dividend with no fixed frequency, but not a special/extra Dividend)
Special/Extra Dividend (one-time Dividend)
Omitted Dividend (departure from a previously established dividend policy, e.g. monthly or quarterly - a Dividend expected but not declared)
Deferred Dividend (postponement of a cumulative Dividend payment)
Resumption (first Dividend to be paid following an omission/deferral)

- Regular Dividend (Dividend with fixed frequency, e.g. monthly or quarterly)

Declaration Date*
Payable Date in Canada*
Record Date in Canada*

Please note that if an issuer notifies TSX less than five trading days prior to the record date, in accordance with Section 430 of the TSX Company Manual, the issuer will be held liable for Dividend claims made by both buyers and sellers of the securities.

Is this the first time a dividend is being declared on this security with TSX?*
Yes
Frequency of Dividend*
Monthly
Bi-Monthly
Quarterly
Semi-Annually
Annually
Interim
Not Applicable
Actual/approximate annual dollar amount of Dividend per security (if known)

No

Except for variable dividend amount types, please specify if the amount per share changed from the previous declaration.

Certainty of Dividend Amount*
The amount is actual/final
The amount is estimated
The amount is unknown at this time
Applicable Notes*

Please note that if the amount is an estimated/unknown amount, you must file an amended Form 5 when the amount is finalized.
Cash Amount per Dividend*
For stock only dividends, refer to the NOTE on the summary page.
Currency of Dividend*
Canadian Dollar
U.S. Dollar
Foreign

The Exchange will normally defer ex-dividend trading by using Due Bills when the Dividend per listed security represents 25% or more of the value of the security on TSX on the declaration date.

For information about Due Bills, please see Section 429.1 of the TSX Company Manual.

Are there Due Bills attached to this Dividend?*
Yes
No

Is there a security portion as part of this Dividend?*
Yes
Provide details (per security)*
No

Is the security also listed in the U.S?*
Yes
Please note if the security is listed on one of the following markets*
New York Stock Exchange
NYSE MKT
Nasdaq
No

Please note that if the information about the Dividend is material and the market has not been notified (i.e. via news release), the issuer must contact IIROC.

If the issuer has not notified the market yet, can TSX publish a dividend bulletin immediately?*
Yes
No
Reason for the delay*

Date when TSX can publish the bulletin*
Time when TSX can publish the bulletin*
Pre-Open
Post Market Close
Other

Additional Details/Comments

- Occasional Dividend (Dividend with no fixed frequency, but not a special/extra Dividend)

Declaration Date*
Payable Date in Canada*
Record Date in Canada*

Please note that if an issuer notifies TSX less than five trading days prior to the record date, in accordance with Section 430 of the TSX Company Manual, the issuer will be held liable for Dividend claims made by both buyers and sellers of the securities.

Is this the first time a dividend is being declared on this security with TSX?*
- Yes
- No

Certainty of Dividend Amount*
- The amount is actual/final
- The amount is estimated
- The amount is unknown at this time
  - Applicable Notes*

Please note that if the amount is an estimated/unknown amount, you must file an amended Form 5 when the amount is finalized.
Cash Amount per Dividend*
For stock only dividends, refer to the NOTE on the summary page.

Currency of Dividend*
- Canadian Dollar
- U.S. Dollar
- Foreign

The Exchange will normally defer ex-dividend trading by using Due Bills when the Dividend per listed security represents 25% or more of the value of the security on TSX on the declaration date.

For information about Due Bills, please see Section 429.1 of the TSX Company Manual.

Are there Due Bills attached to this Dividend?*
- Yes
- No

Is there a security portion as part of this Dividend?*
- Yes
  - Provide details (per security)*
- No

Is the security also listed in the U.S?*
- Yes
  - Please note if the security is listed on one of the following markets*
    - New York Stock Exchange
    - NYSE MKT
    - Nasdaq
- No

Please note that if the information about the Dividend is material and the market has not been notified (i.e. via news release), the issuer must contact IIROC.

If the issuer has not notified the market yet, can TSX publish a dividend bulletin immediately?*
- Yes
- No
  - Reason for the delay*

Date when TSX can publish the bulletin*
Time when TSX can publish the bulletin*
- Pre-Open
- Post Market Close
- Other

Additional Details/Comments
- Special/Extra Dividend (one-time Dividend)

Declaration Date*
Payable Date in Canada*

Record Date in Canada*

Please note that if an issuer notifies TSX less than five trading days prior to the record date, in accordance with Section 430 of the TSX Company Manual, the issuer will be held liable for Dividend claims made by both buyers and sellers of the securities.

