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Chapter 1

Notices

1.1 Notices

1.1.1 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



Canadian Securities
Administrators

Autorités canadiennes
en valeurs mobilières

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

First Published April 3, 2020; Updated April 16, 2020 and May 1, 2020

On March 23, 2020, the Canadian Securities Administrators (**CSA**) published substantively harmonized temporary exemptions from certain regulatory filing requirements as a result of COVID-19. The CSA has implemented the relief through local blanket orders that are substantively harmonized across the country.

This notice contains CSA staff's views on frequently asked questions (**FAQs**) about the exemptions from certain corporate finance requirements provided by the CSA that apply to reporting issuers and other issuers that are not investment funds in the following local blanket orders (collectively, the **Blanket Order**):

- In Alberta, Blanket Order 51-517 *Temporary Exemption from Certain Corporate Finance Requirements (ASC Blanket Order 51-517)*
- In British Columbia, BC Instrument 51-515 *Temporary Exemption from Certain Corporate Finance Requirements (BC Instrument 51-515)*
- In Ontario, Ontario Instrument 51-502 *Temporary Exemption from Certain Corporate Finance Requirements (OSC Instrument 51-502)*
- In Quebec, Decision No. 2020-PDG-0023 *Décision générale relative à la prolongation de délais concernant certaines obligations d'information continue et de prospectus applicables aux émetteurs et aux agences de notation désignées (AMF Decision 2020-PDG-0023)*
- In Manitoba, Manitoba Blanket Order 52-502 *Temporary Exemption from Certain Corporate Finance Requirements (Manitoba Blanket Order 52-502)*
- In New Brunswick, Blanket Order 51-507 *Temporary Exemption from Certain Corporate Finance Requirements (FCNB Blanket Order 51-507)*
- In Newfoundland and Labrador, Blanket Order Number 110 *Temporary Exemption from Certain Corporate Finance Requirements (NL Blanket Order 110)*
- In Nova Scotia, Blanket Order 51-509 *Temporary Exemption from Certain Corporate Finance Requirements (NSSC Blanket Order 51-509)*
- In Saskatchewan, General Order 51-501 *Temporary Exemption from Certain Corporate Finance Requirements (FCAA General Order 51-501)*
- In Prince Edward Island, Blanket Order 51-503 *Temporary Exemption from Certain Corporate Finance Requirements (PEI Blanket Order 51-503)*
- In the Northwest Territories, Blanket Order 51-502 *Temporary Exemption from Certain Corporate Finance Requirements (NWT Blanket Order 51-502)*

- In Yukon, Superintendent Order 2020-02 *Temporary Exemption from Certain Corporate Finance Requirements (Yukon SO 2020-02)*
- In Nunavut, Blanket Order 51-502 *Temporary Exemption from Certain Corporate Finance Requirements (NU Blanket Order 51-502)*

In these FAQs:

- “**extension period**” means the 45-day extension period provided for in the Blanket Order.
- “**Filing or Delivery Exemption**” means
 - (a) the exemption from the Group A requirements in BC Instrument 51-515, NL Blanket Order 110, NWT Blanket Order 51-502, Yukon SO 2020-02, NU Blanket Order 51-502, PEI Blanket Order 51-503,
 - (b) the exemption from the requirements in Exhibit A of OSC Instrument 51-502, FCNB Blanket Order 51-507 and NSSC Blanket Order 51-509,
 - (c) the exemption from the requirements in Appendix A of ASC Blanket Order 51-517 and Manitoba Blanket Order 52-502,
 - (d) the exemption from the requirements in *Annexe A* of AMF Decision 2020-PDG-0023, and
 - (e) the exemption in section 1 of the FCAA General Order 51-501.
- “**OM Ongoing Disclosure Exemption**” means the exemption from the ongoing disclosure requirements in connection with distributions made under the offering memorandum exemption set out in subsections 2.9(17.4), (17.5) or (17.6) of National Instrument 45-106 *Prospectus Exemptions (NI 45-106)*, as applicable, and subsection 2.9(17.19) of NI 45-106 provided in OSC Instrument 51-502, ASC Blanket Order 51-517, AMF Decision 2020-PDG-0023, FCAA General Order 51-501, FCNB Blanket Order 51-507 and NSSC Blanket Order 51-509.

If you cannot find the answer to your question here, please contact your principal regulator. We intend to update the FAQs as we receive more inquiries and encourage you to check for updates to this notice.

A. MATERIAL BUSINESS DEVELOPMENT

A1. The Filing or Delivery Exemption in the Blanket Order refers to a “material business development.” How should an issuer determine whether a business development is material?

As with any materiality determination, the determination of whether a business development constitutes a material business development depends on facts and circumstances and may vary from issuer to issuer. When assessing if a business development is material, an issuer should reference existing securities rules and policies for guidance.

The concept of materiality is referenced in a number of existing securities rules and policies, including:

- The interpretative provision in Part 1(f) of Form 51-102F1 *Management’s Discussion & Analysis* and Part 1(e) of Form 51-102F2 *Annual Information Form* that states “Would a reasonable investor’s decision whether or not to buy, sell or hold securities in your company likely be influenced or changed if the information in question was omitted or misstated? If so, the information is likely material.”
- Section 4.2(1) of National Policy 51-201 *Disclosure Standards (NP 51-201)* that states “in making materiality judgements, it is necessary to take into account a number of factors that cannot be captured in a simple bright-line standard or test. These include the nature of the information itself, the volatility of the company’s securities and prevailing market conditions. The materiality of a particular event or piece of information may vary between companies according to their size, the nature of their operations and many other factors. An event that is “significant” or “major” for a smaller company may not be material to a larger company. Companies should avoid taking an overly technical approach to determining materiality. Under volatile market conditions, apparently insignificant variances between earnings projections and actual results can have a significant impact on share price once released.”
- The non-exhaustive list of potentially material information contained in Section 4.3 of NP 51-201.

- The guidance provided in sections 9 and 12 of National Policy 12-203 *Management Cease Trade Orders (NP 12-203)*.

B. CALCULATION OF TIME PERIOD

B1. How do I calculate the extension period under the Blanket Order? Does the extension period start on the calendar day following the deadline date?

Yes, the extension period starts on the next calendar day following the deadline date. For example, if the deadline is March 30, 2020, the first day of the 45 day period is March 31, 2020. The extension period would end on May 14, 2020.

C. PROSPECTUSES

C1. If an issuer uses the Filing or Delivery Exemption in the Blanket Order, does the condition requiring that the issuer not file a preliminary or final prospectus unless their continuous disclosure record is current also apply to renewal of a base shelf prospectus, a non-offering prospectus, an amended and restated prospectus, a PREP prospectus, an amendment to a final prospectus or the filing of a prospectus supplement under an existing base shelf prospectus?

Yes. The prohibition against filing a preliminary or final prospectus until the continuous disclosure record of an issuer is current applies to preliminary and final base shelf prospectuses even if there is no specific offering contemplated at the time. Similarly, the prohibition applies to a non-offering prospectus, an amended and restated prospectus, a PREP prospectus or an amendment to a final prospectus. CSA staff are also of the view that the prohibition would preclude an issuer from completing a prospectus offering which requires or will require the filing of a prospectus supplement to an existing base shelf prospectus.

C2. Does the Blanket Order provide an extension of the 90 and 180 day lapse period contained in section 2.3 of National Instrument 41-101 *General Prospectus Requirements (NI 41-101)*?

No, the Blanket Order does not provide an extension of the 90 and 180 day lapse date period contained in section 2.3 of NI 41-101. The 90 and 180 day limits in section 2.3 of NI 41-101 still apply. Issuers that have questions about section 2.3 of NI 41-101 should contact their principal regulator.

C3. If an issuer has obtained a receipt for a prospectus and is currently in the 90 day distribution period of a best efforts distribution, what will happen if the issuer would like to rely on the Blanket Order during the extension period?

CSA staff are of the view that issuers that wish to rely on the Blanket Order during an ongoing prospectus distribution should cease the distribution. Issuers in this circumstance should contact their principal regulator to discuss this matter as soon as possible.

D. ANNUAL GENERAL MEETING OF SECURITYHOLDERS AND RELATED MATTERS (Updated May 1, 2020)

D1. CSA staff are aware that certain stock exchange rules were recently amended in response to COVID-19 to permit issuers to delay their annual general meeting of securityholders to December 31, 2020. CSA staff are also aware that the Government of Ontario announced on March 31, 2020 an emergency order to provide flexibility for annual meetings under the *Business Corporations Act (Ontario)*.

- The deadline extension provided for in the Blanket Order is for a period of 45 days and is only available for certain documents required to be filed, sent or delivered during the period from March 23, 2020 to June 1, 2020. The Blanket Order does not contemplate a deadline extension for the filing, sending or delivery of management information circulars or proxy materials for a meeting of securityholders.
- On May 1, 2020 the CSA published, in local blanket orders, substantively harmonized temporary exemptions from certain executive compensation disclosure requirements and delivery requirements related to management information circulars and certain financial statements and MD&A. Please see Appendix A for a list of the local blanket orders in each jurisdiction (collectively, the **Executive Compensation and Delivery Matters Blanket Order**). Please note that the relief in the Executive Compensation and Delivery Matters Blanket Order is limited and contains specific terms and conditions. Issuers should refer to the applicable Executive Compensation and Delivery Matters Blanket Order. CSA staff note that if we receive sufficient inquiries regarding the Executive Compensation and Delivery Matters Blanket Order, we intend to publish a separate CSA staff notice containing frequently asked questions related to the Executive Compensation and Delivery Matters Blanket Order. Issuers that have questions with respect to the Executive Compensation and Delivery Matters Blanket Order are encouraged to contact their principal regulator.
- Issuers should also refer to the CSA press release *Canadian securities regulators provide guidance on conducting Annual General Meetings during COVID-19 outbreak* that was issued on March 20, 2020.

- The CSA does not establish meeting requirements. Those requirements are established under the corporate law (or equivalent legislation) applicable to an issuer and its constating documents. Issuers should review their applicable corporate law or other governing statutes and any exemptions or guidance provided by the corporate law regulator or equivalent in the applicable jurisdiction.

E. ANNUAL INFORMATION FORM

E1. Form 51-102F2 states the annual information form needs to be dated no earlier than the date of the auditor's report of an issuer's financial statements. If an issuer will be delaying the filing of its annual financial statements pursuant to the Blanket Order, can it file its annual information form before filing its annual financial statements for its most recently completed financial year?

No. The Filing or Delivery Exemption provides only a filing exemption for an annual information form. It does not provide an exemption from the content requirement. An issuer may utilize the exemptive relief provided in the Filing or Delivery Exemption of the Blanket Order with respect to the filing of an annual information form provided the conditions of the Blanket Order are met.

F. NORMAL COURSE ISSUER BIDS

F1. If an issuer is relying on the Filing or Delivery Exemption in the Blanket Order, is the issuer restricted from purchasing its securities in reliance on the normal course issuer bid exemptions set out in section 4.8 of National Instrument 62-104 *Take-Over Bids and Issuer Bids*?

An issuer should not make purchases of its own securities pursuant to a normal course issuer bid while it is in possession of material undisclosed information, except to the extent that such purchases are made pursuant to an automatic securities purchase plan that is established and conducted in a manner consistent with the principles set out in OSC Staff Notice 55-701 *Automatic Securities Disposition Plans and Automatic Securities Purchase Plans*. We note that these views are consistent with requirements under the by-laws, rules, regulations and policies of designated exchanges (see, for example, section 629(1)6 of the rules of the Toronto Stock Exchange). Issuers should carefully assess whether they are in possession of material undisclosed information.

Where an issuer is relying on the Filing or Delivery Exemption in the Blanket Order, there may be a heightened risk that the issuer, its management and other insiders may have material information that has not been publicly disclosed. If reliance on the Filing or Delivery Exemption in the Blanket Order means that the issuer, its management and insiders are in possession of material undisclosed information, we would expect the issuer to suspend any normal course issuer bids that are in operation (except where an automatic securities purchase plan has previously been established and is operative).

Generally, we would expect that an issuer will not make purchases of its own securities in reliance on the normal course issuer bid exemptions (except pursuant to previously established and operative automatic securities purchase plans) until such time as the issuer's black-out policy is no longer applicable to its management and other insiders and all material undisclosed information has been disseminated.

G. ISSUER IN MULTIPLE JURISDICTIONS

G1. Each CSA jurisdiction has adopted its own blanket order. Are there differences between the blanket orders enacted in each jurisdiction?

The blanket orders are substantively harmonized. There are some minor areas of difference including those described below.

Issuers relying on the blanket orders for an exemption discussed below will need to review the blanket order in each applicable jurisdiction.

The blanket orders contain differences in respect of the offering memorandum exemption (**OM Exemption**) in section 2.9 of NI 45-106 as the ongoing disclosure requirements for issuers relying on the OM Exemption vary by jurisdiction and, where applicable, are set out in different subsections of section 2.9 of NI 45-106.

- OSC Instrument 51-502, FCAA General Order 51-105, FCNB Blanket Order 51-507 and AMF Decision 2020-PDG-0023 refer to subsection 2.9(17.5) of NI 45-106
- ASC Blanket Order 51-517 refers to subsection 2.9(17.4) of NI 45-106
- NSSC Blanket Order 51-509 refers to subsection 2.9(17.6) of NI 45-106

The blanket orders in British Columbia, Manitoba, Newfoundland and Labrador, Northwest Territories, Prince Edward Island and Yukon do not provide the OM Ongoing Disclosure Exemption because those requirements do not apply in those jurisdictions.

Other jurisdictions, including Ontario, Alberta, Saskatchewan, Quebec, Nova Scotia and New Brunswick have provided the OM Ongoing Disclosure Exemption in their blanket orders. An issuer that has relied on the OM Exemption to distribute securities in other jurisdictions may want to review the blanket orders in those jurisdictions to ensure that the issuer is complying with the exemptions from those requirements.

We note that section 11 of OSC Instrument 51-502, ASC Blanket Order 51-517, FCNB Blanket Order 51-507 and section 5 of FCAA General Order 51-501 permit a filer relying on the filing extension for certain filings under the OM Exemption to simply refer to the order of the principal regulator of the filer in the news release required to be issued to announce the issuer's reliance on the filing extension. Section 5 of AMF Decision 2020-PDG-0023, section 3 of NSSC Blanket Order 51-509 and section 3 of FCAA General Order 51-501 contain a similar provision.

Issuers with specific questions about a blanket order should contact the applicable securities regulator.

H. NEWS RELEASES

H1. If an issuer issues and files the news release required by the Blanket Order on SEDAR, does the issuer need to do anything else with respect to the news release?

Issuers that are listed on exchanges are still required to comply with the rules, regulations and policies of the applicable exchange, including those related to the dissemination of a news release. This may also include compliance with IIROC requirements. Issuers that are also reporting issuers in jurisdictions outside of Canada must also comply with applicable rules in those jurisdictions.

Issuers that are SEDAR filers but whose securities are not listed on any stock exchange and that do not report in jurisdictions outside of Canada are only required to issue and file the news release on SEDAR.

I. MANAGEMENT CEASE TRADE ORDER (MCTO)

I1. If an issuer is subject to an MCTO and the issuer cannot file the outstanding continuous disclosure documents by the date expected in accordance with NP 12-203, is the issuer able to rely on the Blanket Order extension period with respect to the outstanding filings?

No, the issuer cannot rely on the extension period in the Blanket Order. The issuer should contact the CSA jurisdiction that issued the MCTO as soon as possible if the issuer expects it will not be able to file the outstanding continuous disclosure documents by the date expected in accordance with NP 12-203.

J. EXTENSION PERIOD

J1. If an issuer is relying on the Filing or Delivery Exemption in the Blanket Order but is unable to meet its filing and delivery obligations by the end of the extension period, what should the issuer do?

As noted in the CSA news release dated March 23, 2020 regarding the Blanket Order, the CSA is closely monitoring the situation and will consider whether further relief or extension is necessary. Issuers in this circumstance should contact their principal regulator as soon as possible and before the end of the extension period. Issuers are reminded that an MCTO application may be appropriate in these circumstances.

J2. What should an issuer do if the due date for its filing is after June 1, 2020?

As noted in the CSA news release dated March 23, 2020 regarding the Blanket Order, the CSA is closely monitoring the situation and will consider whether further relief or extension is necessary. Please contact your principal regulator if you have any concerns.

K. OM ONGOING DISCLOSURE EXEMPTION

K1. Is an issuer who raises capital under the OM Exemption in section 2.9 of NI 45-106, considered a SEDAR filer and required to file a news release on SEDAR? How do I know if I am considered a SEDAR Filer?

Non-reporting issuers that have used the OM Exemption in Saskatchewan, Quebec and New Brunswick may be required to file materials, including the news release required under the OM Ongoing Disclosure Exemption, on SEDAR and therefore may be SEDAR Filers. Non-reporting issuers in Alberta that have used the OM Ongoing Disclosure Exemption are required to file the

news release on SEDAR as a condition of ASC Blanket Order 51-517. Non-reporting issuers that have used the OM Exemption in Nova Scotia are required to file the news release on SEDAR. Issuers should refer to Multilateral CSA Staff Notice 13-323 *Frequently Asked Questions About Making Exempt Market Offering and Disclosure Filings on SEDAR* and, when applicable, the SEDAR Filer Manual (available on the “About SEDAR” page on the SEDAR website at www.sedar.com) for further details.

K2. Have the CSA jurisdictions provided relief from the requirement to file a report of exempt distribution (Form 45-106F1) or provided an extension for the filing of the report of exempt distribution?

No. Issuers that distribute securities relying on prospectus exemptions that require a report of exempt distribution are required to file the report within the time periods specified in section 6.1 of NI 45-106 or in the specific exemption (which is generally 10 days following the distribution).

K3. Do issuers planning to rely on the OM Exemption have to include in the offering memorandum audited annual financial statements within 120 days after year-end?

The Blanket Order does not provide relief from any disclosure requirements set out in the required form of offering memorandum (Form 45-106F2 or Form 45-106F3) to include annual financial statements. Accordingly, if an issuer chooses to conduct an offering under the OM Exemption in section 2.9 of NI 45-106 during the period from March 23, 2020 to June 1, 2020, the offering memorandum would have to contain the annual financial statements required by the applicable form under section 6.4 of NI 45-106.

Issuers should refer to the OM Ongoing Disclosure Exemption in the applicable Blanket Order in Alberta, New Brunswick, Nova Scotia, Ontario, Quebec and Saskatchewan. The OM Ongoing Disclosure Exemption only applies to the requirement in subsections 2.9 (17.4 and 17.5) of NI 45-106 for an issuer to deliver audited annual financial statements to the securities regulatory authority in Alberta, New Brunswick, Ontario, Quebec and Saskatchewan. The OM Ongoing Disclosure Exemption applies to the requirement in subsection 2.9(17.6) of NI 45-106 for an issuer to make reasonably available annual financial statements to securityholders in Nova Scotia. If an issuer relies on the OM Ongoing Disclosure Exemption in the applicable Blanket Order for the annual financial statements required by subsection 2.9 (17.4), (17.5) or (17.6) of NI 45-106, it would have an additional 45 days to deliver the financial statements required by that subsection.

L. INSIDER REPORTING

L1. Does the Blanket Order provide an extension period for insider reports, including those related to compensation plans?

No. The Blanket Order does not provide an extension period for insider reports, including those related to compensation plans. Insiders continue to be required to file their insider reports on SEDI within the required period.

M. FILING FEES (added April 16, 2020)

M1. If an issuer is relying on a filing exemption in the Blanket Order, when are the corresponding filing fees payable?

The Blanket Order provides the extension period for a number of filings, subject to certain conditions, including that the issuer file a news release on SEDAR identifying the relief that is being relied upon. Under local securities laws, certain filings may trigger the payment of various fees. In these circumstances, issuers that rely on the Blanket Order to defer filings may pay the corresponding fees at the time the filings are made.

If an issuer is relying on the Blanket Order to extend the deadline of a required filing, then that filing is not late and the issuer will not be noted in default, provided that the filing is made within the extension period.

M2. Can an issuer pay filing fees related to its annual financial statements anytime during the extension period, even after it files its annual financial statements? Will late fees for annual or interim financial statement filings apply?

Many market participants are facing significant challenges due to the COVID-19 pandemic. An issuer can pay applicable filing fees anytime during the extension period. Provided that the filings have been made and the applicable fees are paid before the expiry of the extension period, the issuer will not be noted in default and a late fee will not apply. Some jurisdictions may also issue blanket orders, in connection with late fees.

N. SYSTEM FOR ELECTRONIC DOCUMENT ANALYSIS AND RETRIEVAL (SEDAR) (added May 1, 2020)

N1. National Instrument 13-101 *System for Electronic Document Analysis and Retrieval (SEDAR)* (NI 13-101) requires the filing of a signed SEDAR Form 5 in paper format. The Ontario Securities Commission (OSC) requires filing of the SEDAR Form 5 through the OSC Electronic Filing Portal. The general instructions to SEDAR Form 5 require paper filing in each relevant jurisdiction. Given the COVID-19 pandemic and physical distancing measures in place, will the securities regulatory authorities accept an alternative format of the signed SEDAR Form 5?

Filings of SEDAR Form 5 with the OSC should continue to be filed through the OSC Electronic Filing Portal.

Given the current COVID-19 pandemic, staff in the other CSA jurisdictions would not object if a scanned copy of the signed SEDAR Form 5 was filed with relevant securities regulators by email during the period physical distancing measures are in place. For the contact information of each securities regulator, please see the "Contact Us" section in the "About SEDAR" section of the SEDAR website at www.sedar.com.

N2. The SEDAR Filer Manual contains SEDAR Form 6 *Certificate of Authentication* (SEDAR Form 6). Instruction 3 of the "General Instructions" in SEDAR Form 6 provides that an original signed copy of SEDAR Form 6 must be filed within three days of electronically filing a document that requires a SEDAR Form 6. Given the COVID-19 pandemic and physical distancing measures in place, will the securities regulatory authorities accept an alternative format of the signed SEDAR Form 6?

Given the current COVID-19 pandemic, CSA staff would not object if a scanned copy of the signed SEDAR Form 6 was filed with the CSA Service Desk by email during the period physical distancing measures are in place. For instructions on how to file the SEDAR Form 6 please see the CSA Service Desk Notice COVID-19 in the "About SEDAR" section of the SEDAR website at www.sedar.com. For contact information, please see the "Contact Us" section in the "About SEDAR" section of the SEDAR website at www.sedar.com.

O. NATIONAL POLICY 46-201 *ESCROW FOR INITIAL PUBLIC OFFERINGS* (added May 1, 2020)

O1. National Policy 46-201 *Escrow for Initial Public Offerings* contains Form 46-201F1 *Escrow Agreement*. Form 46-201F1 provides that the signature of an individual securityholder to an escrow agreement should be witnessed at the time of execution and that the signature and name of the witness be included on the signature page. Given the COVID-19 pandemic and physical distancing measures in place, what should be done if a witness is not available?

Given the current COVID-19 pandemic, CSA staff would not object if an individual securityholder signed the escrow agreement in Form 46-201F1 without a witness during the time period that physical distancing measures are in place. CSA staff note that securityholders are still required to comply with the rules, regulations and policies of the exchange on which the issuer's securities are listed, which may be different.

QUESTIONS

Please refer your questions to any of:

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Appendix A

The following are the local blanket orders comprising the Executive Compensation and Delivery Matters Blanket Order:

- In Alberta, Blanket Order 51-518 *Temporary Exemptions from Certain Requirements to File or Send Securityholder Materials*
- In British Columbia, BC Instrument 51-516 *Temporary Exemptions from Certain Requirements to File or Send Securityholder Materials*
- In Ontario, Ontario Instrument 51-504 *Temporary Exemptions from Certain Requirements to File or Send Securityholder Materials*
- In Quebec, DÉCISION N° 2020-PDG-0034 - *Décision générale relative à une dispense de certaines obligations de dépôt ou d'envoi de documents pour les porteurs de titres*
- In Manitoba, Blanket Order 52-503 *Temporary Exemptions from Certain Requirements to File or Send Securityholder Materials*
- In New Brunswick, Blanket Order 51-508 *Temporary Exemptions from Certain Requirements to File or Send Securityholder Materials*
- In Newfoundland and Labrador, Blanket Order 115 *Temporary Exemptions from Certain Requirements to File or Send Securityholder Materials*
- In Nova Scotia, Blanket Order 51- 511 *Temporary Exemptions from Certain Requirements to File or Send Securityholder Materials*
- In Saskatchewan, General Order 51-502 *Temporary Exemptions from Certain Requirements to File or Send Securityholder Materials*
- In Prince Edward Island, Blanket Order 51-504 *Temporary Exemptions from Certain Requirements to File or Send Securityholder Materials*
- In the Northwest Territories, Blanket Order 51-503 *Temporary Exemptions from Certain Requirements to File or Send Securityholder Materials*
- In Yukon, Superintendent Order 2020-09 *Temporary Exemptions from Certain Requirements to File or Send Securityholder Materials*
- In Nunavut, the equivalent blanket order issued on May 1, 2020

1.1.2 OSC Notice of General Order – Ontario Instrument 51-504 Temporary Exemptions from Certain Requirements to File or Send Securityholder Materials

Notice of General Order

Ontario Instrument 51-504

Temporary Exemptions from Certain Requirements to File or Send Securityholder Materials

As a result of the COVID-19 pandemic (“**COVID-19**”), the Ontario Securities Commission (the “**Commission**”) is providing reporting issuers with temporary relief from certain requirements in National Instrument 51-102 *Continuous Disclosure Obligations* (“**NI 51-102**”) to file or send securityholder materials.

Description of Order

The order provides:

- (i) A temporary exemption from the requirement for a reporting issuer to file executive compensation disclosure within 140 days (for non-venture issuers) or 180 days (for venture issuers) of its year end, subject to certain conditions set out in the order;
- (ii) A temporary exemption from the requirements for a reporting issuer to send an annual request form and annual financial statements and MD&A to securityholders at certain times, subject to certain conditions set out in the order; and
- (iii) A temporary exemption from the requirement to send annual financial statements and MD&A or interim financial statements and MD&A to securityholders who request those documents by the later of 10 calendar days after the applicable filing deadline or 10 calendar days after the issuer receives the request.

Reasons for the Order

As a result of COVID-19, many reporting issuers are postponing their annual meetings of securityholders. Reporting issuers include executive compensation disclosure in the management information circular for their annual meetings of securityholders. In light of the annual meeting delays (and the corresponding delay in sending their management information circulars), this order provides reporting issuers with temporary relief from the requirement to file executive compensation disclosure within 140 days (for non-venture issuers) or 180 days (for venture issuers) of their year end.

Subsections 4.6(5) and 5.6(3) of NI 51-102 contain exceptions to requirements for a reporting issuer to send an annual request form and annual financial statements and MD&A to securityholders at certain times. These exceptions allow reporting issuers to send their annual financial statements and MD&A with the management information circular for their annual meeting of securityholders, provided they are sent within 140 days of their financial year end. However, it may not be practicable for reporting issuers that have postponed their annual meeting of securityholders to rely on those exceptions. The order accordingly provides temporary relief from the requirements to send these documents to securityholders.

Reporting issuers may also have difficulties complying with the requirements to send paper copies of annual financial statements and MD&A or interim financial reports and MD&A on request to securityholders other than holders of debt instruments while the reporting issuers’ employees are working from home and complying with, or following, physical distancing requirements and recommendations of public health authorities. The order accordingly provides temporary relief from the requirements to send these documents to securityholders.

Under the circumstances and in light of the conditions set out in the order, the Commission has determined that it would not be prejudicial to the public interest to grant this temporary relief to affected reporting issuers.

Day on which the Order Ceases to Have Effect

The order comes into effect on May 1, 2020 and expires on December 31, 2020.

1.2 Notices of Hearing

1.2.1 Canada Cannabis Corporation et al. – s. 144

FILE NO.: 2020-13

**IN THE MATTER OF
CANADA CANNABIS CORPORATION,
CANADIAN CANNABIS CORPORATION,
BENJAMIN WARD,
SILVIO SERRANO, and
PETER STRANG**

NOTICE OF HEARING

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

PROCEEDING TYPE: Application for Revocation or Variation of a Decision

HEARING DATE AND TIME: June 10, 2020 at 10:00 a.m.

LOCATION: By Teleconference

PURPOSE

The purpose of this proceeding is to consider the Application dated April 29, 2020 made by Silvio Serrano for a revocation or variation of a Confidential Order issued by the Commission.

REPRESENTATION

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

FAILURE TO ATTEND

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

FRENCH HEARING

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

AVIS EN FRANÇAIS

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

Dated at Toronto this April 30, 2020

"Grace Knakowski"
Secretary to the Commission

For more information

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

1.4 Notices from the Office of the Secretary

1.4.1 MOAG Copper Gold Resources Inc. et al.

FOR IMMEDIATE RELEASE
April 30, 2020

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

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

A copy of the Order dated April 30, 2020 is available at www.osc.gov.on.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 Canada Cannabis Corporation et al.

FOR IMMEDIATE RELEASE
May 1, 2020

**CANADA CANNABIS CORPORATION,
CANADIAN CANNABIS CORPORATION,
BENJAMIN WARD,
SILVIO SERRANO, and
PETER STRANG,
File No. 2020-13**

TORONTO – On April 30, 2020, the Commission issued a Notice of Hearing pursuant to Section 144 of the *Securities Act*, RSO 1990, c S.5 to consider the Application made by Silvio Serrano for the revocation or variation of a Confidential Order.

A copy of the Notice of Hearing dated April 30, 2020 and the Application dated May 1, 2020 are available at www.osc.gov.on.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

1.4.3 David Randall Miller

FOR IMMEDIATE RELEASE
May 1, 2020

DAVID RANDALL MILLER,
File No. 2019-48

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

A copy of the Order dated May 1, 2020 is available at www.osc.gov.on.ca

OFFICE OF THE SECRETARY
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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

DECISION

2.1.1 Lysander Funds Limited and Lysander-Canso Credit Opportunities Fund

Background

Headnote

Relief granted from section 4.4 of National Instrument 81-106 Investment Fund Continuous Disclosure for the purposes of the relief requested from Form 81-106F1, Items 3.1(7), 4.1(1), 4.1(2), 4.2(1), 4.3(1) and 4.3(2) of Part B of Form 81-106F1, and Items 3(1) and 4 of Part C of Form 81-106F1, to permit mutual funds to include in annual and interim management reports of fund performance the financial highlights and past performance of the funds that are derived from the funds' annual financial statements that pertain to time periods when the funds were not a reporting issuer.

Applicable Legislative Provisions

National Instrument 81-106 Investment Fund Continuous Disclosure, ss. 4.4, 17.1.
Items 3.1(7), 4.1(1), 4.1(2), 4.2(1), 4.3(1) and 4.3(2) of Part B of Form 81-106F1 and Items 3(1) and 4 of Part C of Form 81-106F1 Contents of Annual and Interim Management Report of Fund Performance.

April 24, 2020

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
LYSANDER FUNDS LIMITED
(the Filer)

AND

IN THE MATTER OF
LYSANDER-CANSO CREDIT OPPORTUNITIES FUND
(LCCOF)

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of LCCOF for a decision under the securities legislation of the Jurisdiction (the **Legislation**) exempting LCCOF from:

- (a) section 4.4 of National Instrument 81-106 *Investment Fund Continuous Disclosure* (**NI 81-106**) from Form 81-106F1 *Contents of Annual and Interim Management Report of Fund Performance* (**Form 81-106F1**); and
- (b) Items 3.1(7) and 4.1(1) in respect of the requirement to comply with section 15.3(2) of NI 81-102, 4.1(2), 4.2(1), 4.3(1) and 4.3(2) of Part B of Form 81-106F1 and Items 3(1) and 4 of Part C of Form 81-106F1 to permit LCCOF to include, in its annual and interim management reports of fund performance (**MRFPs**), past performance data notwithstanding that such performance data relates to a period prior to LCCOF offering its securities under a simplified prospectus,

(collectively, the **Exemption Sought**).

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

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) the 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 other than the Jurisdiction (together with the Jurisdiction, the **Jurisdictions**).

Interpretation

In this decision: **Short Selling Relief** means the relief granted by the principal regulator to LCCOF from the following provisions of National Instrument 81-102 *Investment Funds* (**NI 81-102**) in order to permit LCCOF to short sell "government securities" (as defined in NI 81-102) up to a maximum of 300% of LCCOF's net asset value (**NAV**):

- (a) subparagraph 2.6.1(1)(c)(v) of NI 81-102, which restricts LCCOF from selling a security short if, at the time, the aggregate market value of the securities sold short by LCCOF exceeds 50% of LCCOF's NAV; and
- (b) section 2.6.2 of NI 81-102, which states that LCCOF may not borrow cash or sell securities short if, immediately after entering into a cash borrowing or short selling transaction, the aggregate value of cash borrowed combined with the aggregate market value of the securities sold short by the Short Selling Fund would exceed 50% of LCCOF's NAV.

In addition, unless expressly defined herein, terms in this decision have the respective meanings given to them in MI 11-102, National Instrument 15-101 *Definitions*, NI 81-102 and NI 81-106.

Representations

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

1. The Filer is a corporation incorporated under the *Business Corporations Act* (Ontario) with its head office located in Toronto, Ontario.
2. The Filer is registered as an investment fund manager in Ontario, Quebec, and Newfoundland and Labrador and as an exempt market dealer in Ontario.
3. The Filer is the trustee and investment fund manager of LCCOF.
4. LCCOF is an alternative mutual fund established under the laws of Ontario that will operate under the provisions of NI 81-102 applicable to alternative mutual funds.
5. The Filer is not in default of securities legislation in any of the Jurisdictions.
6. The Filer expects that securities of LCCOF will be qualified for distribution in some or all of the Jurisdictions pursuant to a simplified prospectus, annual information form and fund facts prepared and filed in accordance with NI 81-101. LCCOF will be governed by NI 81-102 and NI 81-106, subject to any relief granted therefrom by the Canadian securities regulatory authorities.
7. The investment objective of LCCOF is to seek to achieve long term capital growth through a diversified portfolio composed primarily of debt and money market securities. LCCOF will use alternative investment strategies such as engaging in short sales and purchasing securities on margin or with borrowed funds.

8. LCCOF seeks to achieve its investment objective by investing in or obtaining exposure to primarily corporate bonds of Canadian and foreign issuers.
9. LCCOF is an open-ended mutual fund trust created under the laws of Ontario on August 14, 2008. LCCOF currently has Series C and Series F units issued and outstanding. Units of LCCOF were first issued on December 19, 2008. Subsequently and prior to any Series F units being issued, all units of LCCOF that were then issued and outstanding were redesignated as Series C units. Accordingly, the inception date for Series C units (which is also the inception date of LCCOF) is December 19, 2008 (**LCCOF Inception Date**). The inception date for Series F units is March 31, 2014.
10. Since the respective inception date of each series of LCCOF, units of each series of LCCOF have only been distributed to investors on a prospectus-exempt basis in accordance with National Instrument 45-106 *Prospectus Exemptions (NI 45-106)* in the Jurisdictions in which units of LCCOF have been distributed.
11. Series C is charged a management fee at a rate of 0.50% per annum.
12. Series F is charged a management fee at a rate of 1.00% per annum. Series F is also subject to a performance fee (the **Series F Performance Fee**).
13. The Filer intends to qualify for distribution under a prospectus Series A and Series F units of LCCOF, but not Series C. Series A units will be a new series with a start date approximately the same as the date of the final prospectus.
14. Since the LCCOF Inception Date, LCCOF has prepared annual and interim financial statements in accordance with NI 81-106.
15. Since the LCCOF Inception Date, LCCOF has not deviated from the investment restrictions contained in NI 81-102, other than: (i) the short selling of government securities, which is done in accordance with the requested Short Selling Relief; and (ii) from time to time, where there was temporary cash borrowing, which did not exceed a period of 30 days.
16. LCCOF will be managed substantially similarly after it becomes a reporting issuer as it was prior to becoming a reporting issuer. As a result of LCCOF becoming a reporting issuer:
 - (a) LCCOF's investment objectives will not change, other than to provide additional detail as required by NI 81-101;

- (b) The management fee charged to LCCOF in respect of Series F units will decrease from 1.00% to 0.75%;
 - (c) The day-to-day administration of LCCOF will not change, other than to comply with the additional regulatory requirements associated with being a reporting issuer (none of which will impact the portfolio management of LCCOF); and
 - (d) The management expense ratio of Series F units of LCCOF (excluding performance fees) is not expected to increase by more than 0.10%, which is an immaterial amount.
17. The Filer proposes to present the performance data of Series F units of LCCOF for the time period since the LCCOF Inception Date in sales communications. For the period from the LCCOF Inception Date to March 30, 2014 (i.e., the period during which LCCOF only had Series C units issued and outstanding but before any Series F units were issued), the performance data of Series F presented would be data generated by doing the following:
- (a) Using the performance data of Series C, first “undo” the Series C management fee;
 - (b) Expenses would be left un-touched;
 - (c) Apply the Series F management fee (at the rate of 1.00%) and Series F Performance Fee to the data.
18. As a reporting issuer, LCCOF will be required under NI 81-106 to prepare, file and send MRFPs.
19. Absent the Exemption Sought, the MRFPs of LCCOF cannot include financial highlights and performance data of LCCOF that relate to a period prior to it becoming a reporting issuer.
20. The performance data and other financial data of LCCOF for the time period before it became a reporting issuer is significant and meaningful information for existing and prospective investors in making an informed decision on whether to purchase units of LCCOF.
21. In the absence of the Exemption Sought, investors in LCCOF following LCCOF becoming a reporting issuer will have no information about LCCOF’s past performance or financial highlights on which to base their investment decision.

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) any MRFP that includes performance data of LCCOF relating to a period prior to when LCCOF was a reporting issuer discloses:
 - (i) that LCCOF was not a reporting issuer during such period;
 - (ii) that the expenses of LCCOF would have been higher during such period had LCCOF been subject to the additional regulatory requirements applicable to a reporting issuer;
 - (iii) that the financial statements of LCCOF for such period are posted on LCCOF’s website and are available to investors upon request;
 - (iv) performance data of LCCOF for 10, 5, 3 and one year periods; and
- (b) the Filer posts the financial statements of LCCOF for the past 10 years on LCCOF’s website and makes those financial statements available to investors upon request.

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

2.1.2 Supreme Cannabis Company, Inc. and BMO Nesbitt Burns Inc.

Headnote

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

Applicable Legislative Provisions

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

National Instrument 44-101 Short Form Prospectus Distributions, Part 8 and Item 20 of Form 44-101F1.

National Instrument 44-102 Shelf Distributions, ss. 5.5, 6.3, 6.7, Part 9 and ss. 2.1, 2.2 of Appendix A.

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

April 22, 2020

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 SUPREME CANNABIS COMPANY, INC.
(the Issuer)

AND

BMO NESBITT BURNS INC.
(the Agent and together with the Issuer, the Filers)

DECISION

Background

The Ontario Securities Commission (the **Decision Maker**), being the principal regulator in the Jurisdiction has received an application (the **Application**) from the Filers for a decision under the securities legislation of the Jurisdiction (the **Legislation**) for the following relief (the **Exemptions Sought**):

- (a) that the requirement that a dealer not acting as agent of the purchaser who receives an order or subscription for a security offered in a distribution to which the prospectus requirement applies, send or deliver to the purchaser the latest prospectus (including the applicable prospectus supplement(s) in the case of a base shelf prospectus) and any amendment to the prospectus (the **Prospectus Delivery Requirement**) does not apply to the Agent or any other TSX (as defined below) participating organization or other marketplace participant acting as selling agent for the Agent (each, a **Selling Agent**) in connection with any at-the-market distribution (each, an **ATM Distribution** and collectively, the **ATM Offering**), as defined in National Instrument 44-102 – *Shelf Distributions* (**NI 44-102**) of common shares (**Shares**) of the Issuer in Canada pursuant to an equity

- distribution agreement (the **Equity Distribution Agreement**) to be entered into between the Issuer and the Agent; and
- (b) that the requirements to include in a base shelf prospectus or prospectus supplement or an amendment thereto:
- (i) a forward-looking issuer certificate of the Issuer in the form specified in section 2.1 or section 2.4, as applicable, of Appendix A to NI 44-102;
 - (ii) a forward-looking underwriter certificate in the form specified by section 2.2 or section 2.4, as applicable, of Appendix A to NI 44-102; and
 - (iii) a statement respecting purchasers' statutory rights of withdrawal and remedies of rescission or damages in substantially the form prescribed in Item 20 of Form 44-101F1 – *Short Form Prospectus*;

(collectively, the **Prospectus Form Requirements**) do not apply to the Shelf Prospectus (as defined below), the Prospectus Supplement (as defined below) or an amendment thereto provided that the Issuer includes in the Prospectus Supplement or an amendment thereto the form of issuer certificate and form of underwriter certificate and includes in the Prospectus Supplement or an amendment thereto the revised description of a purchaser's statutory rights of withdrawal and remedies for rescission or damages described below, in each case (other than with respect to the underwriter certificate) superseding and replacing the corresponding language in the Shelf Prospectus solely with regards to the ATM Offering.

The Decision Maker has also received a request from the Filers for a decision that the Application and this decision (together, the **Confidential Material**) be kept confidential and not be made public until the earliest of: (a) the date on which the Filers publicly announce the ATM Offering; (b) the date on which the Filers first enter into an Equity Distribution Agreement; (c) the date any of the Filers advise the Decision Maker that there is no longer any need for the Confidential Material to remain confidential; and (d) the date that is 90 days after the date of this decision (the **Confidentiality Relief**).

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

- (a) pursuant to subsection 3.6(3)(b) National Policy 11-203 – *Process for Exemptive Relief Applications in Multiple Jurisdictions* the Ontario Securities Commission is the principal regulator for this Application as the Issuer's head office is located in the Province of Ontario; and
- (b) 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 British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador (collectively, the **Passport Jurisdictions** and together with the Jurisdiction, the **Reporting Jurisdictions**).

Interpretation

Terms defined in National Instrument 14-101 – *Definitions*, in National Instrument 13-101 – *System for Electronic Document Analysis and Retrieval (SEDAR)*, in MI 11-102 or in NI 44-102 have the same meaning if used in this decision, unless otherwise defined herein. All dollar figures in this decision refer to Canadian dollars.

Representations

This decision is based on the following facts represented by the Filers.

The Issuer

1. The Issuer is a corporation continued under the laws of Canada with its head office located at 178R Ossington Avenue, Toronto, Ontario, M6J 2Z7.
2. The Issuer is a reporting issuer in each province of Canada, other than Québec, and is not in default of securities legislation in any jurisdiction of Canada. The Issuer intends to become a reporting issuer in Québec in connection with the filing of the Shelf Prospectus.
3. The Shares are listed on the Toronto Stock Exchange (the **TSX**), the OTC Exchange in the United States and the Frankfurt Stock Exchange.
4. The Issuer currently intends to file a short form base shelf prospectus (a **Shelf Prospectus**) to provide for the distribution from time to time of Shares, and to the extent the Equity Distribution Agreement is entered into among the

Issuer and the Agent, a prospectus supplement in each of the provinces of Canada to qualify the distribution of Shares in connection with the ATM Offering.

The Agent

5. The Agent is a corporation incorporated under the laws of Canada with its head office located in Toronto, Ontario.
6. The Agent is registered as an investment dealer under the securities legislation in each province of Canada, is a member of the Investment Industry Regulatory Organization of Canada and is a participating organization of the TSX.
7. The Agent is not in default of any requirements under applicable securities legislation in any of the jurisdictions of Canada.