Certainty of Dividend Amount*
- The amount is actual/final
- The amount is estimated
- The amount is unknown at this time
  - Applicable Notes*

Please note that if the amount is an estimated/unknown amount, you must file an amended Form 5 when the amount is finalized.

Cash Amount per Dividend*
For stock only dividends, refer to the NOTE on the summary page.

Currency of Dividend*
- Canadian Dollar
- U.S. Dollar
- Foreign

The Exchange will normally defer ex-dividend trading by using Due Bills when the Dividend per listed security represents 25% or more of the value of the security on TSX on the declaration date.

For information about Due Bills, please see Section 429.1 of the TSX Company Manual.

Are there Due Bills attached to this Dividend?*
- Yes
- No

Is there a security portion as part of this Dividend?*
- Yes
  - Provide details (per security)*
- No

Is the security also listed in the U.S?*
- Yes
  - Please note if the security is listed on one of the following markets*
    - New York Stock Exchange
    - NYSE MKT
    - Nasdaq
- No

Please note that if the information about the Dividend is material and the market has not been notified (i.e. via news release), the issuer must contact IIROC.

If the issuer has not notified the market yet, can TSX publish a dividend bulletin immediately?*
- Yes
- No
  - Reason for the delay*

Date when TSX can publish the bulletin*
Time when TSX can publish the bulletin*
- Pre-Open
- Post Market Close
- Other

Additional Details/Comments

- Omitted Dividend (departure from a previously established dividend policy, e.g. monthly or quarterly - a Dividend expected but not declared)

Decision Date*
First Affected Payment Date*

Please note that if the information about the Dividend is material and the market has not been notified (i.e. via news release), the issuer must contact IIROC.

If the issuer has not notified the market yet, can TSX publish a dividend bulletin immediately?*
Yes
No
Reason for the delay*

Date when TSX can publish the bulletin*
Time when TSX can publish the bulletin*
Pre-Open
Post Market Close
Other

Additional Details/Comments

- Deferred Dividend (postponement of a cumulative Dividend payment)

Please note that TSX does not require another Form 5 until resumption of Dividend

Decision Date*
First Affected Payment Date*
Initial Affected Period: From*
Initial Affected Period: To*

Please note that if the information about the Dividend is material and the market has not been notified (i.e. via news release), the issuer must contact IIROC.

If the issuer has not notified the market yet, can TSX publish a dividend bulletin immediately?*
Yes
No
Reason for the delay*

Date when TSX can publish the bulletin*
Time when TSX can publish the bulletin*
Pre-Open
Post Market Close
Other

Additional Details/Comments

- Resumption (first Dividend to be paid following an omission/deferral)

Declaration Date*
Payable Date in Canada*
Record Date in Canada*

Please note that if an issuer notifies TSX less than five trading days prior to the record date, in accordance with Section 430 of the TSX Company Manual, the issuer will be held liable for Dividend claims made by both buyers and sellers of the securities.

Type of Dividend to be resumed*
Regular Dividend
Occasional Dividend
Special Dividend

Frequency of Dividend*
Monthly
Bi-Monthly
Quarterly
Semi-Annually

Annually
Interim
Not Applicable

Certainty of Dividend Amount*
The amount is actual/final
The amount is estimated
The amount is unknown at this time
Applicable Notes*

Please note that if the amount is an estimated/unknown amount, you must file an amended Form 5 when the amount is finalized.

Cash Amount per Dividend*
For stock only dividends, refer to the NOTE on the summary page.

Currency of Dividend*
Canadian Dollar
U.S. Dollar
Foreign

The Exchange will normally defer ex-dividend trading by using Due Bills when the Dividend per listed security represents 25% or more of the value of the security on TSX on the declaration date.

For information about Due Bills, please see Section 429.1 of the TSX Company Manual.

Are there Due Bills attached to this Dividend?*
Yes
No

Is there a security portion as part of this Dividend?*
Yes
Provide details (per security)*
No

Is the security also listed in the U.S?*
Yes
Please note if the security is listed on one of the following markets*
New York Stock Exchange
NYSE MKT
Nasdaq
No

Please note that if the information about the Dividend is material and the market has not been notified (i.e. via news release), the issuer must contact IIROC.