Proposed ATM Distribution

8. Subject to mutual agreement on terms and conditions, the Filers propose to enter into the Equity Distribution Agreement for the purpose of the ATM Offering involving the periodic sale of Shares by the Issuer through the Agent, as agent, under the shelf prospectus procedures prescribed by Part 9 of NI 44-102.
9. If the Equity Distribution Agreement is entered into, the Issuer will immediately do both of the following:
 - (a) issue and file a news release pursuant to section 3.2 of NI 44-102 announcing the Equity Distribution Agreement and indicating that the Shelf Prospectus and the Prospectus Supplement have been filed on SEDAR and specifying where and how purchasers of Shares under the ATM Offering may obtain copies; and
 - (b) file the Equity Distribution Agreement on SEDAR.
10. Prior to making an ATM Distribution, the Issuer will have filed: (i) in each province of Canada, the Shelf Prospectus and will have received a receipt for the Shelf Prospectus from the Decision Maker; and (ii) a prospectus supplement describing the terms of the ATM Offering, including the terms of the Equity Distribution Agreement and otherwise supplementing the disclosure in the Shelf Prospectus (the **Prospectus Supplement**).
11. Under the proposed Equity Distribution Agreement, the Issuer may conduct one or more ATM Distributions subject to the 10% limitation set out in subsection 9.1(1) of NI 44-102.
12. The Issuer will not, during the period that the Shelf Prospectus is effective, distribute by way of one or more ATM Distributions a total market value of Shares that exceeds 10% of the aggregate market value of Shares, such aggregate market value calculated in accordance with section 9.2 of NI 44-102 and as at the last trading day of the month before the month in which the first ATM Distribution is made.
13. The Issuer will conduct ATM Distributions only through the Agent (as agent) directly or via a Selling Agent, and only through: (a) the TSX; or (b) another marketplace (as defined in National Instrument 21-101 – *Marketplace Operation*) upon which the Shares are listed, quoted or otherwise traded (each, a **Marketplace**).
14. The Agent will act as the sole agent of the Issuer in connection with an ATM Distribution directly or through one or more Selling Agents on the TSX or any other Marketplace, and will be paid an agency fee or commission by the Issuer in connection with such sales. If sales are effected through a Selling Agent, the Selling Agent will be paid a seller's commission for effecting the trades on behalf of the Agent. The Agent will sign an agent's certificate, in the form set out in paragraph 31 below, in the Prospectus Supplement.
15. A purchaser's rights and remedies under applicable securities legislation against the Agent, as agent of an ATM Distribution through a Marketplace, will not be affected by a decision to effect the sale directly or through a Selling Agent.
16. The aggregate number of Shares sold on one or more Marketplaces pursuant to an ATM Distribution on any trading day will not exceed 25% of the trading volume of the Shares on all Marketplaces on that day.
17. The Equity Distribution Agreement will provide that, at the time of each sale of Shares pursuant to an ATM Distribution, the Issuer will represent to the Agent that the Shelf Prospectus, as supplemented by the Prospectus Supplement, including the documents incorporated by reference in the Shelf Prospectus (which shall include any news release that has been designated and filed as a Designated News Release (as defined below)) and any subsequent amendment or supplement to the Shelf Prospectus or the Prospectus Supplement (together, the **Prospectus**), contains full, true and plain disclosure of all material facts relating to the Issuer and the Shares being distributed. The Issuer will, therefore, be

unable to proceed with sales pursuant to an ATM Distribution when it is in possession of undisclosed information that would constitute a material fact or a material change in respect of the Issuer or the Shares.

18. During the period after the date of the Prospectus Supplement and before the termination of any ATM Distribution, if the Issuer disseminates a news release disclosing information that, in the Issuer's determination, constitutes a "material fact" (as such term is defined in the Legislation), the Issuer will identify such news release as a "designated news release" for the purposes of the Prospectus Supplement. This designation will be made on the face page of the version of such news release filed on SEDAR (any such news release, a **Designated News Release**). The Prospectus Supplement will provide that any such Designated News Release will be deemed to be incorporated by reference into the Prospectus Supplement. A Designated News Release will not be used to update disclosure in the Prospectus Supplement by the Issuer in the event of a "material change" (as such term is defined in the Legislation).
19. If, after the Issuer delivers a sell notice to the Agent directing the Agent to sell Shares on the Issuer's behalf pursuant to the Equity Distribution Agreement (a **Sell Notice**), the sale of the Shares specified in the Sell Notice, taking into consideration prior sales under the ATM Offering, would constitute a material fact or material change, the Issuer will suspend sales under the Equity Distribution Agreement until either: (a) it has filed a Designated News Release or material change report, as applicable, or amended the Prospectus; or (b) circumstances have changed such that a sale would no longer constitute a material fact or material change.
20. In determining whether the sale of the number of Shares specified in a Sell Notice would constitute a material fact or material change, the Issuer will take into account a number of factors, including, without limitation:
 - (a) the parameters of the Sell Notice, including the number of Shares proposed to be sold and any price or timing restrictions that the Issuer may impose with respect to the particular ATM Distribution;
 - (b) the percentage of the outstanding Shares that the number of Shares proposed to be sold pursuant to the Sell Notice represents;
 - (c) sales under earlier Sell Notices;
 - (d) trading volume and volatility of the Shares;
 - (e) recent developments in the business, operations or capital of the Issuer; and
 - (f) prevailing market conditions generally.
21. It is in the interest of the Issuer and the Agent to minimize the market impact of sales under an ATM Distribution. Therefore, the Agent will closely monitor the market's reaction to trades made on any Marketplace pursuant to an ATM Distribution in order to evaluate the likely market impact of future trades. The Agent has experience and expertise in managing sell orders to limit downward pressure on trading prices. If the Agent has concerns as to whether a particular sell order placed by the Issuer may have a significant effect on the market price of the Shares, the Agent will recommend against effecting the trades pursuant to the sell order at that time.

Disclosure of Shares Sold in ATM Offering

22. Within seven calendar days after the end of each calendar month during which the Issuer conducts an ATM Distribution, the Issuer will disclose in a report filed on SEDAR the number and average selling price of the Shares distributed through a Canadian Marketplace under the ATM Distribution, and the commission and gross and net proceeds for such sales; furthermore, the Issuer will disclose the number and average price of Shares sold pursuant to an ATM Distribution under the Shelf Prospectus and any Prospectus Supplement, as well as gross proceeds, commissions and net proceeds, in its annual and interim financial statements and management discussion and analysis filed on SEDAR.

Prospectus Delivery Requirement

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

25. The Shelf Prospectus and Prospectus Supplement will be filed and readily available electronically via SEDAR to all purchasers under ATM Distributions. As stated in paragraph 9 above, the Issuer will issue a news release that specifies where and how copies of the Shelf Prospectus and Prospectus Supplement may be obtained.
26. The liability of an issuer or an underwriter (or others) for a misrepresentation in a prospectus pursuant to the civil liability provisions of the Legislation will not be affected by the grant of an exemption from the Prospectus Delivery Requirement because purchasers of securities offered by a prospectus during the period of distribution have a right of action for damages or rescission, without regard to whether or not the purchaser relied on the misrepresentation or in fact received a copy of the prospectus.

Withdrawal Right and Right of Action for Non-Delivery

27. Pursuant to the Legislation, an agreement to purchase a security in respect of a distribution to which the prospectus requirement applies is not binding upon the purchaser if the dealer from whom the purchaser purchases the security receives, not later than midnight on the second day (exclusive of Saturdays, Sundays and holidays) after receipt by the purchaser of the latest prospectus or any amendment to the prospectus, a notice in writing evidencing the intention of the purchaser not to be bound by the agreement of purchase and sale (the **Withdrawal Right**).
28. Pursuant to the Legislation, a purchaser of securities to whom a prospectus was required to be sent or delivered in compliance with the Prospectus Delivery Requirement, but was not so sent or delivered, has a right of action for rescission or damages against the dealer who did not comply with the Prospectus Delivery Requirement (the **Right of Action for Non-Delivery**).
29. Neither the Withdrawal Right nor the Right of Action for Non-Delivery is workable in the context of the ATM Offering because of the impracticability of delivering the Prospectus to a purchaser of Shares thereunder.

Modified Certificates and Statements

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

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

31. The Prospectus Supplement and any amendment thereto will include the following underwriter certificate (with appropriate modifications in respect of the filing of an amendment prescribed by section 2.4 of Appendix A to NI 44-102):

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

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

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

delivered as permitted under a decision dated •, 2020 and granted pursuant to National Policy 11-203 - Process for Exemptive Relief Applications in Multiple Jurisdictions.

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

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

33. The Prospectus Supplement will disclose that, solely with regards to the ATM Offering, the statement prescribed in paragraph 32 above supersedes and replaces the statement of purchasers' rights to be included in the Shelf Prospectus.

Decision

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

The decision of the Decision Maker under the Legislation is that the Exemptions Sought are granted, provided:

- (a) the Issuer does not, during the period that the Shelf Prospectus is effective, distribute by way of one or more ATM Distributions a total market value of Shares that exceeds 10% of the aggregate market value of Shares, such aggregate market value calculated in accordance with section 9.2 of NI 44-102 and as at the last trading day of the month before the month in which the first ATM Distribution is made;
- (b) the Issuer complies with the disclosure requirements set out in paragraphs 22 and 30 through 33 above; and
- (c) the Issuer and Agent respectively comply with the representations made in paragraphs 9, 13, 14 and 16 through 21 above.

This decision will terminate on the date that is 25 months from the date on which the receipt for the Shelf Prospectus is issued.

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

As to the Exemptions Sought from the Prospectus Delivery Requirement and the Confidentiality Relief:

"Craig Hayman"
Commissioner
Ontario Securities Commission

"Cecilia Williams"
Commissioner
Ontario Securities Commission

As to the Exemptions Sought from the Prospectus Delivery Requirement, the Prospectus Form Requirements and the Confidentiality Relief:

"Jo-Anne Matear"
Manager, Corporate Finance
Ontario Securities Commission

2.1.3 Sustainable Infrastructure Dividend Fund

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Closed-end investment trust exempt from the prospectus requirement in connection with the sale of units redeemed or purchased from existing security holders pursuant to purchase or redemption programs, subject to conditions.

Applicable Legislative Provisions

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

Citation: *Re Sustainable Infrastructure Dividend Fund*, 2020 ABASC 56

April 29, 2020

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

AND

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

AND

**IN THE MATTER OF
SUSTAINABLE INFRASTRUCTURE DIVIDEND FUND
(the Filer)**

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (each a **Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) exempting the Filer from the requirement to file a prospectus (the **Prospectus Requirement**) in connection with the distribution of units of the Filer (the **Units**) that have been repurchased by the Filer pursuant to the Purchase Programs (as defined below) or redeemed by the Filer pursuant to the Redemption Programs (as defined below) in the period prior to a Conversion (as defined below) (the **Exemption Sought**).

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

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

(b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System (MI 11-102)* is intended to be relied upon in British Columbia, Saskatchewan, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Prince Edward Island, Northwest Territories, Nunavut and Yukon; and

(c) this decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

Terms defined in National Instrument 14-101 *Definitions*, National Instrument 13-101 *System for Electronic Document Analysis and Retrieval (SEDAR)* or MI 11-102 have the same meaning if used in this decision, unless otherwise defined herein.

Representations

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

1. The Filer is an unincorporated closed-end investment trust established under the laws of Alberta.
2. The Filer is not considered to be a "mutual fund" as defined in the Legislation because the holders of Units are not entitled to receive on demand an amount computed by reference to the value of a proportionate interest in the whole or in part of the net assets of the Filer.
3. The Filer is a reporting issuer in each of the provinces of Canada and is not in default of securities legislation in any jurisdiction of Canada.
4. The Units are listed and posted for trading on the Toronto Stock Exchange (the **TSX**). As of March 25, 2020, the Filer had 8,000,000 Units issued and outstanding.
5. Middlefield Limited (the **Manager**), which is incorporated under the *Business Corporations Act* (Alberta), is the manager and the trustee of the Filer.
6. Subject to applicable law, which may require approval from the holders of the Units (the **Unitholders**) or regulatory approval, the Manager may (a) merge or otherwise combine or consolidate the Filer with any one or more other funds managed by the Manager or an affiliate thereof or (b) where it determines that to do so would be in the best interest of Unitholders, merge or convert the Filer into a listed exchange-traded mutual fund, an open-end mutual fund, a split trust

fund, an alternative mutual fund, or another type of non-redeemable investment fund (each a **Conversion**).

Mandatory Purchase Program

7. The constating document of the Filer provides that the Filer, subject to certain exceptions and compliance with any applicable regulatory requirements, is obligated to purchase (the **Mandatory Purchase Program**) any Units offered on the TSX or such other exchange or market on which the Units are then listed and primarily traded (the **Exchange**) if, at any time after the closing of the Filer's initial public offering, the price at which Units are then offered for sale on the Exchange is less than 95% of the net asset value of the Filer per Unit, provided that the maximum number of Units that the Filer is required to purchase pursuant to the Mandatory Purchase Program in any calendar quarter is 1.25% of the number of Units outstanding at the beginning of each such period.

Discretionary Purchase Program

8. The constating document of the Filer also provides that the Filer, subject to applicable regulatory requirements and limitations, has the right, but not the obligation, exercisable in its sole discretion at any time, to purchase outstanding Units in the market at prevailing market prices (the **Discretionary Purchase Program** and together with the Mandatory Purchase Program, the **Purchase Programs**).

Monthly Redemptions

9. Subject to the Filer's right to suspend redemptions, Units may be surrendered for redemption (the **Monthly Redemption Program**) on the second last business day of each month in order to be redeemed at a redemption price per Unit equal to the Monthly Redemption Price per Unit (as defined in the Filer's long form prospectus dated February 14, 2020 (the **Prospectus**)).

Annual Redemption

10. Subject to the Filer's right to suspend redemptions, Units may be surrendered for redemption (the **Annual Redemption Program**) on the second last business day of March in each year commencing in 2022 at a redemption price per Unit equal to the Redemption Price per Unit (as defined in the Prospectus).

Additional Redemptions

11. At the sole discretion of the Manager and subject to the receipt of any necessary regulatory approvals, the Manager may from time to time allow additional redemptions of Units (**Additional**

Redemptions and collectively with the Monthly Redemption Program and the Annual Redemption Program, the **Redemption Programs**), provided that the holder thereof shall be required to use the full amount received on such redemption to purchase treasury securities of a new or existing fund promoted by the Manager or an affiliate thereof then being offered to the public by prospectus.

Resale of Repurchased Units or Redeemed Units

12. Purchases of Units made by the Filer under the Purchase Programs or Redemption Programs will be made pursuant to exemptions from the issuer bid requirements of applicable securities legislation.
13. The Filer wishes to resell, in its sole discretion and at its option, through one or more securities dealers and through the facilities of the Exchange, the Units repurchased by the Filer pursuant to the Purchase Programs (**Repurchased Units**), or redeemed pursuant to the Redemption Programs (**Redeemed Units**).
14. All Repurchased Units and Redeemed Units will be held by the Filer for a period of four months after the repurchase or redemption thereof by the Filer (the **Holding Period**) prior to any resale.
15. The resale of Repurchased Units and Redeemed Units will be effected in such a manner as not to have a significant impact on the market price of the Units.
16. Repurchased Units and Redeemed Units that the Filer does not resell within 12 months after the Holding Period (that is, within 16 months after the date of repurchase or redemption, as applicable) will be cancelled by the Filer.
17. During any calendar year, the Filer will not resell an aggregate number of Repurchased Units and Redeemed Units that is greater than 5% of the number of Units outstanding at the beginning of such calendar year.
18. Prospective purchasers of Repurchased Units or Redeemed Units will have access to the Filer's continuous disclosure, which will be filed on SEDAR.
19. The Legislation provides that a trade by or on behalf of an issuer in previously issued securities of that issuer that have been purchased by that issuer is a distribution and, as such, is subject to the Prospectus Requirement. In the absence of the Exemption Sought, any sale by the Filer of Repurchased Units or Redeemed Units would be a distribution that is subject to the Prospectus Requirement.

Decision

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

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

- (a) the Repurchased Units and Redeemed Units are otherwise sold by the Filer in compliance with applicable securities legislation, and through the facilities of and in accordance with the regulations and policies of the Exchange;
- (b) the Filer complies with paragraphs 1 through 5 of section 2.8(2) of National Instrument 45-102 *Resale of Securities* as if it were a selling security holder thereunder; and
- (c) the Filer complies with the representations made in paragraphs 15, 16 and 17 above.

For the Alberta Securities Commission:

“Tom Cotter”
Vice-Chair

“Kari Horn”
Vice-Chair

2.1.4 Lysander Funds Limited

Headnote

National Policy 11-203 – relief granted from purchase and redemption restriction in subsections 9.3(1) and 10.3(1) in NI 81-102 to permit processing of purchases on a monthly basis and processing or redemptions on a quarterly basis subject to conditions, including Fund Facts disclosure.

Relief granted from sections 15.3(2), 15.3(4)(c), 15.6(1)(a)(i), 15.6(1)(d), 15.8(2)(a.1) and 15.8(3)(a.1) of National Instrument 81-102 Investment Funds to permit mutual funds, including mutual funds that have not distributed securities under a simplified prospectus in a jurisdiction for 12 consecutive months, to include in their sales communications performance data for the period when the funds were not reporting issuers – relief also granted from section 2.1 of National Instrument 81-101 Mutual Fund Prospectus Disclosure for the purposes of relief requested from Item 5 of Part I of Form 81-101F3 Contents of Fund Facts Document, to permit the Funds to include in their respective fund facts for series I, the past performance data for the period when the funds were not reporting issuers.

Relief granted from short selling restrictions in NI 81-102 to permit alternative mutual funds to short sell “government securities”, as defined in NI 81-102, up to 300% of NAV – relief sought in order to short securities in connection with fund’s hedging strategy – relief also granted to alternative mutual funds and mutual funds from the requirement in section 6.1 of NI 81-102 that all portfolio assets of an investment fund be held under custodianship of one custodian – relief needed to permit funds to deposit with a prime broker, excluding the value of the proceeds from collateral, additional collateral subject to limits of 10% of the net asset value of a mutual fund that is not an alternative mutual fund and 25% of the net asset value of an alternative mutual fund – National Instrument 81-102 Investment Funds.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 2.1(1), 2.6, 2.6.1(1)(c), 2.6.1(2), (3), 2.7(1), (2), (3), 2.8, 2.11, 6.1(1), 7.1, 9.3(1), 10.3(1), 10.4(1), 19.1.

National Instrument 81-102 Investment Funds, ss. 15.3(2), 15.3(4)(c), 15.6(1)(a)(i), 15.6(1)(d), 15.8(2)(a.1), 15.8(3)(a.1), 19.1.

National Instrument 81-101 Mutual Fund Prospectus Disclosure, s. 2.1.

Item 5 of Part I of Form 81-101F3 Contents of Fund Facts Document.

April 24, 2020

**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
LYSANDER FUNDS LIMITED
(the Filer)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Funds (as defined below) for a decision under the securities legislation of the Jurisdiction (the **Legislation**) exempting:

1. LCCOF (as defined below) from:
 - (a) subsection 9.3(1) of National Instrument 81-102 *Investment Funds (NI 81-102)* to permit LCCOF to process purchase orders for its units, as described in its simplified prospectus and fund facts, on a monthly basis at their series net asset value per unit calculated as at the last Valuation Date (as defined below) of the calendar month in which the purchase order for such units is received or deemed to be received (the **Purchase Relief**);
 - (b) subsection 10.3(1) of NI 81-102, to permit LCCOF to process redemption orders for its units, as described in its simplified prospectus and fund facts, on a monthly basis, with the deadline of receiving the redemption notice by the 15th day of each month (or, if the 15th day is not a Valuation Date (as defined below), the next Valuation Date immediately following such 15th day), and redeeming such units at their series net asset value per unit calculated on the last Valuation Date of each month in which the redemption order for such units is received or deemed to be received (the **Redemption Relief**);
 - (c) sections 15.3(2), 15.6(1)(a)(i) and 15.6(1)(d) of NI 81-102 to permit LCCOF to include performance data in sales communications notwithstanding that such performance data relates to a period prior to LCCOF offering its securities under a simplified prospectus; and LCCOF has not distributed its securities under a simplified prospectus for 12 consecutive months;
 - (d) section 2.1 of National Instrument 81-101 *Mutual Fund Prospectus Disclosure (NI 81101)* for the purposes of relief requested herein from Form 81-101F3 *Contents of Fund Facts Document (Form 81-101F3)*;
 - (e) Items 5(2), 5(3) and 5(4) and Instructions (1) and (5) of Part I of Form 81-101F3 in respect of the requirement to comply with sections 15.3(2), 15.6(1)(a)(i) and 15.6(1)(d) of NI 81102 to permit LCCOF to include in its fund facts the past performance data of LCCOF notwithstanding that such performance data relates to a period prior to LCCOF offering its securities under a simplified prospectus; and LCCOF has not distributed its securities under a simplified prospectus for 12 consecutive months;
- (the exemption sought under the above paragraphs (c), (d) and (e) is collectively referred to as the **Performance Data Relief**);
2. each Short Selling Fund from the following provisions (the **Short Selling Limits**) of NI 81-102 in order to permit each Short Selling Fund to short sell “government securities” (as defined in NI 81102) up to a maximum of 300% of the Short Selling Fund’s net asset value (**NAV**):
 - (a) subparagraph 2.6.1(1)(c)(v) of NI 81-102, which restricts a Short Selling Fund from selling a security short if, at the time, the aggregate market value of the securities sold short by the Short Selling Fund exceeds 50% of the Short Selling Fund’s NAV; and
 - (b) section 2.6.2 of NI 81-102, which states that a Short Selling Fund may not borrow cash or sell securities short if, immediately after entering into a cash borrowing or short selling transaction, the aggregate value of cash borrowed combined with the aggregate market value of the securities sold short by the Short Selling Fund would exceed 50% of the Short Selling Fund’s NAV(the **Short Selling Relief**); and
 3. each Fund from the requirement set out in subsection 6.1(1) of NI 81-102 that provides that, except as provided in section 6.8, 6.8.1 and 6.9, all portfolio assets of an investment fund must be held under the custodianship of one custodian that satisfies the requirements of section 6.2 (the **Custodial Restriction**) in order to permit a Fund to deposit portfolio assets with a borrowing agent

that is not the Fund's custodian or sub-custodian as security in connection with a short sale of securities, provided that the aggregate market value of the portfolio assets held by the borrowing agent after such deposit, excluding the aggregate market value of the proceeds from outstanding short sales of securities held by the borrowing agent, does not exceed 25% of the NAV of the Fund at the time of deposit (the **Custodial Relief**)

(collectively, the **Exemption Sought**).

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

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) the 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 other than the Jurisdiction (together with the Jurisdiction, the **Jurisdictions**).

Interpretation

In this decision:

Funds means LCCOF, any other alternative mutual fund established and managed by the Filer or an affiliate of the Filer (including Lysander-Triasima All Country Long/Short Equity Fund) and any alternative mutual fund established in the future and managed by the Filer or an affiliate of the Filer and a **Fund** means any one of the Funds. For greater certainty, **Funds** include the Short Selling Funds as defined herein.

LCCOF means Lysander-Canso Credit Opportunities Fund.

Short Selling Funds means LCCOF and any alternative mutual fund established in the future and managed by the Filer or an affiliate of the Filer that may short sell government securities concurrently with investing in long positions in corporate fixed income securities and a **Short Selling Fund** means any one of the Short Selling Funds.

In addition, unless expressly defined herein, terms in this decision have the respective meanings given to them in MI 11-102, National Instrument 15-101 *Definitions*, NI 81-101 and NI 81-102.

Representations

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

The Filer and the Funds

1. The Filer is a corporation incorporated under the *Business Corporations Act* (Ontario) with its head office located in Toronto, Ontario.
2. The Filer is registered as an investment fund manager in Ontario, Quebec, and Newfoundland and Labrador and as an exempt market dealer in Ontario.
3. The Filer is or will be the trustee and investment fund manager of each Fund.
4. LCCOF is an alternative mutual fund established under the laws of Ontario that will operate under the provisions of NI 81-102 applicable to alternative mutual funds. Each Fund will be an alternative mutual fund under NI 81-102.
5. The Filer is not in default of securities legislation in any of the Jurisdictions.
6. The securities of each Fund will be qualified for distribution to the public in some or all of the Jurisdictions pursuant to a simplified prospectus, annual information form and fund facts prepared and filed in accordance with NI 81-101. Each Fund will be governed by NI 81-102, subject to any relief therefrom granted by the securities regulatory authorities.
7. Each Fund may: (i) take both long and short positions in foreign currencies in order to hedge currency exposure of the Fund; (ii) invest in a variety of derivatives and take both long and short positions; and/or (iii) use leverage through a combination of one or more of the following: (A) borrowing cash for investment purposes; (B) physical short sales of equity securities, fixed-income securities or other portfolio assets; and/or (C) through the use of specified derivatives.

LCCOF

8. LCCOF is an open-ended mutual fund trust created under the laws of Ontario on August 14, 2008. LCCOF currently has Series C and Series F units issued and outstanding. Units of LCCOF were first issued on December 19, 2008. Subsequently and prior to any Series F units being issued, all units of LCCOF that were then issued and outstanding were redesignated as Series C units. Accordingly, the inception date for Series C units (which is also the inception date of LCCOF) is December 19, 2008 (**LCCOF Inception Date**). The inception date for Series F units is March 31, 2014.
9. The investment objective of LCCOF is to seek to achieve long term capital growth through a diversified portfolio composed primarily of debt and money market securities. LCCOF will use

alternative investment strategies such as engaging in short sales and purchasing securities on margin or with borrowed funds.

10. LCCOF seeks to achieve its investment objective by investing in or obtaining exposure to primarily corporate bonds of Canadian and foreign issuers.
11. Since the respective inception date of each series of LCCOF, units of each series of LCCOF have only been distributed to investors on a prospectus-exempt basis in accordance with National Instrument 45-106 *Prospectus Exemptions (NI 45-106)* in the Jurisdictions in which units of LCCOF have been distributed.

Subscriptions and Redemptions of Units of LCCOF

12. Currently, the NAV of LCCOF and of each series of LCCOF is determined after the close of markets in Toronto, Ontario on the last business day of each month.
13. Currently, units of LCCOF can be purchased monthly. Subscriptions received by the Filer by 4:00 p.m. (Eastern time) on the 15th day of a month (or, if the 15th day of the month is not a business day, then the next business day following the 15th day of the month) (**LCCOF Monthly Subscription Submission Date**) will be processed on the last business day of the same month at the series net asset value per unit calculated on that day.
14. Currently, units of LCCOF are redeemable monthly. Redemption notices received by the Filer by 4:00 p.m. (Eastern time) on the 15th day of a month (or, if the 15th day of the month is not a business day, then the next business day following the 15th day of the month) will be processed on the last business day of the same month at the series net asset value per unit calculated on that day.
15. Concurrently with LCCOF becoming a reporting issuer:
 - (a) the NAV of LCCOF and of each series of LCCOF will be determined after the close of markets in Toronto, Ontario on each day that the Toronto Stock Exchange is open for trading (each a **Valuation Date**), in accordance with the requirement in section 14.2 of Instrument 81-106 *Investment Fund Continuous Disclosure (NI 81-106)*;
 - (b) subject to LCCOF obtaining the Purchase Relief and as it will be described in LCCOF's simplified prospectus and fund facts, the LCCOF Monthly Subscription Submission Date will be changed from the 15th day of a

month (or, if the 15th day of the month is not a business day, then the next business day following the 15th day of the month) to the last business day of the month; and

- (c) subject to LCCOF obtaining the Redemption Relief and as it will be described in LCCOF's simplified prospectus and fund facts, units of LCCOF will continue to be redeemable monthly, with the same notice period as it currently requires. Specifically and for greater certainty redemption notices received by the Filer by 4:00 p.m. (Eastern time) on the 15th day of a month (or, if the 15th day of the month is not a business day, then the next business day following the 15th day of the month) will be processed on the last business day of the same month at the series net asset value per unit calculated on that day.

16. Subsections 9.3(1) and 10.3(1) of NI 81-102 require that the purchase price and redemption price of a security of a mutual fund to which a purchase order and redemption order pertains, respectively, be the NAV per security next determined after receipt by the fund of the purchase order and redemption order, respectively.
17. The Filer wishes to preserve and continue the subscription and redemption frequencies currently offered to investors by LCCOF. Considering the investment strategies of LCCOF which include short selling and use of leverage, the Filer has determined that effecting purchases and redemptions on a monthly basis strikes the appropriate balance between the needs of a unitholder to invest or access its assets in a timely and orderly manner, and the need to minimize the impact of such transactions on other unitholders in the Fund.
18. The Filer believes that monthly redemptions mitigate excessive portfolio turnover. To the extent that LCCOF must unwind some of its portfolio positions to honour redemption requests, monthly redemptions, compared to daily redemptions, provide LCCOF with more time to unwind its positions in an orderly manner, thereby reducing the risk that LCCOF will have to unwind certain of its positions at less than ideal times or during potentially challenging market conditions, and reducing the potential harm to the remaining unitholders.

Performance Data of LCCOF

19. Series C is charged a management fee at a rate of 0.50% per annum.

20. Series F is charged a management fee at a rate of 1.00% per annum. Series F is also subject to a performance fee (the **Series F Performance Fee**).
21. The Filer intends to qualify for distribution under a prospectus Series A and Series F units of LCCOF, but not Series C. Series A units will be a new series with a start date approximately the same as the date of the final prospectus.
22. Since the LCCOF Inception Date, LCCOF has prepared annual and interim financial statements in accordance with NI 81-106.
23. Since the LCCOF Inception Date, LCCOF has not deviated from the investment restrictions contained in NI 81-102, other than: (i) the short selling of government securities, which is done in accordance with the requested Short Selling Relief; and (ii) from time to time, where there was temporary cash borrowing, which did not exceed a period of 30 days.
24. LCCOF will be managed substantially similarly after it becomes a reporting issuer as it was prior to becoming a reporting issuer. As a result of LCCOF becoming a reporting issuer:
- (a) LCCOF's investment objectives will not change, other than to provide additional detail as required by NI 81-101;
 - (b) The management fee charged to LCCOF in respect of Series F units will decrease from 1.00% to 0.75%;
 - (c) The day-to-day administration of LCCOF will not change, other than to comply with the additional regulatory requirements associated with being a reporting issuer (none of which will impact the portfolio management of LCCOF); and
 - (d) The management expense ratio of Series F units of LCCOF (excluding performance fees) is not expected to increase by more than 0.10%, which is an immaterial amount.
25. The Filer proposes to present the performance data of Series F units of LCCOF for the time period since the LCCOF Inception Date in sales communications. For the period from the LCCOF Inception Date to March 30, 2014 (i.e., the period during which LCCOF only had Series C units issued and outstanding but before any Series F units were issued), the performance data of Series F presented would be data generated by doing the following:
- (a) Using the performance data of Series C, first "undo" the Series C management fee;
 - (b) Expenses would be left un-touched;
 - (c) Apply the Series F management fee (at the rate of 1.00%) and Series F Performance Fee to the data.
26. Without the Performance Data Relief, sales communications pertaining to LCCOF cannot include performance data of LCCOF that relate to a period prior to it becoming a reporting issuer.
27. Without the Performance Data Relief, sales communications pertaining to LCCOF would not be permitted to include performance data until LCCOF has distributed securities under a simplified prospectus for 12 consecutive months.
28. As a reporting issuer, LCCOF will be required under NI 81-101 to prepare and file fund facts.
29. The Filer proposes to include in the fund facts for Series F units of LCCOF past performance data in the disclosure required by Items 5(2), 5(3) and 5(4) under the sub-headings "Year-by-year returns", "Best and worst 3-month returns" and "Average return", respectively, related to periods prior to LCCOF becoming a reporting issuer in any of the Jurisdictions.
30. Without the Performance Data Relief, the fund facts for Series F units of LCCOF cannot include performance data of Series F that relate to a period prior to LCCOF becoming a reporting issuer.
31. The performance data and other financial data of LCCOF for the time period before it became a reporting issuer is significant and meaningful information for existing and prospective investors in making an informed decision on whether to purchase units of LCCOF.
32. In the absence of the Performance Data Relief, investors in LCCOF following LCCOF becoming a reporting issuer will have no information about LCCOF's past performance or financial highlights on which to base their investment decision.
- Short Selling of Government Securities*
33. An important investment strategy expected to be used by the Short Selling Funds will be to enter into long positions in corporate bonds while hedging the interest rate risk of those bonds by taking short positions in government bonds (the **Short Hedging Strategy**). The Short Hedging Strategy is effective because there a high degree of correlation between the movement of government and corporate fixed income securities

caused by changes in interest rates, creating a hedge against losses in the value of the long corporate position. This relationship is a fundamental part of the fixed-income market such that dealers quote the price of corporate bond based on the incremental yield of the corporate bonds over an equivalent term government bond.

34. The Short Selling Limits would restrict the Short Selling Funds to short selling government securities to no more than 50% of the Short Selling Fund's NAV.

35. The only securities proposed to be sold short by the Short Selling Funds in excess of 50% of a Short Selling Fund's NAV will be "government securities" as such term is defined in NI 81-102. The Short Selling Funds will otherwise comply with the provisions governing short selling by an alternative mutual fund under sections 2.6.1 and 2.6.2 of NI 81-102.

36. NI 81-102 otherwise permits the Short Selling Funds to obtain the additional leveraged short exposure through the use of specified derivatives, up to an aggregate exposure of 300% of the Short Selling Fund's NAV.

37. The Filer is of the view that it would be in each Short Selling Fund's best interest to permit the Short Selling Funds to physically short sell government securities up to 300% of the Short Selling Fund's NAV, instead of being limited to achieving the same degree of leverage through either specified derivatives alone, or a combination of physical short selling and specified derivatives, for the following reasons:

(a) While derivatives can be used to create similar investment exposure as the Short Hedging Strategy up to 300% of a Short Selling Fund's NAV, the use of derivatives is less effective, is more complex, and is riskier than the Short Hedging Strategy. Derivatives typically provide credit exposure that is less targeted than the Short Hedging Strategy with a longer duration that increases risk, often without commensurately higher returns. In addition, implementing derivatives strategies necessitates incremental transactional steps. These steps increase both operational risk and counterparty risk, as well as cost.

(b) The risk of covering short government securities positions in a rising market is largely mitigated by several factors: (i) the strong correlation between the government security sold short and the corporate fixed income security held long by a Short Selling Fund which provides a hedge against short cover risk; (ii)

government securities are highly liquid and more than one issuance of government securities can be used to hedge interest rate risk; (iii) government securities have markedly lower price volatility than equity securities; (iv) unlike equity securities, government securities have an effective upper value limit; and (v) financial institutions that facilitate short selling are regulated and implement effective risk controls on short sellers.

38. Each Short Selling Fund's aggregate exposure to short selling, cash borrowing and specified derivatives transactions will not exceed 300% of the Short Selling Fund's NAV, in compliance with subsection 2.9.1 of NI 81-102 (the **Aggregate Exposure Limit**).

39. Each Short Selling Fund will implement the following controls when conducting a short sale:

(a) The Short Selling Fund will assume the obligation to return to the borrowing agent (as defined in NI 81-102) the securities borrowed to effect the short sale;

(b) The Short Selling Fund will receive cash for the securities sold short within normal trading settlement periods for the market in which the short sale is effected;

(c) The Filer will cause the portfolio manager of the Short Selling Fund to monitor the short positions of the Short Selling Fund at least as frequently as daily and the Filer, as investment fund manager, will monitor the short positions of the Short Selling Fund at least as frequently as monthly;

(d) The security interest provided by the Short Selling Fund over any of its assets that is required to enable the Short Selling Fund to effect a short sale transaction is made in accordance with section 6.8.1 of NI 81-102 and will otherwise be made in accordance with industry practice for that type of transaction and relates only to obligations arising under such short sale transaction;

(e) The Short Selling Fund will maintain appropriate internal controls regarding short sales, including written policies and procedures for the conduct of short sales, risk management controls and proper books and records; and

(f) The Filer will cause the portfolio manager of the Short Selling Fund, on behalf of

the Short Selling Fund, to keep proper books and records of short sales and all of the Fund's assets deposited with borrowing agents (as defined in NI 81-102) as security and the Filer, on behalf of the Short Selling Fund, will have access to such books and records.

40. Each Short Selling Fund's prospectus will contain adequate disclosure of the Short Selling Fund's short selling activities, including material terms of the Short Selling Limits.

Custodial Restriction

41. In connection with, among other things, the short sale of securities that the Funds will or may engage in, each Fund is permitted to grant a security interest in favour of, and deposit pledged portfolio assets with, the entity that acts as, among other things, a borrowing agent (the **Prime Broker**) to it. If a Fund engages as its Prime Broker an entity that is not its custodian or sub-custodian, then it may, under section 6.8.1 of NI 81-102, only deliver to its Prime Broker portfolio assets having a market value, in the aggregate, of not more than 25% of the NAV of such Fund at the time of deposit.
42. A Prime Broker may not wish to act as borrowing agent for a Fund that wants to sell short securities having an aggregate market value of up to 50% of such Fund's NAV (300% in the case of the Short Selling Funds) if the Prime Broker is only permitted to hold, as security for such transactions, portfolio assets, including the proceeds from the short sale, having an aggregate market value that is not in excess of 25% of the NAV of the Fund.
43. Effective as of January 3, 2019, NI 81-102 was amended to include alternative mutual funds. The ability of alternative mutual funds to borrow cash and to sell short securities more extensively than other investment funds governed by NI 81-102 has led to the increased involvement of Prime Brokers in the operations of these alternative mutual funds. While the prime brokerage model works well in the exempt investment fund space, the prime brokerage community and investment fund managers are experiencing greater difficulties in applying that model to alternative mutual funds and other investment funds under NI 81-102.
44. The prime brokerage operational and pricing models in the context of short selling are premised on the ability of the Prime Broker to retain, as collateral for the obligations of the applicable Fund, the proceeds from the short sales, whether such proceeds are cash or are used by the Fund to purchase other portfolio assets. These models are also based on the ability of the Prime Broker

to hold additional assets of the Fund as collateral for those obligations.

45. Given the collateral requirements that Prime Brokers impose on their customers that engage in the short sale of securities, if the 25% of NAV limitation set out in section 6.8.1 of NI 81-102 applies, then the Funds will need to retain two, or more, Prime Brokers in order to sell short securities to the extent permitted under section 2.6.1 of NI 81-102. This would result in inefficiencies for the Funds and would increase their costs of operations.

Decision

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

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

1. In the case of the Purchase Relief, LCCOF:
 - (a) processes, and discloses in its simplified prospectus and in the "Quick Facts" section of its fund facts that it processes purchase orders for its units on a monthly basis at their series net asset value per unit calculated as at the last Valuation Date of the calendar month in which the purchase order for such units is received (the **Purchase Processing Frequency**); and
 - (b) discloses in the "Who should invest in the Fund?" section of the Part B of its simplified prospectus and in the "Who is this Fund for?" section of its fund facts, the Purchase Processing Frequency and that LCCOF is only suitable for investors who can accept the Purchase Processing Frequency.
2. In the case of the Redemption Relief, LCCOF:
 - (a) processes, and discloses in its simplified prospectus and in the "Quick Facts" section of its fund facts that it processes redemption orders for its units on a monthly basis, that for redemption orders to redeem units received by the 15th day of each month (or, if the 15th day is not a Valuation Date, the Valuation Date immediately following such 15th day), such units are redeemed at their series net asset value per unit calculated on the last Valuation Date of the same month (the **Redemption Processing Frequency**): and

- (b) discloses in the “Who should invest in the Fund?” section of the Part B of its simplified prospectus and in the “Who is this Fund for?” section of its fund facts, the Redemption Processing Frequency and that LCCOF is only suitable for investors who can accept the Redemption Processing Frequency.
3. In the case of the Performance Data Relief:
- (a) any sales communication and any fund facts that contain performance data of LCCOF relating to a period prior to when LCCOF was a reporting issuer discloses:
 - (i) that LCCOF was not a reporting issuer during such period;
 - (ii) that the expenses of LCCOF would have been higher during such period had LCCOF been subject to the additional regulatory requirements applicable to a reporting issuer;
 - (iii) performance data of LCCOF for 10, 5, 3 and one year periods;
 - (b) the information contained under the heading “Fund Expenses Indirectly Borne by Investors” in Part B of the simplified prospectus of LCCOF based on the management expense ratio (**MER**) for LCCOF for the financial year ended December 31, 2020 be accompanied by disclosure that:
 - (i) the information is based on the MER of LCCOF for its last completed financial year when its units were offered privately during part of such financial year;
 - (ii) the MER of LCCOF may increase as a result of LCCOF offering its units under the simplified prospectus;
 - (c) the Filer posts the financial statements of LCCOF for the past 10 years on LCCOF’s website and makes those financial statements available to investors upon request.
4. In the case of the Short Selling Relief:
- (a) the only securities which a Short Selling Fund will sell short in an amount that
- exceeds 50% of the Short Selling Fund’s NAV will be securities that meet the definition of “government security” as such term is defined in NI 81-102;
 - (b) each short sale by a Short Selling Fund will otherwise comply with all of the short sale requirements applicable to alternative mutual funds in sections 2.6.1 and 2.6.2 of NI 81102;
 - (c) a Short Selling Fund’s aggregate exposure to short selling, cash borrowing and specified derivatives will not exceed the Aggregate Exposure Limit;
 - (d) each short sale will be made consistent with a Short Selling Fund’s investment objectives and investment strategies; and
 - (e) a Short Selling Fund’s prospectus will disclose that the Short Selling Fund is able to short sell “government securities” (as defined in NI 81-102) in an amount up to 300% of the Short Selling Fund’s NAV, including the material terms of this decision.
5. In the case of the Custodial Relief, provided that the Funds otherwise comply with subsections 6.8.1(2) and (3) of NI 81-102.

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

2.1.5 Wellington Square Capital Partners Inc. and Wellington Square Advisors Inc.

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions. Under paragraph 4.1(1)(b) of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations a registered firm must not permit an individual to act as a dealing, advising or associate advising representative of the registered firm if the individual is registered as a dealing, advising or associate advising representative of another registered firm.

The Filers are structured as unaffiliated and not associated corporations within the meaning of applicable securities legislation and have made the business decision to separate investment advisory services according to clients that wish to have investment exposure to the cannabis industry and those who do not wish to have such exposure. This structure is intended to ensure the respective firms comply with local legal requirements regarding controlled substances in the U.S. and Canada and to also preserve the ability for members of Wellington Square Advisors Inc. (other than its dually registered advising representative) to travel and/or immigrate to the United States.

The Filers have policies in place to handle potential conflicts of interest. The Filers are exempted from the prohibition. The decision is subject to a sunset clause.

Applicable Legislative Provisions

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

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

May 5, 2020

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
WELLINGTON SQUARE CAPITAL PARTNERS INC. (WSCP)

AND

WELLINGTON SQUARE ADVISORS INC. (WSA)
(WSCP and WSA, 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 relief from the restriction under paragraph 4.1(1)(b) of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**NI 31-103**) for relief from paragraph 4.1(1)(b) of NI 31-103 to permit Mr. Jeffrey Ardhi Sujitno (the **Representative**) to be approved as a permitted individual (**Permitted Individual**) and registered as an advising representative (the **Advising Representative**) of each of the Filers (the **Relief Sought**).

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

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

- b) the Filers have provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System (MI 11-102)* is intended to be relied upon by the Filers in the province of Québec (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 Filers:

1. Each of the Filers has applied to the Commission for registration as an adviser in the category of Portfolio Manager in the Provinces of Ontario and Québec. The head offices of the Filers are located in Toronto, Ontario.
2. WSCP and WSA are not associated or affiliated with each other within the meaning of applicable securities legislation.
3. The Representative is the sole director, President, Secretary and employee of WSCP.
4. Currently, the Representative is the Senior Vice-President, Investments & Portfolio Manager and registered advising representative of iA Clarington Investments Inc. (**iAC**).
5. The Representative joined the iAC investment management team in 2013. He specializes in fixed income and credit, with a focus on senior loans, high yield and investment grade corporate bonds.
6. The Representative is a lead portfolio manager and, together with the other principal members of his investment team (the **Representative's Team**), manage the IA Clarington Core Plus Bond Fund, the IA Clarington Floating Rate Income Fund, the IA Clarington Growth & Income Fund and the IA Clarington U.S. Dollar Floating Rate Income Fund (collectively, the **iAC Funds**).
7. Prior to joining iAC, the Representative was lead portfolio manager for the fixed income and credit mandates of a boutique Canadian investment firm, where he created the firm's senior loan business and advised both publicly offered and privately offered investment funds. Previously, he was responsible for institutional funds, investing in mezzanine loans and private equity on behalf of some of Canada's largest pension plans.
8. The Representative has 19 years of investment experience. He is a Chartered Investment Manager and Chartered Professional Accountant. He also holds an Honours Bachelor of Business Administration from the Richard Ivey School of Business at Western University.
9. The Representative and the members of the Representative's Team intend to provide discretionary investment management and advisory or sub-advisory services to registered third party portfolio managers, investment fund managers, pension funds or clients who otherwise qualify as permitted clients under NI 31-103. Initial investment advisory mandates are expected to relate primarily to fixed income strategies generally. Other investment advisory mandates will also be undertaken relating to a broad array of investment strategies.
10. Marijuana is listed as a Schedule 1 drug under the United States *Controlled Substances Act*.
11. Individuals who are active participants/investors in the cannabis industry or who travel to the United States on business related to the cannabis industry may be denied entry to the United States on a temporary or permanent basis.
12. Individuals who are active participants/investors in the cannabis industry may also be denied the ability to immigrate to the United States.
13. The Filers have decided to structure their business in such a way as to isolate all members of WSA from the cannabis business conducted by the Representative at WSCP and thereby preserve the ability for members of WSA (other than the Representative) to travel and/or immigrate to the United States.
14. The Filers have (a) decided to structure WSCP and WSA as unaffiliated and not associated corporations within the meaning of applicable securities legislation and (b) made the business decision to separate investment advisory services according to clients that wish to have investment exposure to the cannabis industry and those who do not wish to have such exposure.