If the issuer has not notified the market yet, can TSX publish a dividend bulletin immediately?*
Yes
No
Reason for the delay*

Date when TSX can publish the bulletin*
Time when TSX can publish the bulletin*
Pre-Open
Post Market Close
Other

Additional Details/Comments

Amendment 20

Form 8 - Change in Investor Relations Contact

Issuer
Symbol*
Effective Date of Change*
Civil title*
First Name*
Middle Name(s)
Surname*
Professional Designations
Title*
Address*
City*
Country*
Province/State
Postal/Zip Code*
Email*
Phone*
Extension
Fax

Amendment 21

Form 9A - Request for Extension or Exemption for Financial Reporting / Annual Meeting

Issuer Name
Apply to Fiscal Year*
Annual Meeting Proposed Date*
Reason *

Amendment 22

Form 9B – Request for Extension for Financial Reporting

Issuer
Apply to Fiscal Year*
Annual Financials
Proposed Date
Reason
Quarterly Financials
Quarter 1st Quarter 2nd Quarter 3rd Quarter
Proposed Date
Reason

Amendment 23

Form 9C – Request for Exemption for Financial Reporting/Annual Meeting

Issuer
Annual Meeting
Fiscal Year
Court Order Yes No
Securities Commission Order? Yes No
Reason
Financial Statements
Effective Date
Quarterly Financials
1st Quarter 2nd Quarter 3rd Quarter
Court Order Yes No
Securities Commission Order? Yes No
Reason

Annual Financials
Court Order Yes No
Securities Commission Order? Yes No
Reason

Amendment 24

Form 11 - Notice of Private Placement - Instructions

[…]

HOW: Via TMX LINX at https://linx.tmx.com/.

[…]

Amendment 25

Form 11A - Price Protection Form - Instructions

[…]

HOW: Via TMX LINX at https://linx.tmx.com/.

[…]

Amendment 26

Form 12 - Notice of Intention To Make a Normal Course Issuer Bid ("NCIB") - Instructions

[…]

HOW: Via TMX LINX at https://linx.tmx.com/.

[…]

Amendment 27

Form 13 - Notice of Intention To Make a Debt Substantial Issuer Bid ("DSIB")

[…]

Via TMX LINX at https://linx.tmx.com/.

HOW:

[…]

Amendment 28

Form 14 A – NCIB Monthly Report for Investment Funds

[…]

Instructions:

[…]

Purchases made under an issuer bid circular do not count towards NCIB purchases and should not be reported using this Form 14A, but reported using Form 1 - "Change in Issued and Outstanding Securities" which must be filed through TMX LINX within ten (10) days of the end of the month.

[…]

Amendment 29

Form 14B – NCIB Monthly Report for Issuers that are not Investment Funds

[…]

Instructions:

[…]

Purchases made under an issuer bid circular do not count towards NCIB purchases and should not be reported using this Form 14B, but reported using Form 1 - "Change in Issued and Outstanding Securities" which must be filed through TMX LINX within ten (10) days of the end of the month.

[…]

13.2.2 Carta Capital Markets, LLC – Application for an Exemption from the Marketplace Rules – Notice and Request for Comment

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

AND

IN THE MATTER OF
CARTA CAPITAL MARKETS, LLC

NOTICE AND REQUEST FOR COMMENT

APPLICATION BY
CARTA CAPITAL MARKETS, LLC
FOR AN EXEMPTION FROM THE MARKETPLACE RULES

A. Background

Carta Capital Markets, LLC (**Carta**) has applied for an exemption from National Instrument 21-101 *Marketplace Operation* (**NI 21-101**), National Instrument 23-101 *Trading Rules* (**NI 23-101**), and National Instrument 23-103 *Electronic Trading and Direct Electronic Access to Marketplaces* (**NI 23-103** and, together with NI 21-101 and NI 23-101, the **Marketplace Rules**), in their entirety.

Carta is a registered broker-dealer with the Securities and Exchange Commission and is a member of the Financial Industry Regulatory Authority. It operates an alternative trading system known as "CartaX." CartaX facilitates secondary market transactions in securities (**Eligible Securities**) of eligible private issuers.

B. Requested Relief

Two types of transactions are offered on CartaX:

- secondary purchases and sales of Eligible Securities which facilitate price discovery through a single-price auction-based mechanism; and
- offerings by an Eligible Issuer or one or more third parties to the current holders of Eligible Securities of the Eligible Issuer to buy the Eligible Securities at a set price.

C. Application and Draft Decision Document

In its application, Carta has describes its operations and the details of the exemptive relief requested. The application also requests relief from dealer registration requirements. The application and draft decision document with terms and conditions are posted on our website www.osc.ca.

D. Comment Process

We are seeking public comment on Carta's application.

Please provide your comments in writing, or via email, on before December 23, 2021.

Questions may be referred to:

Timothy Baikie
Senior Counsel, Market Regulation
Ontario Securities Commission
Email: tbaikie@osc.gov.on.ca

Hanna Cho
Legal Counsel, Market Regulation
Ontario Securities Commission
Email: hcho@osc.gov.on.ca

Index