15. WSCP was created to provide discretionary investment management services to clients who wish to have exposure to fixed income investments in the cannabis industry.
16. WSA was created to act primarily as a sub-advisor to WSCP in order to provide investment advisory services in relation to investments in publicly traded fixed income securities and other publicly traded securities of issuers that are not participants in the cannabis industry. WSA may also enter into investment advisory or sub-advisory agreements to provide discretionary investment management services to registered third party portfolio managers, investment fund managers, pension funds or clients who otherwise qualify as permitted clients under NI 31-103 in relation to securities of issuers that do not participate in the cannabis industry.
17. WSCP has sponsored the Representative's application to the Commission for approval as the ultimate designated person (the **UDP**), a Permitted Individual (shareholder, director and officer) and for registration as the chief compliance officer (the **CCO**) and Advising Representative of WSCP.
18. WSA has sponsored the Representative's application for approval as a Permitted Individual (shareholder) and for registration as an Advising Representative.
19. The Representative will resign from iAC immediately prior to the Commission approval of WSCP's and WSA's registration.
20. The remaining members of the Representative's Team will be directors, officers and employees of WSA and will resign from iAC immediately prior to the Commission approval of WSA's registration.
21. Upon registration, each of WSCP and WSA will jointly provide investment management services to clients pursuant to investment advisory and sub-advisory arrangements.
22. The Filers are in the process of negotiating sub-advisory arrangements with iAC to sub-advise the iAC Funds and other iAC investment portfolios. The Filers are also negotiating sub-advisory arrangements with other Canadian investment advisors to high net worth clients to manage certain investment portfolios and sub-advise newly formed investment funds to be manufactured, managed and distributed by such investment advisors (the **Other Mandates**).
23. Dual registration of the Representative as a Permitted Individual and as an Advising Representative with each of the Filers is being requested so as to permit the Representative to provide portfolio management services to the iAC Funds, the Other Mandates as well as to other clients in relation to both cannabis and non-cannabis industry investments.
24. The Representative is familiar with the business model of each of the Filers. His role with WSA will be to provide investment advisory services in relation to investments in non-cannabis industry issuers and to support WSA's other business activities and interests.
25. The Representative will be subject to the applicable compliance policies and procedures of each of the Filers and will spend approximately 60% of his time on the business of WSCP and 40% of his time on the business of WSA.
26. The Filers do not expect that the dual registration of the Representative will create a material amount additional work and are confident that the unique nature of the advising activities and services provided to the respective clients of the Filers will not create significant conflicts of interest.
27. WSA will primarily act as a sub-advisor to WSCP servicing the same clients and accordingly, the dual registration of the Representative will not give rise to the conflicts of interest that may be present in a similar arrangement involving unrelated, arm's length firms. The interests of the Filers are aligned in connection with the appropriate management and administration of the iAC Funds, the Other Mandates and other clients served in this manner. As WSCP will focus on investment advisory activities in relation to public and private issuers in the cannabis industry and WSA will focus on investment activities in relation to non-cannabis industry public issuers, the two firms will not encounter a situation where they are competing with each other for the same investment advisory mandate. The foregoing factors substantially mitigate the risks of any conflicts of interest arising as a result of the dual registration.
28. WSCP will not act as a sub-adviser to WSA and WSA will not have access to information relating to the investment advisory services provided by WSCP.
29. The Filers have adequate policies and procedures in place to address any potential conflicts of interest that may arise as a result of the dual registration of the Representative and will be able to appropriately deal with any such conflicts should they arise.

Decisions, Orders and Rulings

30. The Representative's activities at WSA will be performed under the supervision of the UDP and CCO of WSA and are subject to WSA's policies and procedures addressing conflicts of interest that may arise as a result of the dual registration. The UDP of WSA will not be responsible for supervising the Representative's work as an advising representative of WSCP.
31. The Filers will provide written disclosure to iAC and other clients of the relationship between the Filers as well as the dual registration of the Representative with each of the Filers.
32. The Representative will act in the best interests of the clients of each Filer and will deal fairly, honestly and in good faith with such clients.
33. Each of the Filers is subject to the restrictions and requirements contained in Part 13 of NI 31-103.
34. The Filers are not in default of any requirement of securities legislation in any jurisdiction of Canada.

Decision

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

The decision of the principal regulator under the Legislation is that the Relief Sought is granted on the following conditions:

- (a) the Representative is subject to supervision by, and the applicable compliance requirements of, the Filers;
- (b) the CCO and UDP of each Filer ensure that the Representative has sufficient time and resources to adequately serve the respective Filer and its clients;
- (c) the Filers have adequate policies and procedures in place to address any potential conflicts of interest that may arise as a result of the dual registration of the Representative, and deal appropriately with any such conflicts;
- (d) the relationship between the Filers and the fact that the Representative is dually registered with each of WSCP and WSA is fully disclosed in writing to clients of each of them that deal with such Representative; and
- (e) the Filers file with the principal regulator, on a semi-annual basis, with the first such filing being made within six months of the decision, a certificate in the form attached hereto as Schedule A.

This decision shall continue in force until such time as marijuana is no longer listed as a Schedule 1 drug under the United States Controlled Substances Act.

"Felicia Tedesco"
Deputy Director
Compliance and Registrant Regulation
Ontario Securities Commission

Schedule A

[FORM OF SEMI-ANNUAL REPORT]

TO: Ontario Securities Commission

Pursuant to the conditions of the exemptive relief decision document dated May 5, 2020 (the **Decision Document**), each of Wellington Square Capital Partners Inc. (WSCP) and Wellington Square Advisors Inc. (**WSA**) hereby certify that

1. the decision by each of WSCP and WSA to structure WSCP and WSA as unaffiliated and not associated corporations within the meaning of applicable securities legislation continues to preserve the ability for members of WSA (other than the Representative) to travel and/or immigrate to the United States;
2. each of WSCP and WSA continue to operate their respective business as described in the Decision Document;
3. WSA has no responsibility for the oversight of the investment advisory activities of WSCP or the Representative in his capacity as an advising representative of WSCP; and
4. each of WSCP and WSA continue to maintain adequate policies and procedures to identify and address any conflicts of interest which may arise as a result of the Representative being a registered individual with each firm.

Dated this _____ day of _____, 20_____.

WELLINGTON SQUARE CAPITAL PARTNERS INC.

By: _____
Name:
Title: Ultimate Designated Person

WELLINGTON SQUARE ADVISORS INC.

By: _____
Name:
Title: Ultimate Designated Person

2.1.6 Organigram Holdings Inc. et al.

Headnote

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

Applicable Legislative Provisions

Securities Act, SNB 2004 c. S-5.5, ss. 88, 205.1, 208(1).

FCNB Delegation Order, Commission to at Least Two Members of the Commission dated 17 February 2014, paragraph 13.

National Instrument 44-101 Short Form Prospectus Distributions, Part 8, Item 20 of Form 44-101F1.

National Instrument 44-102 Shelf Distributions, ss. 5.5, 6.3, 6.7, Part 9, ss. 2.1, 2.2 of Appendix A.

Multilateral Instrument 11-102 – Passport System.

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

April 15, 2020

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
NEW BRUNSWICK AND
ONTARIO
(the “Jurisdictions”)**

AND

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

AND

**IN THE MATTER OF
ORGANIGRAM HOLDINGS INC.
(the “Issuer”)**

AND

**IN THE MATTER OF
BMO NESBITT BURNS INC.
(the “Canadian Agent”)**

AND

**BMO CAPITAL MARKETS CORP.
(the “U.S. Agent”, and together with the Canadian Agent,
the “Agents”, and together with the Issuer, the “Filers”)**

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the “**Decision Makers**”), have received an application (the “**Application**”) from the Filers for a decision under the securities legislation of the Jurisdictions (the “**Legislation**”):

- (a) revoking the Previous Decision (as defined below); and
- (b) granting the following relief (the “**Exemptions Sought**”):
 - (i) that the requirement that a dealer not acting as agent of the purchaser who receives an order or subscription for a security offered in a distribution to which the prospectus requirement applies send or deliver to the purchaser the latest prospectus (including the applicable prospectus supplement(s) in the case of a base shelf prospectus) and any amendment to the prospectus (the “**Prospectus Delivery Requirement**”) does not apply to the Agents or any other TSX participating organization or other marketplace participant acting as selling agent for the Agents (each, a “**Selling Agent**”) in connection with any at-the-market distribution (each, an “**ATM Distribution**”) and collectively, the “**ATM Offering**”), as defined in National Instrument 44-102 – *Shelf Distributions* (“**NI 44-102**”) of common shares (“**Common Shares**”) of the Issuer pursuant to one or more equity distribution agreements (each, an “**Equity Distribution Agreement**”) to be entered into between the Issuer and the Agents; and
 - (ii) that the requirements to include in a base shelf prospectus or prospectus supplement or an amendment thereto:
 - (A) a forward-looking issuer certificate of the Issuer in the form specified in section 2.1 or section 2.4, as applicable, of Appendix A to NI 44-102;
 - (B) a forward-looking underwriter certificate in the form specified by section 2.2 or section 2.4, as applicable, of Appendix A to NI 44-102; and
 - (C) a statement respecting purchasers’ statutory rights of withdrawal and remedies of rescission or damages in substantially the form prescribed in Item 20 of Form 44-101F1 – *Short Form Prospectus*;

(collectively, the “**Prospectus Form Requirements**”) do not apply to the Shelf Prospectus (as defined below), a Prospectus Supplement (as defined below) or an amendment thereto provided that the Issuer includes in the applicable Prospectus Supplement or an amendment thereto the form of issuer certificate and form of agent certificate and the revised description of a purchaser’s statutory rights of withdrawal and remedies for rescission or damages described below, in each case (other than with respect to the underwriter certificate) superseding and replacing the corresponding language in the Shelf Prospectus solely with regards to the ATM Offering.

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

- (a) the Financial and Consumer Services Commission (New Brunswick) is the principal regulator for this Application based on the “most significant connection” test articulated under section 3.6(6)(c) of National Policy 11-203 – *Process for Exemptive Relief Applications in Multiple Jurisdictions*;
- (b) the Filers have provided notice that section 4.7(1) of Multilateral Instrument 11-102 – *Passport System* (“**MI 11-102**”) is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, the Yukon, the Northwest Territories and Nunavut (together with the Jurisdictions, the “**Reporting Jurisdictions**”); and
- (c) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

Terms defined in National Instrument 14-101 – *Definitions*, National Instrument 13-101 – *System for Electronic Document Analysis and Retrieval* (“**SEDAR**”), in MI 11-102 or in NI 44-102 have the same meaning if used in this decision, unless otherwise defined herein. All dollar figures in this decision refer to Canadian dollars.

Representations

This decision is based on the following facts represented by the Filers.

The Issuer

1. The Issuer is a corporation incorporated under the *Business Corporations Act* (British Columbia) on July 5, 2010 and continued under the *Canada Business Corporations Act* on April 6, 2016.

Decisions, Orders and Rulings

2. The Issuer's wholly-owned subsidiary, Organigram Inc., is a licensed producer of cannabis and cannabis derived products under the *Cannabis Act* (Canada) and the *Cannabis Regulations* (Canada) and regulated by Health Canada.
3. The Issuer's head and registered offices are located at 35 English Drive, Moncton, New Brunswick, E1E 3X3.
4. The Issuer is a reporting issuer in each of the Reporting Jurisdictions and, to its knowledge, is not in default of the requirements of securities legislation applicable therein.
5. The Common Shares are registered under Section 12(b) of the *U.S. Securities Exchange Act of 1934*, as amended (the "**U.S. Exchange Act**") and are listed on the Toronto Stock Exchange (the "**TSX**") and the Nasdaq Global Select Market ("**NASDAQ**") under the trading symbol "OGI".
6. The Issuer is subject to reporting obligations under the U.S. Exchange Act and files its continuous disclosure documents with the Securities and Exchange Commission (the "**SEC**") in the U.S. as a "foreign private issuer" under SEC rules.
7. The Issuer filed a preliminary short form base shelf prospectus ("**Preliminary Shelf Prospectus**") in the Reporting Jurisdictions on November 5, 2019, and a final short form base shelf prospectus ("**Shelf Prospectus**") in the Reporting Jurisdictions on November 22, 2019 to qualify the distribution from time to time of Common Shares, preferred shares, debt securities, subscription receipts and warrants, and units comprised of some or all of such securities, and a registration statement and base shelf prospectus (the "**Registration Statement**") under the U.S. Securities Act of 1933, as amended, on Form F-10 on November 6, 2019, and on Form F-10/A on November 27, 2019, with the SEC under the multi-jurisdictional disclosure system, providing for the distribution or registration, as applicable, from time to time of Common Shares having an aggregate offering price of up to \$175,000,000.
8. The Financial and Consumer Services Commission (New Brunswick) issued a receipt for the Preliminary Shelf Prospectus on November 6, 2019, and a receipt for the Shelf Prospectus on November 25, 2019 which also evidenced the issuance of receipts by Ontario Securities Commission, and which receipts were deemed pursuant to MI 11-102 to have been issued by the securities regulatory authority of each of the other Reporting Jurisdictions.
9. The Filers applied to the Financial and Consumer Services Commission (New Brunswick) and Ontario Securities Commission for exemptive relief from the Prospectus Delivery Requirement and the Prospectus Form Requirements (the "**Previous Relief**") on November 14, 2019, in order to allow the Issuer to effect an ATM Distribution in the Reporting Jurisdictions. An order granting the Previous Relief was issued on November 22, 2019 (the "**Previous Decision**") by the Financial and Consumer Services Commission (New Brunswick) which also evidenced the decision of the Ontario Securities Commission, and which, pursuant to MI 11-102, granted relief in each of the other Reporting Jurisdictions.
10. The Previous Decision provided that the Issuer would not, during the period that the Shelf Prospectus was effective, distribute by way of one or more ATM Distributions a total market value of Common Shares that exceeded 10% of the aggregate market value of Common Shares, such aggregate market value calculated in accordance with section 9.2 of NI 44-102 as at the last trading day of the month before the month in which the first ATM Distribution was made (the "**10% Aggregate Cap**").
11. The Issuer filed a Prospectus Supplement and the Filers entered into an Equity Distribution Agreement on December 4, 2019, pursuant to which up to \$55,000,000 of Common Shares could be distributed by way of an ATM Distribution (the "**First ATM Distribution**"). The First ATM Distribution was completed in full on February 14, 2020. The value of Common Shares distributed pursuant to the First ATM Distribution was equal to the 10% Aggregate Cap.
12. On March 23, 2020, the Filers submitted the Application to revoke the Previous Decision and issue this decision in order to allow the Issuer to effect multiple ATM Distributions, each pursuant to a separate Prospectus Supplement, during the period that the Shelf Prospectus is effective, with each such ATM Distribution being subject to a limit whereby the Issuer will not, during the period that the Shelf Prospectus is effective, (i) pursuant to any one Prospectus Supplement filed in relation thereto, distribute by way of an ATM Distribution a total market value of Common Shares that exceeds 10% of the aggregate market value of Common Shares, such aggregate market value calculated in accordance with section 9.2 of NI 44-102 as at the last trading day of the month before the month in which the first distribution under an ATM Distribution is made pursuant to such Prospectus Supplement, or (ii) file a Prospectus Supplement relating to an ATM Distribution unless all prior ATM Distributions have been exhausted or terminated.

The Agents

13. The Canadian Agent is a corporation incorporated under the laws of Canada with its head office in Toronto, Ontario.

14. The Canadian Agent is registered as an investment dealer under the securities legislation of each of the Reporting Jurisdictions, is a member of the Investment Industry Regulatory Organization of Canada, and is a participating organization of the TSX.
15. The U.S. Agent is a corporation incorporated under the laws of Delaware with its head office in New York, New York.
16. The U.S. Agent is a broker-dealer registered with the SEC under the U.S. Exchange Act.
17. Neither of the Agents is in default of the requirements of securities legislation applicable in any of the Reporting Jurisdictions.

Proposed ATM Distribution

18. Subject to mutual agreement on terms and conditions, the Filers expect to enter into one or more Equity Distribution Agreements providing for the sale of Common Shares by the Issuer through the Agents, as agents, pursuant to ATM Distributions under the base shelf prospectus procedures prescribed by Part 9 of NI 44-102.
19. Upon entering into an Equity Distribution Agreement, the Issuer will issue a news release to announce the applicable Equity Distribution Agreement and will file a copy of the applicable Equity Distribution Agreement on SEDAR. The news release will state that the Shelf Prospectus and a related Prospectus Supplement (defined below) have been filed on SEDAR and will specify where and how purchasers of Common Shares under the applicable ATM Offering may obtain copies. A copy of the news release will also be posted on the Issuer's website.
20. Prior to making any ATM Distribution, the Issuer will have filed (i) the Shelf Prospectus in the Reporting Jurisdictions, (ii) the Registration Statement with the SEC, and (iii) a prospectus supplement in the Reporting Jurisdictions and with the SEC, describing the terms of the applicable ATM Distribution, including the terms of the applicable Equity Distribution Agreement, and otherwise supplementing the disclosure in the Shelf Prospectus and Registration Statement (a "**Prospectus Supplement**", and together with the Shelf Prospectus, as supplemented or amended and including any documents incorporated by reference therein, a "**Prospectus**").
21. Under each proposed Equity Distribution Agreement, the Issuer may conduct an ATM Distribution subject to the 10% limitation set out in subsection 9.1(1) of NI 44-102.
22. The Issuer will not, during the period that the Shelf Prospectus is effective, (i) pursuant to any one Prospectus Supplement filed in relation thereto, distribute by way of an ATM Distribution a total market value of Common Shares that exceeds 10% of the aggregate market value of Common Shares, such aggregate market value calculated in accordance with section 9.2 of NI 44-102 and as at the last trading day of the month before the month in which the first distribution under an ATM Distribution is made pursuant to such Prospectus Supplement, or (ii) file a Prospectus Supplement relating to another ATM Distribution unless all prior ATM Distributions have been completed in full or terminated.
23. The Issuer will conduct ATM Distributions only through one or more of the Agents (as agent) directly or via a Selling Agent, and only through (i) the TSX, (ii) the NASDAQ, or (iii) another marketplace (as defined in National Instrument 21-101 *Marketplace Operation*) upon which such Common Shares are listed, quoted or otherwise traded (each a "**Marketplace**").
24. The Canadian Agent will act as the sole agent of the Issuer in connection with an ATM Distribution directly or through one or more Selling Agents on the TSX or any other Marketplace in Canada, and will be paid an agency fee or commission by the Issuer in connection with such sales. If sales are effected through a Selling Agent, the Selling Agent will be paid a seller's commission for effecting the trades on behalf of the Canadian Agent. The Canadian Agent will sign an agent's certificate in the applicable Prospectus Supplement, and a purchaser's rights and remedies under applicable securities legislation against the Canadian Agent, as agent of an ATM Distribution through the TSX or any other Canadian Marketplace, will not be affected by a decision to effect the sale directly or through a Selling Agent.
25. The aggregate number of Common Shares sold on the TSX or any other Canadian Marketplace pursuant to an ATM Distribution on any trading day will not exceed 25% of the aggregate trading volume of such Common Shares on the TSX or any other Canadian Marketplace on that day.
26. Each Equity Distribution Agreement will provide that, at the time of each sale of Common Shares pursuant to an ATM Distribution, the Issuer will represent to the Agents that the applicable Prospectus contains full, true and plain disclosure of all material facts relating to the Issuer and Common Shares being distributed. The Issuer would, therefore, be unable to proceed with sales pursuant to an ATM Distribution when it is in possession of undisclosed information that would constitute a material fact or a material change in respect of the Issuer or the Common Shares.

27. During the period after the date of the applicable Prospectus Supplement and before the termination of any ATM Distribution, if the Issuer disseminates a news release disclosing information that, in the Issuer's determination, constitutes a "material fact" (as such term is defined in the Legislation), the Issuer will identify such news release as a "designated news release" for the purposes of the applicable Prospectus. This designation will be made on the face page of the version of such news release filed on SEDAR (any such news release, a "**Designated News Release**"). The applicable Prospectus Supplement will provide that any such Designated News Release will be deemed to be incorporated by reference into the applicable Prospectus. A Designated News Release will not be used to update disclosure in the applicable Prospectus by the Issuer in the event of a "material change" (as such term is defined in the Legislation of the Jurisdictions).
28. If, after the Issuer delivers a sell notice to the Agents directing the Agents to sell Common Shares on the Issuer's behalf pursuant to an Equity Distribution Agreement (a "**Sell Notice**"), the sale of Common Shares specified in the Sell Notice, taking into consideration undisclosed prior sales under previous ATM Distributions, would constitute a material fact or material change, the Issuer will suspend sales under an Equity Distribution Agreement until either: (i) it has filed a Designated News Release or material change report, as applicable, or amended the applicable Prospectus; or (ii) circumstances have changed such that the sales would no longer constitute a material fact or material change.
29. In determining whether the sale of the number of Common Shares specified in a Sell Notice would constitute a material fact or material change, the Issuer will take into account a number of factors, including, without limitation: (i) the parameters of the Sell Notice, including the number of Common Shares proposed to be sold and any price or timing restrictions that the Issuer may impose with respect to the particular ATM Distribution; (ii) the percentage of the outstanding type of such Common Shares that the number of Common Shares proposed to be sold pursuant to the Sell Notice represents; (iii) sales under earlier Sell Notices; (iv) the trading volume and volatility of such Common Shares; (v) recent developments in the business, affairs and capital structure of the Issuer; and (vi) prevailing market conditions generally.
30. It is in the interest of both the Issuer and the Agents to minimize the market impact of sales under an ATM Distribution. Therefore, the Agents will closely monitor the market's reaction to trades made on any Marketplace under the ATM Distribution in order to evaluate the likely market impact of future trades. The Agents have experience and expertise in managing sell orders to limit downward pressure on trading prices. If the Agents have concerns as to whether a particular sell order placed by the Issuer may have a significant effect on the market price of the securities, the Agents will recommend against effecting the trade at that time.

Disclosure of ATM Distributions

31. The Issuer will disclose the number and average price of the Common Shares sold pursuant to an ATM Distribution under a Prospectus, as well as total gross proceeds, agent's commission and net proceeds, in its annual and interim financial statements and management discussion and analysis filed on SEDAR.

Prospectus Delivery Requirement

32. Pursuant to the Prospectus Delivery Requirement, a dealer effecting a trade of securities under a prospectus-based offering is required to deliver a copy of a prospectus (including the applicable prospectus supplement(s) in the case of a base shelf prospectus) to the purchaser within prescribed time limits.
33. The delivery of a prospectus is not practicable in the circumstances of an ATM Distribution, as neither the Agents nor a Selling Agent effecting the trade will know the purchaser's identity.
34. The applicable Prospectus will be filed and readily available to all purchasers electronically via SEDAR. In addition, as stated above, the Issuer will issue a news release that specifies where and how copies of the applicable Prospectus can be obtained.
35. The liability of an issuer or an underwriter (among others) for a misrepresentation in a prospectus pursuant to the civil liability provisions of the Legislation will not be affected by the grant of an exemption from the Prospectus Delivery Requirement, as purchasers of securities offered by a prospectus during the period of distribution have a right of action for damages or rescission if there is a misrepresentation in the prospectus, without regard as to whether the purchaser relied on the misrepresentation and whether the purchaser in fact received a copy of the prospectus.

Withdrawal Right and Right of Action for Non-Delivery

36. Pursuant to the Legislation, an agreement to purchase securities in respect of a distribution to which the prospectus requirement applies is not binding on the purchaser if a dealer receives, not later than the prescribed time after receipt

by the purchaser of the latest prospectus or any amendment to the prospectus, a notice in writing that the purchaser does not intend to be bound by the agreement of purchase (the “**Withdrawal Right**”).

37. Pursuant to the Legislation, a purchaser of securities to whom a prospectus was required to be sent or delivered in compliance with the Prospectus Delivery Requirement, but was not so sent or delivered, has a right of action for rescission or damages against the dealer who did not comply with the Prospectus Delivery Requirement (the “**Right of Action for Non-Delivery**”).
38. Neither the Withdrawal Right nor the Right of Action for Non-Delivery is workable in the context of an ATM Distribution, because of the impracticability of delivering the applicable Prospectus to a purchaser of Common Shares thereunder.

Prospectus Form Requirements

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

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

40. The applicable Prospectus Supplement and any amendment thereto will include the following underwriter certificate (with appropriate modifications in respect of the filing of an amendment prescribed by section 2.4 of Appendix A to NI 44-102):

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

41. A different statement of purchasers’ rights than that required by the Legislation is necessary so that the applicable Prospectus Supplement will accurately reflect the relief granted from the Prospectus Delivery Requirement. Accordingly, each Prospectus Supplement will state the following, with the date reference completed:

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities and with remedies for rescission or, in some jurisdictions, revision of the price, or damages if the prospectus, prospectus supplements relating to securities purchased by a purchaser and any amendment are not delivered to the purchaser, provided that the remedies are exercised by the purchaser within the time limit prescribed by securities legislation. However, purchasers of securities under an at-the-market distribution by the Issuer will not have the right to withdraw from an agreement to purchase the securities and will not have remedies of rescission or, in some jurisdictions, revision of the price, or damages for non-delivery of the prospectus supplement, the accompanying prospectus and any amendment thereto relating to the securities purchased by the purchaser, because the prospectus relating to securities purchased by such purchaser will not be delivered as permitted under a decision dated [●], 2020, and granted pursuant to National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions.

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

Purchasers should refer to any applicable provisions of securities legislation and the decision referred to above for the particulars of these rights or consult with a legal adviser.

42. The applicable Prospectus Supplement will disclose that, solely with regards to the ATM Offering, the statement prescribed in paragraph 41 above supersedes and replaces the statement of purchasers' rights contained in the Shelf Prospectus.

Decision

The Decision Makers are satisfied that this decision satisfies the test set out in the Legislation for the Decision Makers to make the decision.

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

1. the Previous Decision is revoked with respect to any ATM Distribution after the date hereof, and
2. the Exemptions Sought are granted, provided:
 - (a) at least one of the following is true:
 - (i) during the 60-day period ending not earlier than 10 days prior to the commencement of an ATM Distribution, the Common Shares have traded, in total, on one or more Marketplaces, as reported on a consolidated market display:
 - (A) an average of at least 100 times per trading day, and
 - (B) with an average trading value of at least \$1,000,000 per trading day; or
 - (ii) at the commencement of an ATM Distribution, the Common Shares are subject to Regulation M under the U.S. Exchange Act and are an "actively-traded security" as defined thereunder;
 - (b) the Issuer does not, during the period that the Shelf Prospectus is effective, (i) pursuant to any one Prospectus Supplement filed in relation thereto, distribute by way of an ATM Distribution a total market value of Common Shares that exceeds 10% of the aggregate market value of Common Shares, such aggregate market value calculated in accordance with section 9.2 of NI 44-102 and as at the last trading day of the month before the month in which the first distribution under an ATM Distribution is made pursuant to such Prospectus Supplement, or (ii) file a Prospectus Supplement relating to an ATM Distribution unless all prior ATM Distributions have been completed in full or terminated;
 - (c) the Issuer complies with the disclosure requirements set out in paragraphs 31, and 39 through 42 above; and
 - (d) the Issuer and Agents respectively comply with the representations made in paragraphs 19, and 23 through 30 above.

This decision will terminate on the date that is 25 months from the date on which the receipt for the Shelf Prospectus was issued.

As to the Exemptions Sought from the Prospectus Delivery Requirement and the Prospectus Form Requirements:

"Céline Robichaud-Trifts"
Commissioner
Financial and Consumer Services Commission (New Brunswick)

"Vincent L. Duff"
Commissioner
Financial and Consumer Services Commission (New Brunswick)

2.2 Orders

2.2.1 MOAG Copper Gold Resources Inc. et al.

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

File No. 2018-41

M. Cecilia Williams, Commissioner and Chair of the Panel

April 30, 2020

ORDER

WHEREAS on April 29, 2020, the Ontario Securities Commission (the **Commission**) held a hearing by teleconference;

ON HEARING the submissions of the representative for Staff of the Commission and the representative for Bradley Jones, and the submissions of Gary Brown (**Mr. Brown**), and of Peter Cooper on behalf of MOAG Copper Gold Resources Inc.;

IT IS ORDERED THAT:

1. Mr. Brown shall serve and file his evidence in writing, if any, by no later than May 21, 2020, which evidence shall contain his written testimony and the written testimony of any witnesses and any documents Mr. Brown or his witnesses refer to in their written testimony;
2. if Mr. Brown does not file written evidence by May 21, 2020, he may not, without a panel's permission, file any additional written evidence in this proceeding;
3. Mr. Brown's written evidence is not to contain any mention of facts that may properly be the subject of settlement privilege; and
4. an attendance by teleconference is scheduled for May 27, 2020 at 10:00 a.m., or on such other date and time as provided by the Office of the Secretary and agreed to by the parties.

"M. Cecilia Williams"

2.2.2 David Randall Miller

**IN THE MATTER OF
DAVID RANDALL MILLER**

File No. 2019-48

Timothy Moseley, Vice-Chair and Chair of the Panel

May 1, 2020

ORDER

WHEREAS the Ontario Securities Commission held a hearing in writing;

ON READING the submissions of the representative for Staff of the Commission (**Staff**), and on considering the consent of David Randall Miller (**Miller**);

IT IS ORDERED THAT:

1. The hearing date of May 5, 2020 is vacated;
2. Miller shall file and serve a witness list, and serve a summary of each witness's anticipated evidence on Staff, and indicate any intention to call an expert witness, by no later than June 3, 2020; and
3. a further attendance in this proceeding is scheduled for July 3, 2020 at 10:00 a.m., or on such other date and time as may be agreed to by the parties and set by the Office of the Secretary.

"Timothy Moseley"

2.2.3 Ontario Instrument 51-504 Temporary Exemptions from Certain Requirements to File or Send Securityholder Materials

Ontario Securities Commission

Ontario Instrument 51-504

Temporary Exemptions from Certain Requirements to File or Send Securityholder Materials

The Ontario Securities Commission, considering that to do so would not be prejudicial to the public interest, orders that effective on May 1, 2020, Ontario Instrument 51-504 entitled "Temporary Exemptions from Certain Requirements to File or Send Securityholder Materials" is made, such that affected persons or companies are temporarily exempted from certain requirements of Ontario securities law.

Dated this 1st day of May 2020.

"Grant Vingoe"
Acting Chair

"Timothy Moseley"
Vice Chair

Authority under which the order is made:

Act and section: *Securities Act*, subsection 143.11(2)

Ontario Securities Commission

Ontario Instrument 51-504

Temporary Exemptions from Certain Requirements to File or Send Securityholder Materials

Definitions

1. Terms defined in the *Securities Act* (Ontario) (the **Act**), National Instrument 14-101 *Definitions* and National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**) have the same meaning in this Instrument.
2. In this Instrument:
 - "annual request form requirement" means the requirement in subsection 4.6(1) of NI 51-102 for a reporting issuer to send annually a request form to its securityholders, other than holders of debt instruments;
 - "executive compensation disclosure requirement" means the requirement in subsection 9.3.1(2.2) of NI 51-102 for a reporting issuer to file the executive compensation disclosure required under subsection 9.3.1(1) of NI 51-102 by the deadlines set out in subsection 9.3.1(2.2) of NI 51-102;
 - "next AGM information circular" means the information circular that a reporting issuer sends to its securityholders for its next annual meeting of securityholders; and
 - "send-on-request requirements" means the requirements in subsections 4.6(3) and 5.6(1) of NI 51-102 for a reporting issuer to send annual financial statements and MD&A, or interim financial reports and MD&A, to its securityholders, other than holders of debt instruments, who requested them, by the deadlines set out in subsection 4.6(3) of NI 51-102.

Background

3. As a result of the coronavirus disease 2019 (**COVID-19**) outbreak, which was declared a pandemic by the World Health Organization on March 11, 2020 and has led to a "Declaration of Emergency" under the *Emergency Management and Civil Protection Act* (Ontario) by the Lieutenant Governor of Ontario on March 17, 2020, the Ontario Securities Commission (the **Commission**) acknowledges that this pandemic may present challenges for market participants in meeting certain obligations under Ontario securities law.
4. Reporting issuers include their executive compensation disclosure in the information circular for their annual meeting of securityholders. As a result of the COVID-19 pandemic, many reporting issuers are postponing their annual meeting of securityholders.
5. Subsections 4.6(5) and 5.6(3) of NI 51-102 contain exceptions to the annual request form requirement and send-on-request requirements which allow reporting issuers to send their annual financial statements and MD&A with the information circular for their annual meeting of securityholders, provided they are sent within 140 days of their financial year end. However, it may not be practicable for reporting issuers that have postponed their annual meeting of securityholders to rely on those exceptions.
6. As a result of the COVID-19 pandemic, reporting issuers may have difficulties complying with the send-on-request requirements for requests for copies of documents in paper format when their employees are working from home and complying with, or following, physical distancing requirements and recommendations of public health authorities.
7. The Commission expects that each securities regulatory authority or regulator in jurisdictions of Canada will issue orders providing exemptions similar to those provided in this Instrument.
8. Securities legislation requires a reporting issuer to provide periodic disclosure about its business and affairs and to provide other prescribed disclosure.
9. NI 51-102 imposes the executive compensation disclosure requirement, the annual request form requirement and the send-on-request requirements on reporting issuers.
10. Under section 143.11(2) of the Act, if the Commission considers that it would not be prejudicial to the public interest to do so, the Commission may, on application by an interested person or company or on its own initiative, make an order exempting a class or classes of persons or companies, trades, intended trades, or securities from any requirement of Ontario securities law on such terms and conditions as may be set out in the order, effective for a period of no longer

than 18 months after the day on which it comes into force unless extended pursuant to clause (b) of subsection 143.11(3) of the Act.

11. The Commission is satisfied, having considered the interests of reporting issuers that are impacted by the COVID-19 pandemic and the needs of investors to have timely disclosure about a reporting issuer's executive compensation, financial and business affairs that, subject to the conditions set out in this Instrument, it is appropriate to provide the exemptions from the requirements of NI 51-102.

Order

12. The Commission, considering that to do so would not be prejudicial to the public interest, orders that a reporting issuer is exempt from the executive compensation disclosure requirement, provided that
- (1) the reporting issuer issues, and files on SEDAR, in advance of the deadline that would otherwise apply under subsection 9.3.1(2.2) of NI 51-102 or as soon as reasonably practicable thereafter, a news release that discloses that it is relying on this exemption,
 - (2) on or before December 31, 2020, the reporting issuer either
 - (a) sends to its securityholders, and files, its next AGM information circular containing the executive compensation disclosure required under subsection 9.3.1(1) of NI 51-102, or
 - (b) files a document containing the executive compensation disclosure required under subsection 9.3.1(1) of NI 51-102,
 - (3) the reporting issuer has filed annual financial statements and MD&A for its most recently completed financial year before it
 - (a) sends to its securityholders, and files, its next AGM information circular, or
 - (b) files the document referred to in (2)(b), and
 - (4) if the reporting issuer files the document referred to in (2)(b), it includes the executive compensation disclosure in that document in its next AGM information circular that it subsequently sends to its securityholders and files.
13. The Commission, considering that to do so would not be prejudicial to the public interest, orders that a reporting issuer is exempt from the annual request form requirement and the send-on-request requirements in respect of annual financial statements and MD&A, provided that the reporting issuer sends to its securityholders, other than holders of debt instruments, its annual financial statements and MD&A on or before December 31, 2020 and in accordance with NI 54-101.
14. The Commission, considering that to do so would not be prejudicial to the public interest, orders that a reporting issuer is exempt from the send-on-request requirements for requests received before December 31, 2020, provided that the reporting issuer sends a copy of the requested financial statements and MD&A to the securityholder that made the request as soon as reasonably practicable after the applicable sending deadline set out in subsection 4.6(3) of NI 51-102.
15. A reference made in a news release to an equivalent exemption granted by a securities regulatory authority or regulator in another jurisdiction of Canada that is the reporting issuer's principal regulator, as defined in National Policy 11-207 *Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions*, will be deemed to constitute a reference to the relevant exemption in this Instrument.
16. This Instrument takes effect on May 1, 2020 and expires on December 31, 2020.

2.2.4 Pattern Energy Group Inc.

Headnote

National Policy 11-206 Process for Cease to be a Reporting Issuer Applications – Following a “going-private” transaction, all of the issuer’s common shares (other than certain shares held indirectly by Canada Pension Plan Investment Board and by management) were cancelled and converted into a right to receive cash consideration; the issuer has preferred shares and debt securities outstanding that are held by more than 15 holders resident in Canada and more than 51 holders worldwide; holders of outstanding preferred shares and debt securities in Canada comprise more than 2% of the total number of holders of the issuer worldwide, and beneficially own more than 2% of a class or series of outstanding securities of the issuer, including debt securities, worldwide; the issuer is not required under the terms of the preferred shares or debt instruments to remain a reporting issuer; holders of the preferred shares and debt securities are entitled to financial statements and other information if the issuer is not subject to public reporting under the Securities Exchange Act of 1934; the issuer does not intend to do a public offering of its securities to Canadian residents; the issuer is not in default of any securities legislation in any jurisdiction – Relief granted.

Applicable Legislative Provisions

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

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

AND

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

AND

**IN THE MATTER OF
PATTERN ENERGY GROUP INC.
(the Filer)**

ORDER

Background

The principal regulator in the Jurisdiction has received an application from the Filer for an order under the securities legislation of the principal regulator (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 passport application):

- (1) The Ontario Securities Commission is the principal regulator for this application (the **Principal Regulator**), and
- (2) the Filer has provided notice that subsection 4C.5(1) of Multilateral Instrument 11-102 *Passport System (MI 11-102)* is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador, and the territories of Yukon, the Northwest Territories and Nunavut (collectively 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 order, unless otherwise defined.

Representations

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

1. The Filer was incorporated under and is governed by the laws of the State of Delaware.
2. The Filer’s head office is located at 1088 Sansome Street, San Francisco, California, 94111.
3. The Filer’s registered office is located at Corporation Service Company, 251 Little Falls Drive, City of Wilmington, County of New Castle, Delaware, 19808.
4. The Filer is a reporting issuer under the laws of each of the Jurisdictions and is not in default of its obligations under the securities laws of any of the Jurisdictions.
5. The Filer’s shares of Class A common stock (**Common Shares**) are registered under section 12 of the U.S. Securities Exchange Act of 1934, as amended (the **Exchange Act**).
6. The Filer is an “SEC foreign issuer” pursuant to National Instrument 71-102 *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers*.
7. The Filer is not an “OTC reporting issuer” pursuant to Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*.
8. On March 16, 2020 (the **Effective Date**), the Filer was taken “private” pursuant to an Agreement and Plan of Merger (the **Merger Agreement**), dated as of November 3, 2019, among the Filer, Pacific US Inc., a Delaware corporation (**Parent**) that is

indirectly wholly owned by Canada Pension Plan Investment Board (**CPPIB**), and Pacific BidCo US Inc., a Delaware corporation and a wholly owned direct subsidiary of Parent (**Merger Sub**). Pursuant to the terms of the Merger Agreement:

- (a) Merger Sub was merged with and into the Filer, and the Filer continued as the surviving corporation and as a subsidiary of Parent (the **Transaction**), and
 - (b) all of the issued and outstanding Common Shares of the Filer (other than those held by the Parent and certain shares reflecting incentive awards held by management of the Filer, which were exchanged for equity interests in a new entity formed (**Newco**) in connection with a corporate restructuring of the Filer which was completed following consummation of the Transaction) were cancelled and converted into the right to receive cash consideration of US\$26.75 per share (the **Merger Consideration**).
9. On March 16, 2020, the Filer issued a news release about the closing of the Transaction and the application to cease to be a reporting issuer.
 10. Immediately prior to the Effective Date, the authorized capital of the Filer consisted of (i) 500,000,000 Common Shares, and (ii) 100,000,000 shares of preferred stock.
 11. Immediately prior to the Effective Date, the Filer had the following outstanding securities: (i) 97,804,897 Common Shares, (ii) 10,400,000 shares of Series A perpetual preferred stock (the **Preferred Shares**), (iii) 162,079,052 restricted stock units (the **RSUs**), (iv) 382,154 options entitling the holder thereof to acquire Common Shares (the **Options**), (v) US\$225 million principal amount of 4.00% Convertible Senior Notes due 2020 (the **Convertible Notes**), and (vi) US\$350 million principal amount of 5.875% Senior Notes due 2024 (the **Senior Notes**).
 12. The Common Shares were listed and posted for trading on the Toronto Stock Exchange (the **TSX**) and the Nasdaq Global Select Market (**Nasdaq**) under the symbol "PEGI". No other securities of the Filer were listed on any exchange.
 13. The Common Shares were delisted from the TSX on March 17, 2020, and from the Nasdaq on March 16, 2020.
 14. The notice of special meeting of the stockholders of the Filer was delivered to the holders of Common Shares and Preferred Shares in connection with the special meeting of stockholders of the Filer that took place on March 10, 2020 to consider the Transaction (the **Meeting**). The full details of the Transaction were contained in a proxy statement of the Filer dated February 4, 2020, as amended on March 4, 2020 (the **Proxy Statement**), filed on SEDAR and with the U.S. Securities and Exchange Commission (the **SEC**) on EDGAR. The Filer received the requisite stockholder approval of the Transaction at the Meeting. The voting results were as follows: 56,856,064 votes for, 23,850,566 votes against, and 460,104 abstentions. Under applicable Canadian securities laws, the Transaction was also required to be approved by a majority of votes cast at the Meeting by holders of Common Shares, excluding those holders of Common Shares whose votes were required to be excluded from such vote pursuant to such laws, as described in the Proxy Statement. The results of such vote were as follows: 45,246,014 votes for and 23,850,566 votes against.
 15. On closing of the Transaction, all of the Common Shares of the Filer (except as noted in Paragraph 8(b) above) were cancelled and converted into the right to receive the Merger Consideration.
 16. On closing of the Transaction, each RSU was cancelled and converted into the right to receive the Merger Consideration.
 17. On closing of the Transaction, each Option, whether or not exercisable or vested, was cancelled and converted into the right to receive an amount in cash equal to the excess, if any, of the Merger Consideration over the per share exercise price of the applicable Options.
 18. After closing of the Transaction, the Preferred Shares remain outstanding with certain adjustments to the terms of the Preferred Shares to reflect the non-public status of the Filer. Pursuant to a certain securities rights and purchase agreement (the **Preferred Share Purchase Agreement**) dated October 10, 2019 and entered into in connection with the offering of the Preferred Shares, on April 1, 2020, the Filer and holders of Preferred Shares amended certain terms of the Preferred Share Purchase Agreement in connection with the closing of the Transaction.
 19. After completion of the Transaction, the Convertible Notes (other than as contemplated in paragraph 26) and Senior Notes remain outstanding in accordance with the Convertible Notes Indenture and the Senior Notes Indenture (each as defined below).
 20. The Preferred Shares, Senior Notes and Convertible Notes were issued on a private placement basis pursuant to either Section 4(a)(2) or Rule 144A under the U.S. Securities Act of 1933, as amended, or National Instrument 45-106 *Prospectus Exemptions*. The Preferred Shares were issued to sophisticated institutional

investors, with the investment in Preferred Shares led by CBRE Caledon Capital Management Inc.

21. The Senior Notes and the Convertible Notes are transferable. The disclosure to Canadian purchasers in the offering of Senior Notes and Convertible Notes stated that any resale would need to be in compliance with Canadian securities laws and that investors should seek legal advice prior to any such resale. This is customary disclosure in U.S. bond offerings where there is a private placement into Canada.
22. The Preferred Shares are transferable. Pursuant to the certificate of designations of rights and preferences of the Preferred Shares filed with the SEC and on SEDAR (the **Certificate**), no holder of Preferred Shares may currently transfer any Preferred Shares prior to the date that is eighteen months after the issue date of the Preferred Shares (which was October 25, 2019) without the Filer's consent. The transfer restrictions are expected to be eliminated by mutual agreement of the Filer and the holders of Preferred Shares.
23. The Filer is not required under any of the terms of the Preferred Shares in the Certificate or the Preferred Share Purchase Agreement, the Convertible Notes Indenture or the Senior Notes Indenture to remain an SEC registrant required to file reports under the Exchange Act or to remain a reporting issuer in any Canadian jurisdiction. The intention of the Filer is to cease to be an SEC registrant as soon as possible following closing of the Transaction and the granting of the Order Sought. It is permitted to do so under U.S. securities laws.
24. The Convertible Notes were issued under a trust indenture dated July 28, 2015 (the **Convertible Notes Indenture**) with Deutsche Bank Trust Company Americas, as trustee, and have a maturity date of July 15, 2020. The Convertible Notes contain certain conversion rights as described in Paragraph 25 below. The Convertible Notes are not voting nor equity securities.
25. Pursuant to the terms of the Convertible Notes Indenture, the Transaction constituted a "Make-Whole Fundamental Change". This gave rise to a right for holders of Convertible Notes, for a specified period of time following the Transaction, to convert each US\$1,000 principal amount of Convertible Notes into an amount of cash equal to US\$26.75 multiplied by the current conversion rate for the Convertible Notes plus an additional make-whole amount determined in accordance with the Convertible Notes Indenture. In addition, the Transaction constituted a "Fundamental Change" pursuant to the terms of the Convertible Notes Indenture which triggered a "put" right permitting holders to require the Filer to repurchase such Convertible Notes for a repurchase price equal to 100% of the principal amount thereof, plus accrued and unpaid interest to but excluding the date of repurchase.
26. The Filer has delivered a written notice of the occurrence of the "Make-Whole Fundamental Change" and the "Fundamental Change" and resulting conversion and repurchase rights pursuant to the terms of the Convertible Notes Indenture. As at April 10, 2020, Convertible Notes in aggregate principal amount of approximately US\$221.4 million had been tendered for cash consideration (leaving a remaining principal amount at that time of approximately US\$3.6 million). Convertible Notes remaining outstanding following such conversion period and repurchase offer will be repaid in full on the maturity date for the Convertible Notes of July 15, 2020.
27. For tax purposes, one of the Filer's subsidiaries (**Subsidiary Finco**) has been added as a co-obligor, in accordance with the terms of the Convertible Notes Indenture, in respect of the obligations under the outstanding Convertible Notes and the Convertible Notes Indenture. As such, each of the Filer and Subsidiary Finco is an obligor with respect to the principal of, premium, if any, and interest on the Convertible Notes.
28. Under the Convertible Notes Indenture, if the Filer is not subject to public reporting under Section 13 or 15(d) of the Exchange Act, the Filer is required to provide to holders of Convertible Notes certain customary Rule 144A bond market information to such holders.
29. The Senior Notes were issued under a trust indenture dated January 25, 2017 (the **Senior Notes Indenture**) with Deutsche Bank Trust Company Americas, as trustee. The Senior Notes are not voting nor equity securities and are not convertible into Common Shares (or any other equity securities).
30. Pursuant to the terms of the Senior Notes Indenture, if a "Rating Event" were to occur (a **Change of Control Triggering Event**), the Filer would be required to make a "change of control offer" to the holders of the Senior Notes within 30 days following the Change of Control Triggering Event to repurchase all or any part of that holder's note at a price in cash equal to 101% of the aggregate principal amount, plus accrued and unpaid interest. As of the date hereof, the Transaction has not resulted in a Change of Control Triggering Event and the Senior Notes continue to remain outstanding.
31. For tax purposes, Subsidiary Finco has been added as a co-obligor, in accordance with the terms of the Senior Notes Indenture, in respect of the obligations under the Senior Notes and the Senior Notes Indenture. As such, each of the Filer

- and Subsidiary Finco is an obligor with respect to the principal of, premium, if any, and interest on the Senior Notes.
32. The Filer recently solicited consents from holders of the Senior Notes to, among other things, amend the Senior Notes Indenture to modify the reporting covenant with respect to the Senior Notes to permit financial statements and other customary Rule 144A bond market information of Subsidiary Finco to be provided to holders of the Senior Notes in lieu of the Filer's information. On April 10, 2020, the Filer received the affirmative consent of holders of 98.1% of the aggregate principal amount of outstanding Senior Notes and executed a supplemental indenture adopting the change to the reporting covenant described above in this paragraph 32.
33. All of the Convertible Notes and the Senior Notes are held in book-entry form and are registered in the name of The Depository Trust Company or its nominee (**DTC**), with beneficial interests therein recorded in the records maintained by DTC and its participants as financial intermediaries that hold securities on behalf of their clients.
34. The Preferred Shares are voting securities. They are convertible in certain change of control circumstances, but such rights were not triggered in connection with the Transaction.
35. The holders of Preferred Shares have rights to financial statements if the Filer is not subject to public reporting under the Exchange Act, and certain other information, as the terms of the Preferred Shares in the Certificate do contemplate the possibility of a "going private" transaction and the reporting requirements of the Filer thereafter.
36. Under the Preferred Share Purchase Agreement, each holder of Preferred Shares agreed to vote its Preferred Shares in line with the recommendation of the board of directors of the Filer in connection with any merger with, or change of control to, a "Permitted Holder" (which includes CPPIB) for a period of 18 months from the date of the Preferred Share Purchase Agreement.
37. Following completion of the Transaction, the Filer had no securities issued and outstanding other than: (i) 97,805,000 Common Shares held by the Parent, and an aggregate of 359,467 Common Shares (representing an aggregate of 0.367% of the issued and outstanding common shares of the Filer) that were held by seven (7) members of management of the Filer, reflecting incentive awards held by such persons, which were exchanged for equity interests in Newco in connection with a corporate restructuring which was completed following consummation of the Transaction; (ii) the Preferred Shares; (iii) the Senior Notes; and, (iv) the Convertible Notes.
38. The Filer made diligent enquiry with Broadridge Financial Solutions, Inc. (**Broadridge**) and obtained information to ascertain the beneficial ownership of the Convertible Notes and Senior Notes.
39. The Filer reviewed reports prepared by Broadridge (the **Securityholder Reports**) to better understand the number of Canadian holders of the Convertible Notes and Senior Notes. The Securityholder Reports, comprised of a Canadian / foreign holder report and a United States holder report as at February 4, 2020, contain the geographical holdings information gathered by Broadridge from financial intermediaries in Canada and the United States that hold beneficial interests in the Convertible Notes and Senior Notes.
40. The Securityholder Reports show that, as at February 4, 2020, the Convertible Notes in the aggregate principal amount of US\$225 million were held as follows:
- (a) Approximately US\$198.0 million aggregate principal amount of the Convertible Notes (representing 88.0% of the outstanding principal amount of the Convertible Notes) were held by 69 holders worldwide.
 - (b) The remaining US\$27.0 million of the Convertible Notes, representing 12.0% of the outstanding principal amount of the Convertible Notes, were held by an undisclosed number of holders who have elected not to be identified.
 - (c) Approximately US\$15.0 million aggregate principal amount of the Convertible Notes, representing 7.6% of the aggregate principal amount captured in subparagraph 40(a) above, were identified as being held by three (3) holders in Canada, all of whom are resident in Ontario.
 - (d) Extrapolating with the information contained in preceding subparagraphs, with respect to the aggregate principal amount of US\$225 million, it is the Filer's best estimate that as at February 4, 2020, there were approximately US\$17.0 million aggregate principal amount of Convertible Notes held by 4 holders in Canada, representing 7.6% of the outstanding principal amount of the Convertible Notes and 4.3% of the holders of Convertible Notes.
41. The Securityholder Reports show that, as at February 4, 2020, the Senior Notes in the

aggregate principal amount of US\$350 million were held as follows:

- (a) Approximately US\$173.9 million aggregate principal amount of the Senior Notes (representing 49.7% of the outstanding principal amount of the Senior Notes) were held by 166 holders worldwide.
 - (b) The remaining US\$176.1 million of the Senior Notes, representing 50.3% of the outstanding principal amount of the Senior Notes, were held by an undisclosed number of holders who have elected not to be identified.
 - (c) Approximately US\$2.3 million aggregate principal amount of the Senior Notes, representing 1.3% of the aggregate principal amount captured in subparagraph 41(a) above, were identified as being held by six (6) holders in Canada, five (5) of whom are resident in Ontario and one (1) from an undisclosed jurisdiction in Canada.
 - (d) Extrapolating with the information contained in preceding subparagraphs, with respect to the aggregate principal amount of US\$350 million, it is the Filer's best estimate that as at February 4, 2020, there were approximately US\$4.6 million aggregate principal amount of Senior Notes held by twelve (12) holders in Canada, representing 1.3% of the outstanding principal amount of the Senior Notes and 3.6% of the holders of Senior Notes.
42. The Securityholder Reports capture collectively 243 known beneficial holders of Convertible Notes and Senior Notes, of which nine (9) are known Canadian, equating to approximately 3.83% of the total known number of securityholders of Convertible Notes and Senior Notes captured in the Securityholder Reports.
43. Since February 4, 2020, approximately US\$221.4 million of the Convertible Notes have been converted in exchange for the cash entitlement pursuant to the Convertible Notes Indenture and the notice described under paragraph 26. However, the Filer has not performed a beneficial ownership analysis of the Convertible Notes that is more current than as at February 4, 2020.
44. There are 10,400,000 Preferred Shares outstanding. The original subscribers, to the Filer's knowledge, continue to hold all of the Preferred Shares. Based on the Preferred Share Purchase Agreement (along with the relevant subscription documents), the Preferred Shares are held by

eight (8) holders, each of whom are beneficial holders and of these holders, seven (7) are from Canada, all of whom are from Ontario, representing 10,000,000 Preferred Shares (representing approximately 96.1% of the total Preferred Shares outstanding and 87.5% of the holders of Preferred Shares).

45. The Filer is not eligible to use the simplified procedure under Section 19 of NP 11-206 because the Filer estimates that its outstanding securities, including debt securities, are beneficially owned, directly or indirectly, by 15 or more securityholders in Ontario and by more than 51 securityholders in total worldwide.
46. The Filer is not eligible to use the modified procedure under Section 20 of NP 11-206 as the Filer estimates that residents of Canada, directly or indirectly, comprise more than 2% of the total number of securityholders of the Filer worldwide, and beneficially own more than 2% of a class or series of outstanding securities of the Filer, including debt securities, worldwide.
47. The Filer is applying for an order that it has ceased to be a reporting issuer in all of the jurisdictions of Canada in which it is a reporting issuer.
48. Upon granting of the Order Sought, the Filer will not be a reporting issuer or the equivalent in any jurisdiction of Canada.
49. The Filer has no current intention to seek public financing by way of a public offering of securities.
50. 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.

Order

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

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

DATED at Toronto, Ontario on this 23rd day of April, 2020.

"Tim Moseley"
Vice-Chair
Ontario Securities Commission

"Cecilia Williams"
Commissioner
Ontario Securities Commission

2.2.5 SAIS Limited

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).

May 1, 2020

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

AND

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

AND

**IN THE MATTER OF
SAIS LIMITED
(the Filer)**

ORDER

Background

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

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

- a) The Ontario Securities Commission is the principal regulator for this application; and
- b) The Filer has provided notice that subsection 4C.5(1) of Multilateral Instrument 11-102 *Passport System (MI 11-102)* is intended to be relied upon in all province and territories of Canada other than Ontario

Interpretation

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

Representations

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

1. The Filer is not an OTC reporting issuer under Multilateral Instrument 51-105 Issuers Quoted in the U.S. Over-the-Counter Markets;
2. The outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly by fewer than 15 securities holders in each of the jurisdictions of Canada and fewer than 51 security holders 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;
5. The Filer is not in default of any securities legislation in any jurisdiction; and
6. The Filer will not be a reporting issuer in any jurisdiction of Canada immediately following the Director granting the relief requested.

Order

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

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

“Winnie Sanjoto”
Manager, Corporate Finance
Ontario Securities Commission

2.2.6 **Strad Inc.**

Edward Island, Nova Scotia, Newfoundland and Labrador; and

Headnote

National Policy 11-206 Process for Cease to be a Reporting Issuer – issuer deemed to be no longer a reporting issuer under securities legislation.

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.A. 2000, c. S-4, s. 153.
Securities Act, R.S.O. 1990, c. S.5, as am., s. 1(10)(a)(ii).

May 4, 2020

Citation: *Re Strad Inc.*, 2020 ABASC 58

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

AND

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

AND

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

ORDER

Background

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

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

- (a) the Alberta Securities Commission is the principal regulator for this application;
- (b) the Filer has provided notice that subsection 4C.5(1) of Multilateral Instrument 11-102 *Passport System (MI 11-102)* is intended to be relied upon in British Columbia, Saskatchewan, Manitoba, New Brunswick, Prince

- (c) this order is the order of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

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

Representations

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

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

Order

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

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

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

2.2.7 Chinook Energy Inc.

Headnote

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

Applicable Legislative Provisions

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

May 5, 2020

Citation: *Re Chinook Energy Inc.*, 2020 ABASC 59

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

AND

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

AND

**IN THE MATTER OF
CHINOOK ENERGY INC.
(the Filer)**

ORDER

Background

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

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

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

- (c) this order is the order of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

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

Representations

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

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

Order

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

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

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

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Chapter 3

Reasons: Decisions, Orders and Rulings

3.2 Director's Decision

3.2.1 Trevor Rosborough

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

AND

**IN THE MATTER OF
AN OPPORTUNITY TO BE HEARD
REQUESTED BY TREVOR ROSBOROUGH**

DECISION OF THE DIRECTOR

Having reviewed and considered the settlement agreement signed by Trevor Rosborough ("Rosborough") on April 28, 2020, and by staff of the Ontario Securities Commission on April 29, 2020 (the "Settlement Agreement"), a copy of which is attached as Appendix "A" to this Decision, and on the basis of the Settlement Agreement, I, Pat Chaukos, in my capacity as Director under the *Securities Act*, R.S.O. 1990, c. S.5 (the "Act"), hereby make the following decision:

1. Effective immediately, the terms and conditions in Appendix "B" to this Decision shall be imposed on Rosborough's registration, and shall remain in place until his registration is suspended.
2. Effective June 1, 2020, Rosborough's registration shall be suspended, and he may not apply to reactivate his registration until after a period of five years from that date, at which time Staff will not recommend to the Director that his application be refused unless Staff becomes aware after the date of the Settlement Agreement of conduct impugning Rosborough's suitability for registration or rendering his registration objectionable, and provided that he meets all applicable criteria for registration at the time.
3. Before applying to reactivate his registration, Rosborough shall retake, and successfully complete, the Ethics and Professional Conduct Course.
4. If Rosborough's registration is reactivated, it shall be subject to terms and conditions requiring close supervision of his trading activities by his sponsor firm for a period of at least one year.

May 4, 2020

"Pat Chaukos"

Appendix “A”

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

- and -

**IN THE MATTER OF
AN OPPORTUNITY TO BE HEARD
REQUESTED BY TREVOR ROSBOROUGH**

SETTLEMENT AGREEMENT

I. INTRODUCTION

1. Registration is a cornerstone of Ontario’s securities regulatory regime. It is important that individuals who engage in the business of trading or advising in securities, or who hold themselves out as doing so, be properly registered. Unregistered individuals who engage in “stealth advising” arrangements will face serious regulatory consequences.
2. This settlement agreement (the “Settlement Agreement”) relates to the opportunity to be heard (the “OTBH”) under s. 31 of the *Securities Act*, R.S.O. 1990, c. S.5 (the “Act”) that has been requested by Trevor Rosborough (“Rosborough”), a registered mutual fund dealing representative, regarding the recommendation by staff of the Compliance and Registrant Regulation Branch of the Ontario Securities Commission (“Staff”) that his registration be revoked pursuant to s. 28 of the Act.
3. As more particularly described in this Settlement Agreement, during the period October 31, 2017 to July 29, 2018 (the “Material Time”), a time that he was not registered under the Act, Rosborough:
 - (a) misrepresented himself to certain former clients about his employment status and ability to provide them with investment services;
 - (b) participated in a stealth advising arrangement with ML;
 - (c) participated in a stealth advising arrangement with DG; and
 - (d) held himself out to prospective clients as engaging in the business of trading and advising in securities while not registered under the Act, as required.
4. Central to this matter is the concept of “stealth advising.” In a stealth advising arrangement, a client account is maintained with a registered individual as the representative of record, and trading activity is processed using the registered individual’s representative code. However, a non-registered individual engaging in stealth advising services the account by, among other things, providing investment advice and engaging in acts in furtherance of trades, such as having the client complete investment documentation for securities transactions. Essentially, the non-registered individual maintains a book of business without registration, by superficially relying on a registered individual’s registration.

II. AGREED STATEMENT OF FACTS

5. The parties agree to the facts as stated below.

A. The Registrant

6. Rosborough has been registered under the Act as a mutual fund dealing representative with Sterling Mutuals Inc. (“Sterling”) since July 30, 2018. Rosborough carries on business under the trade name “Masterpiece Financial.” Before joining Sterling, Rosborough was registered as a mutual fund salesperson with Quadrus Investment Services Ltd. (“Quadrus”) from September 5, 2006 to September 28, 2009, and then as a mutual fund dealing representative from September 28, 2009 to October 31, 2017.

B. Discipline and Termination by Quadrus

7. During his employment with Quadrus, Rosborough was the subject of three internal disciplinary events:

- (a) In February 2015, Quadrus reprimanded Rosborough for failing to report to the firm a change in certain personal information relating to his registration that had to be disclosed on the National Registration Database.
 - (b) In June 2016, Quadrus reprimanded Rosborough for not responding to compliance requests in a timely manner.
 - (c) In June 2017, Quadrus reprimanded Rosborough for obtaining and using pre-signed forms.
8. Quadrus terminated Rosborough effective October 31, 2017. This termination had the effect of suspending Rosborough's registration, pursuant to s. 29(3) of the Act.

C. MFDA Proceedings

9. The pre-signed forms matter for which Rosborough was reprimanded by Quadrus was also referred to the Mutual Fund Dealers Association of Canada (the "MFDA").
10. On May 30, 2018, Rosborough entered into a settlement agreement with staff of the MFDA in which he admitted that, between September 2009 and November 2016, he obtained, possessed, and in at least 14 instances, used to process transactions, 23 pre-signed account forms in respect of 18 clients. In the settlement agreement, Rosborough agreed to a fine of \$10,000 and to pay \$2,500 in costs. The settlement agreement was approved, and the agreed-upon penalties imposed by the MFDA's hearing panel, on June 28, 2018.

D. Reactivation of Registration with Sterling

11. Following the approval of Rosborough's settlement agreement by the MFDA, his registration under the Act was reactivated with Sterling, effective July 30, 2018, subject to certain terms and conditions.
12. At the time Staff reviewed Rosborough's application to reactivate his registration and recommended to the Director that it be granted subject to terms and conditions, Staff was unaware that during Material Time, when Rosborough was not registered under the Act, and while his activities relating to pre-signed forms were under investigation by the MFDA, he engaged in the stealth advising and the related misconduct referred to herein.

E. Misrepresentations to Former Clients

13. When Rosborough was terminated by Quadrus, the firm gave him the opportunity to sell his future commission entitlement to an approved registrant, and he entered into a contract with ML for this purpose. At that time, ML was a registered mutual fund dealing representative with Quadrus.
14. Rosborough did not receive what he believed to be sufficient information from Quadrus as to what they would be communicating to clients about his departure from the firm. Accordingly, Rosborough undertook that process himself and contacted his former clients by phone and by email. In some emails Rosborough sent to former clients, he misrepresented the reason for his departure from Quadrus by telling the recipient that he left because of his own concerns about the firm's business practices. In other emails, Rosborough minimized ML's role as the recipient's new dealing representative by indicating that nothing would change as a result of the transfer, and that Rosborough would continue to provide the recipient with investment advice as before. Moreover, some of these emails came well after Rosborough's October 31, 2017 termination by Quadrus, and then only in response to inquiries from former clients asking who ML was, after the former client noticed ML's name on investment documents and account statements.
15. Rosborough's intent in including these misrepresentations in his emails was to try to retain the recipient's trust in order to regain them as a client upon the reactivation of his registration.
16. In addition, in a meeting and in email exchanges during the Material Time with TM, a former client, regarding TM's investment portfolio, Rosborough made statements that were misleading about the status of his registration. Specifically, he advised TM that he was sponsored by Sterling and that his registration with Sterling was complete. He never explained that while Sterling was in the process of sponsoring his registration and had submitted his registration application to the Ontario Securities Commission (the "Commission"), it had not yet been approved. Rosborough also mistakenly advised TM that he would be registered on a certain date when that was not correct.

F. Stealth Advising with ML

17. Throughout the Material Time, Rosborough would regularly provide advice to his former clients about buying or selling specific mutual funds. This advice was given in person or through emails. In addition, throughout the Material Time, Rosborough would receive unsolicited instructions from former clients to process securities transactions.

18. Upon giving advice to former clients or receiving unsolicited instructions from former clients, Rosborough would provide them with Quadrus investment documents to sign in order to carry out a mutual fund purchase or sale. These documents were given to the client by Rosborough or one of his three administrative assistants, and stated that ML was the registrant responsible for the transaction. The documents used ML's representative code.
19. Once investment documents had been signed by former clients, Rosborough would collect the documents at his office, where ML would attend to sign them. ML generally did not speak to any of Rosborough's former clients before he signed their investment documents.
20. When investment documents had been signed by both a former client and by ML, one of Rosborough's administrative assistants would send the documents to Quadrus for processing.
21. Staff has identified at least 33 securities transactions (purchases and sales) that appear to have been processed by Rosborough through his stealth advising arrangement with ML. These transactions account for approximately 55 individual trades for 31 different clients, and have a cumulative value of approximately \$995,000.

G. Stealth Advising with DG

22. DG was registered with Quadrus from September 16, 2016 to October 20, 2017, where his registration overlapped with that of Rosborough.
23. After Rosborough was terminated by Quadrus, he arranged for DG to become registered with Sterling so he could process securities transactions for Rosborough. In this regard, Rosborough introduced DG to Sterling, negotiated DG's contract with Sterling, and paid all of DG's dealer costs. When DG joined Sterling, he had no clients of his own.
24. DG became registered with Sterling effective November 23, 2017, and occasionally worked out of an office in Rosborough's home. DG received administrative support from Rosborough's administrative assistants, but DG paid no part of their salaries.
25. Rosborough stealth-advised approximately 16 to 18 individuals through DG, and this arrangement was carried out in a manner similar to the arrangement with ML. Rosborough would provide investment advice to former clients or receive unsolicited directions from them to process mutual fund transactions, and would supply the former clients with Sterling investment documents bearing DG's name as the responsible registrant and his representative code. Once these documents had been signed by the client, Rosborough gave them to DG to sign, and they were then sent by one of Rosborough's assistants to Sterling for processing.
26. DG paid amounts to Rosborough which were purportedly monthly rental payments for office space and the use of Rosborough's Mercedes Benz SUV. However, these amounts were not in fact paid on a monthly basis, but were instead paid only when DG received commission payments from Sterling. DG would receive amounts from Sterling, and immediately transfer a corresponding amount to Rosborough. At least approximately \$24,000 in commissions was flowed to Rosborough by DG in this manner.

H. Holding Out to Prospective Clients

27. During the Material Time, Rosborough held himself out to at least five prospective clients as being in the business of dealing and advising in securities for the purpose of trying to gain them as clients:
 - (a) *AM* – On January 31, 2018, AM emailed Rosborough to say she would like to set up a meeting about switching her investments to him. Rosborough replied: "I would be happy to help you with this."
 - (b) *WM* – On February 9, 2018, WM emailed Rosborough copies of her investment account statements with the message: "Here's my stuff for investing [...] Let me know what else you need to get started [...]". Rosborough replied that he and WM should meet, and a meeting was scheduled. Rosborough emailed WM to ask for her driver's license number and social insurance number in advance of their meeting.
 - (c) *JS* – On March 10, 2018, Rosborough emailed DC to inform him that "I had a prospective client ask me for a reference. He lives nearby you [...] Would you mind if I shared your email and phone number with him [...]" DC agreed to Rosborough's request, and on March 13, 2018 Rosborough emailed DC to report that: "Just a short note to say thanks for talking to [JS] today. He let me know he talked to you and let me know he is transferring his accounts to me." On May 17, 2018, Rosborough emailed JS to advise that his "TD account has now settled under our administration [...] we can meet to begin to implement the portfolio recommendations". Thereafter, Rosborough and JS agreed to meet, and on June 12, 2018, Rosborough asked JS to come to his office to sign account opening forms.

- (d) *Riverbend Golf Community* – On April 5, 2018, Rosborough received by email a request for proposals (“RFP”) from the Riverbend Golf Community for the management of two reserve funds belonging to it. The RFP asked bidders to describe, among other things, their “licensing”, “portfolio management experience”, and to provide “[c]onfirmation that you are approved for discretionary trading and a description of the oversight and compliance processes in place at your firm.” Immediately upon receiving the RFP, Rosborough forwarded it to two individuals at different mutual fund companies to ask for their assistance in preparing a proposal. Rosborough wrote to these individuals that this was a “huge opportunity for me” that could be “huge for my business”. On May 14, 2018, Rosborough submitted a 26-page proposal to the Riverbend Golf Community, in which he wrote: “We are managing approximately 140,000,000 in assets through a combination of mutual funds, exchange traded funds, and ETF’s with many of the world’s most respected asset managers.”
- (e) *KD* – On May 20, 2018, KG emailed Rosborough to say she needed assistance with her money. Rosborough responded the following day as follows: “I would be happy to help you make some decisions about your investments [...] Let me know if you want to discuss and I can show you some accounts I have been managing so you can get an idea of what I would do with the money.”

III. ADMISSIONS BY ROSBOROUGH

- 28. Rosborough admits that by stealth advising through ML and DG, and by holding himself out to prospective clients as engaging in the business of trading and advising in securities, he failed to comply with s. 25(1) and (3) of the Act.
- 29. Rosborough admits that he made statements to TM about his registration during the Material Time that were misleading, and in so doing he failed to comply with s. 44(1) of the Act.
- 30. Rosborough admits that by engaging in all of the conduct as described in this Settlement Agreement, he failed to demonstrate the integrity required of a registered individual.

IV. CONSENT TO REGULATORY ACTION

- 31. To settle the OTBH requested by Rosborough, Staff recommends, and Rosborough consents to, the following regulatory action by the Director, pursuant to s. 28 of the Act:
 - (a) Effective immediately, the terms and conditions in Schedule “A” to this Settlement Agreement shall be imposed on Rosborough’s registration, and shall remain in place until his registration is suspended.
 - (b) Effective June 1, 2020, Rosborough’s registration shall be suspended, and he may not apply to reactivate his registration until after a period of five years from that date, at which time Staff will not recommend to the Director that his application be refused unless Staff becomes aware after the date of the Settlement Agreement of conduct impugning Rosborough’s suitability for registration or rendering his registration objectionable, and provided that he meets all applicable criteria for registration at the time.
 - (c) Before applying to reactivate his registration, Rosborough shall retake, and successfully complete, the Ethics and Professional Conduct Course.
 - (d) If Rosborough’s registration is reactivated, it shall be subject to terms and conditions requiring close supervision of his trading activities by his sponsor firm for a period of at least one year.
- 32. The parties submit that the recommended regulatory action is appropriate based on the following:
 - (a) Rosborough engaged in a pattern of serious misconduct over a period of approximately nine months;
 - (b) Rosborough has cooperated with Staff’s investigation into his conduct by voluntarily providing access to his records, including his emails, and by voluntarily attending an interview with Staff;
 - (c) There is no evidence that any transaction conducted during the Material Time was unauthorized by the client at issue;
 - (d) Rosborough is fully cooperating with Staff and Sterling to ensure that his clients are transferred to a duly registered dealing representative in an orderly manner; and
 - (e) By agreeing to settle this matter, Rosborough has accepted responsibility for his misconduct, and has saved Staff and the Director the resources required to conduct an OTBH.

33. The parties acknowledge that if the Director does not accept this Settlement Agreement, this Settlement Agreement and all negotiations between the parties shall be without prejudice, and Rosborough shall be entitled to the OTBH he has requested.

“Trevor Rosborough”

April 28, 2020

“Elizabeth King”

Deputy Director

Compliance and Registrant Regulation

April 29, 2020

Schedule "A"

Terms and Conditions of the Registration of Trevor Rosborough

The registration of Trevor Rosborough (the "Registrant") under the *Securities Act*, R.S.O. 1990, c. S. 5 (the "Act") is subject to the following terms and conditions, which were imposed by the Director pursuant to s. 28 of the Act. These terms and conditions are in addition to the terms and conditions that were imposed by the Director on July 30, 2018.

1. The Registrant shall not open any new client accounts.

These terms and conditions of registration constitute Ontario securities law, and a failure by the Registrant to comply with these terms and conditions may result in further regulatory action against him, including a suspension of his registration.

Appendix "B"

Terms and Conditions of the Registration of Trevor Rosborough

The registration of Trevor Rosborough (the "Registrant") under the *Securities Act*, R.S.O. 1990, c. S. 5 (the "Act") is subject to the following terms and conditions, which were imposed by the Director pursuant to s. 28 of the Act. These terms and conditions are in addition to the terms and conditions that were imposed by the Director on July 30, 2018.

2. The Registrant shall not open any new client accounts.

These terms and conditions of registration constitute Ontario securities law, and a failure by the Registrant to comply with these terms and conditions may result in further regulatory action against him, including a suspension of his registration.

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
Beleave Inc.	April 17, 2020	April 29, 2020		May 2, 2020

Failure to File Cease Trade Orders

Company Name	Date of Order	Date of Revocation
CAT Strategic Metals Corporation	May 6, 2019	May 1, 2020
Leo Acquisitions Corp.	March 6, 2020	May 4, 2020
Yongsheng Capital Inc.	April 7, 2020	May 1, 2020

4.2.1 Temporary, Permanent & Rescinding Management Cease Trading Orders

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

4.2.2 Outstanding Management & Insider Cease Trading Orders

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

Company Name	Date of Order	Date of Lapse
North Bud Farms Inc.	31 March 2020	

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Chapter 7

Insider Reporting

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

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

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

Chapter 11

IPOs, New Issues and Secondary Financings

INVESTMENT FUNDS

Issuer Name:

Sphere FTSE Emerging Markets Sustainable Yield Index ETF

Principal Regulator - Ontario

Type and Date:

Amendment #3 to Final Long Form Prospectus dated April 29, 2020

Received on April 30, 2020

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #2882265

Issuer Name:

Franklin Global Aggregate Bond Fund

Principal Regulator – Ontario

Type and Date:

Preliminary Simplified Prospectus dated Apr 27, 2020

NP 11-202 Final Receipt dated Apr 28, 2020

Offering Price and Description:

Series O units, Series A Units and Series F units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3032656

Issuer Name:

Desjardins Alt Long/Short Equity Market Neutral ETF Fund

Principal Regulator – Quebec

Type and Date:

Preliminary Simplified Prospectus Apr 29, 2020

NP 11-202 Preliminary Receipt dated May 1, 2020

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3050215

Issuer Name:

Hamilton Australian Bank Equal-Weight Index ETF

Hamilton Canadian Bank Mean Reversion Index ETF

Hamilton Financials Innovation ETF

Hamilton Global Financials ETF

Hamilton U.S. Mid/Small-Cap Financials ETF

Principal Regulator – Ontario

Type and Date:

Preliminary Long Form Prospectus dated Apr 28, 2020

NP 11-202 Preliminary Receipt dated Apr 29, 2020

Offering Price and Description:

Class E units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3049250

Issuer Name:

Mackenzie Credit Absolute Return Fund

Mackenzie Global Macro Fund

Mackenzie Multi-Strategy Absolute Return Fund

Principal Regulator - Ontario

Type and Date:

Amendment #1 to Final Simplified Prospectus dated April 24, 2020

NP 11-202 Final Receipt dated Apr 28, 2020

Offering Price and Description:

Series A units, Series F units, Series FB units, Series O units, Series PW units, Series PWFB units, Series PWX units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #2999098

Issuer Name:

IG Mackenzie Low Volatility Canadian Equity Class
IG Irish Life Low Volatility Global Equity Class
Principal Regulator - Manitoba

Type and Date:

Amendment #3 to Final Simplified Prospectus dated April 21, 2020

NP 11-202 Final Receipt dated Apr 28, 2020

Offering Price and Description:

Series A, Series B, Series JDSC, Series JNL, and Series U Mutual Fund Shares

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #2927043

Issuer Name:

CI First Asset MSCI World ESG Impact ETF
Principal Regulator - Ontario

Type and Date:

Amendment #1 to Final Long Form Prospectus dated April 28, 2020

NP 11-202 Final Receipt dated Apr 30, 2020

Offering Price and Description:

Common Units and Unhedged Common Units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #2941733

Issuer Name:

Counsel Retirement Income Portfolio
Counsel U.S. Value
Principal Regulator - Ontario

Type and Date:

Amendment #2 to Final Simplified Prospectus dated April 29, 2020

NP 11-202 Final Receipt dated May 4, 2020

Offering Price and Description:

Series A securities, Series F securities, Series I securities and Series Private Wealth I securities

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #2965013

Issuer Name:

BetaPro Crude Oil Daily Bull ETF (formerly BetaPro Crude Oil 2x Daily Bull ETF)

BetaPro Crude Oil -1x Daily Bear ETF (formerly BetaPro Crude Oil -2x Daily Bear ETF)

Principal Regulator - Ontario

Type and Date:

Amendment #2 to Final Long Form Prospectus dated April 29, 2020

NP 11-202 Final Receipt dated Apr 30, 2020

Offering Price and Description:

ETF Shares

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #2975186

Issuer Name:

Harvest Global Resource Leaders ETF
Principal Regulator - Ontario

Type and Date:

Amendment #1 to Final Long Form Prospectus dated April 27, 2020

NP 11-202 Final Receipt dated Apr 28, 2020

Offering Price and Description:

Class A Units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #2998318

Issuer Name:

Franklin Liberty Global Aggregate Bond ETF (CAD-Hedged)

Principal Regulator - Ontario

Type and Date:

Amendment #1 to Final Long Form Prospectus dated April 24, 2020

NP 11-202 Final Receipt dated Apr 28, 2020

Offering Price and Description:

Units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3018467

Issuer Name:

CI High Interest Savings Fund
Principal Regulator - Ontario

Type and Date:

Amendment #2 to Final Simplified Prospectus dated April 28, 2020

NP 11-202 Final Receipt dated May 4, 2020

Offering Price and Description:

Class A units, Class E units, Class F units, Class I units,
Class O units and Class P units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #2932304

Issuer Name:

IG AGF U.S. Growth Fund
IG Mackenzie Low Volatility Canadian Equity Fund
IG Irish Life Low Volatility Global Equity Fund
Principal Regulator - Manitoba

Type and Date:

Amendment #3 to Final Simplified Prospectus dated April 21, 2020

NP 11-202 Final Receipt dated Apr 28, 2020

Offering Price and Description:

Series A, Series B, Series C, Series JDSC, Series JNL,
and Series U Mutual Fund Units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #2926993

Issuer Name:

Cash Management Class
Growth and Income Class (GWLIM)
Dividend Class (GWLIM)
Canadian Dividend Class (Laketon)
Canadian Value Class (FGP)
Canadian Equity Class (Laketon)
Focused Canadian Equity Class (Beutel Goodman)
Canadian Growth Class (GWLIM)
Canadian Low Volatility Class (London Capital)
U.S. Dividend Class (GWLIM)
U.S. Value Class (Putnam)
Global Dividend Equity Class (Setanta)
Global All Cap Equity Class (Setanta)
International Core Equity Class (JPMorgan)
Principal Regulator - Ontario

Type and Date:

Amendment #4 to Final Simplified Prospectus and
Amendment #5 to Final AIF dated April 27, 2020

NP 11-202 Final Receipt dated May 1, 2020

Offering Price and Description:

D5 series securities, D8 series securities, H series
securities, H5 series securities, HW series securities, HW5
series securities, L series securities, L5 series securities,
L8 series securities, N series securities, N5 series
securities, N8 series

securities, QF series securities, QF5 series securities,
QFW series securities, QFW5 series securities and
Quadrus series securities

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #2915449

Issuer Name:

CI First Asset Global Asset Allocation ETF
Principal Regulator - Ontario

Type and Date:

Amendment #1 to Final Long Form Prospectus dated April 28, 2020

NP 11-202 Final Receipt dated Apr 30, 2020

Offering Price and Description:

Units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #2934086

NON-INVESTMENT FUNDS

Issuer Name:

407 International Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Shelf Prospectus dated May 4, 2020
NP 11-202 Preliminary Receipt dated May 4, 2020

Offering Price and Description:

\$3,000,000,000.00 - Medium-Term Notes (Secured)

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.
RBC DOMINION SECURITIES INC.
CIBC WORLD MARKETS INC.
SCOTIA CAPITAL INC.
CASGRAIN & COMPANY LIMITED
NATIONAL BANK FINANCIAL INC.
TD SECURITIES INC.

Promoter(s):

-

Project #3052712

Issuer Name:

Canbud Distribution Corporation

Type and Date:

Preliminary Long Form Prospectus dated April 30, 2020
Received on April 30, 2020

Offering Price and Description:

0.00

Underwriter(s) or Distributor(s):

-

Promoter(s):

Robert Tjandra
Rajkumar (Raj) Ravindran

Project #3051663

Issuer Name:

Fortified Trust
Principal Regulator - Ontario

Type and Date:

Preliminary Shelf Prospectus dated April 29, 2020
NP 11-202 Preliminary Receipt dated April 30, 2020

Offering Price and Description:

Up to \$5,000,000,000.00 Real Estate Secured Line of
Credit Backed Notes

Underwriter(s) or Distributor(s):

BMO NESBITT BURNS INC.

Promoter(s):

BANK OF MONTREAL
Project #3050545

Issuer Name:

Inflection Resources Ltd.
Principal Regulator - British Columbia

Type and Date:

Preliminary Long Form Prospectus dated April 27, 2020
NP 11-202 Preliminary Receipt dated April 28, 2020

Offering Price and Description:

A minimum of \$2,000,000.00 and a maximum of
\$3,500,000

A minimum of 8,000,000.00 and a maximum of 14,000,000
Units

Underwriter(s) or Distributor(s):

Haywood Securities Inc.

Promoter(s):

ALISTAIR WADDELL
ALAIN VOISIN

Project #3048371

Issuer Name:

MANSA EXPLORATION INC.
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated May 1, 2020
NP 11-202 Preliminary Receipt dated May 4, 2020

Offering Price and Description:

Minimum Public Offering of 5,000,000 Shares at \$0.10 per
Share for Gross Proceeds of \$500,000.00

Maximum Public Offering of 10,000,000 Shares at \$0.10
per Share for Gross Proceeds of \$1,000,000.00

Price Per Share: \$0.10

Underwriter(s) or Distributor(s):

MACKIE RESEARCH CAPITAL CORPORATION

Promoter(s):

-

Project #3052499

Issuer Name:

mCloud Technologies Corp. (formerly Universal mCloud
Corp.)

Principal Regulator - British Columbia

Type and Date:

Amended and Restated Short Form Shelf Prospectus
dated April 28, 2020 to Final Shelf Prospectus dated April
17, 2020

Received on April 28, 2020

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:

Metalla Royalty & Streaming Ltd.
Principal Regulator - British Columbia

Type and Date:

Preliminary Shelf Prospectus dated April 28, 2020
NP 11-202 Preliminary Receipt dated April 29, 2020

Offering Price and Description:

C\$200,000,000.00 - Common Shares, Warrants,
Subscription Receipts, Units, Share Purchase Contracts

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3050232

Issuer Name:

Northern Dynasty Minerals Ltd.
Principal Regulator - British Columbia

Type and Date:

Amended and Restated Preliminary Short Form Prospectus
dated April 29, 2020 to Preliminary Short Form Prospectus
dated April 28, 2020

NP 11-202 Preliminary Receipt dated April 30, 2020

Offering Price and Description:

\$8,750,000.00 -12,500,000 Common Shares

Price: \$0.70 per Offered Share

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3048900

Issuer Name:

Sabina Gold & Silver Corp.
Principal Regulator - British Columbia

Type and Date:

Preliminary Shelf Prospectus dated April 28, 2020
NP 11-202 Preliminary Receipt dated April 29, 2020

Offering Price and Description:

\$500,000,000.00 - Common Shares, Debt Securities,
Warrants, Subscription Receipts, Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3049636

Issuer Name:

SugarBud Craft Growers Corp. (formerly Relentless
Resources Ltd.)

Principal Regulator - Alberta (ASC)

Type and Date:

Preliminary Short Form Prospectus dated April 28, 2020
NP 11-202 Preliminary Receipt dated April 28, 2020

Offering Price and Description:

Up to a Maximum of \$4,000,000.00 - 12.0% Secured
Convertible Debenture Units
\$1,000 per Debenture Unit

Underwriter(s) or Distributor(s):

MACKIE RESEARCH CAPITAL CORPORATION

Promoter(s):

-

Project #3048825

Issuer Name:

Taseko Mines Limited
Principal Regulator - British Columbia

Type and Date:

Preliminary Shelf Prospectus dated April 29, 2020
NP 11-202 Preliminary Receipt dated April 30, 2020

Offering Price and Description:

\$500,000,000.00 - Common Shares, Warrants,
Subscription Receipts, Debt Securities, Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3050919

Issuer Name:

Endeavour Silver Corp.
Principal Regulator - British Columbia

Type and Date:

Final Shelf Prospectus dated April 27, 2020
NP 11-202 Receipt dated April 29, 2020

Offering Price and Description:

\$150,000,000.00 - Common Shares, Warrants,
Subscription Receipts, Debt Securities, Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3043087

Issuer Name:

Fortuna Silver Mines Inc.
Principal Regulator - British Columbia

Type and Date:

Final Shelf Prospectus dated April 29, 2020
NP 11-202 Receipt dated April 29, 2020

Offering Price and Description:

US\$120,000,000 - Common Shares, Subscription Receipts, Units, Warrants, Share Purchase Contracts, Debt Securities

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3044732

Issuer Name:

Franco-Nevada Corporation
Principal Regulator - Ontario

Type and Date:

Final Shelf Prospectus dated April 28, 2020
NP 11-202 Receipt dated April 28, 2020

Offering Price and Description:

US\$2,000,000,000.00 - Common Shares, Preferred Shares, Debt Securities, Warrants, Subscription Receipts

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3043692

Issuer Name:

mCloud Technologies Corp. (formerly Universal mCloud Corp.)
Principal Regulator - British Columbia

Type and Date:

Amendment dated April 28, 2020 to Final Shelf Prospectus dated April 17, 2020
NP 11-202 Receipt dated April 28, 2020

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:

Metalla Royalty & Streaming Ltd.
Principal Regulator - British Columbia

Type and Date:

Final Shelf Prospectus dated May 1, 2020
NP 11-202 Receipt dated May 1, 2020

Offering Price and Description:

C\$200,000,000.00 - Common Shares, Warrants, Subscription Receipts, Units, Share Purchase Contracts

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3050232

Issuer Name:

Rogers Communications Inc.
Principal Regulator - Ontario

Type and Date:

Final Shelf Prospectus dated April 30, 2020
NP 11-202 Receipt dated April 30, 2020

Offering Price and Description:

\$4,000,000,000.00 - Debt Securities

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3046839

Issuer Name:

Silver Dollar Resources Inc.
Principal Regulator - British Columbia

Type and Date:

Final Long Form Prospectus dated April 30, 2020
NP 11-202 Receipt dated April 30, 2020

Offering Price and Description:

Minimum Offering: \$450,000.00 (3,000,000 Units)
Maximum Offering: \$1,050,000.00 (7,000,000 Units)
Price: \$0.15 per Unit

Underwriter(s) or Distributor(s):

CANACCORD GENUITY CORP.

Promoter(s):

MICHAEL ROMANIK

Project #3014005

Issuer Name:

Village Farms International, Inc.
Principal Regulator - British Columbia

Type and Date:

Final Shelf Prospectus dated April 30, 2020
NP 11-202 Receipt dated April 30, 2020

Offering Price and Description:

US\$200,000,000.00 - Common Shares, Preferred Shares,
Warrants, Subscription Receipts, Debt Securities, Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3046417

Issuer Name:

Whatcom Capital Corp.
Principal Regulator - British Columbia

Type and Date:

Amended and Restated CPC Prospectus dated April 29,
2020 to Final CPC Prospectus dated April 3, 2020
NP 11-202 Receipt dated May 1, 2020

Offering Price and Description:

OFFERING: \$375,000.00 or 3,750,000
Common Shares Price: \$0.10 per Common Share

Underwriter(s) or Distributor(s):

Industrial Alliance Securities Inc.

Promoter(s):

Darren Tindale

Project #2997694

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Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Voluntary Surrender	Harrington MacMillan Fund Management Limited	Exempt Market Dealer, Portfolio Manager and Investment Fund Manager	April 29, 2020
New Registration	Placemore Capital Inc.	Exempt Market Dealer	May 4, 2020

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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) – Amendments to MFDA By-law No. 1 Sections 1 (Definitions) and 22 (Investigatory Powers) – Notice of Commission Approval

NOTICE OF COMMISSION APPROVAL

MUTUAL FUND DEALERS ASSOCIATION OF CANADA (MFDA)

AMENDMENTS TO MFDA BY-LAW NO. 1 SECTIONS 1 (DEFINITIONS) AND 22 (INVESTIGATORY POWERS)

The Ontario Securities Commission has approved proposed amendments to section 1 (Definitions) and section 22 (Investigatory Powers) of MFDA By-law No. 1.

The objectives of the proposed amendments are to: (i) update and clarify section 22 to ensure that it reflects current MFDA practices; and (ii) harmonize the MFDA examination and investigatory powers with equivalent powers under the rules of the Investment Industry Regulatory Organization of Canada.

The proposed amendments were published for public comment on March 21, 2019. Four comment letters were received. The MFDA has made non-substantive changes to the proposed amendments as published in 2019 in response to the comments received. A summary of the public comments and the MFDA's responses, as well as a blacklined copy of the proposed amendments showing changes made to the version published for comment, can be found at <http://osc.gov.on.ca>. The amendments will be effective on a date to be subsequently determined by the MFDA.

In addition, the British Columbia Securities Commission; the Alberta Securities Commission; the Financial and Consumer Affairs Authority of Saskatchewan; the Financial and Consumer Services Commission of New Brunswick; the Manitoba Securities Commission; the Nova Scotia Securities Commission; and the Prince Edward Island Office of the Superintendent of Securities Office have either not objected to or have approved the proposed amendments.

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