The Ontario Securities Commission

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The Ontario Securities Commission carries out the powers, duties and functions given to it pursuant to the *Securities Commission Act, 2021* (S.O. 2021, c. 8, Sched. 9).

The Ontario Securities Commission exercises its regulatory oversight function through the administration and enforcement of Ontario's *Securities Act* (R.S.O. 1990, c. S.5) and *Commodity Futures Act* (R.S.O. 1990, c. C.20), and administration of certain provisions of the *Business Corporations Act* (R.S.O. 1990, c. B.16).

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FILE NO.: 2024-6

IN THE MATTER OF
FAWAD UL HAQ KHAN
carrying on business as
FOREX PLUS

NOTICE OF HEARING
Subsection 127(1) and Section 127.1 of the *Securities Act,* RSO 1990, c S.5

PROCEEDING TYPE: Enforcement Proceeding

HEARING DATE AND TIME: March 26, 2024 at 10:00 a.m.

LOCATION: By videoconference

PURPOSE

The purpose of this proceeding is to consider whether it is in the public interest for the Capital Markets Tribunal to make the orders requested in the Statement of Allegations filed by Staff of the Commission on March 13, 2024.

The hearing set for the date and time indicated above is the first attendance in this proceeding, as described in subsection 5(1) of the *Capital Markets Tribunal Practice Guideline.*

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 Tribunal 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 Tribunal par écrit dès que possible si le participant demande qu'une instance soit tenue entièrement ou partiellement en français.

Dated at Toronto this 14th day of March, 2024

Registrar, Governance & Tribunal Secretariat
Ontario Securities Commission

For more information

Please visit capitalmarketstribunal.ca or contact the Registrar at registrar@capitalmarketstribunal.ca.

IN THE MATTER OF
FAWAD UL HAQ KHAN
carrying on business as
FOREX PLUS

STATEMENT OF ALLEGATIONS
(Subsection 127(1) and Section 127.1 of the *Securities Act*, RSO 1990, c S.5)

A. OVERVIEW

1. This proceeding is being brought to hold a repeat offender in the capital markets, namely Fawad Khan ("**Khan**"), responsible for illegally trading and advising in securities. Only two years after being sanctioned for violating the *Commodity Futures Act*, Khan began engaging in almost identical misconduct in breach of the *Securities Act* (the "***Act***"). In each case, Khan engaged in registerable trading and advising activities without registration.

2. In 2014, Khan was found to have traded and advised in commodity futures contracts without registration (after undertaking not to do so) in breach of the *Commodities Futures Act*. These findings were made after Khan helped clients set up accounts to trade in commodity futures contracts, and then exercised discretionary trading authority over these accounts in exchange for a portion of the trading profits. Khan gained control over his clients' accounts by using a power of attorney, obtaining joint ownership or obtaining their passwords. Khan's clients lost over $260,000 through his discretionary trading. Khan has not made any payments towards the over $750,000 in monetary sanctions ordered against him in May 2015 by a panel of the Ontario Securities Commission (the "**Commission**").

3. During the period of June 2017 to February 2021 (the "**Material Time**"), Khan engaged in the business of trading and advising in securities by assisting three individuals in setting up accounts to trade in contracts for difference ("**CFDs**")[1] with an online CFD provider and exercising discretionary trading authority over these accounts in exchange for a portion of the trading profits. Khan gained control over the investors' accounts by obtaining their account credentials including their passwords. Each of the three individuals lost approximately USD $10,000 from Khan's discretionary trading.

4. Khan was not registered with the Commission in any capacity under the *Act*.

5. Registration requirements serve an important gate-keeping function by ensuring that only properly qualified persons are permitted to engage in the business of trading and advising in securities. Repeated disregard of registration requirements is serious misconduct that cannot be tolerated. This behaviour undermines confidence in Ontario's capital markets and harms investors. The Commission will not hesitate to take action against respondents who flagrantly disregard Ontario securities laws.

B. FACTS

Staff of the Enforcement Branch of the Commission ("**Enforcement Staff**") make the following allegations of fact:

Unregistered Trading and Advising

6. Khan met with investors to directly solicit their investments, making statements about his own expertise, successful track record and potential investment returns. Khan assisted investors with opening accounts on a CFD trading platform ("**Accounts**"), instructed them to deposit funds into the Accounts, placed orders and did all the trading in the Accounts. Each investor deposited approximately USD $10,000 into their account.

7. At Khan's instruction, investors provided him with the details necessary to access the Accounts, including usernames and passwords. The investors had no experience with CFD trading and relied entirely on Khan's purported expertise. Khan accessed and monitored the Accounts and traded on the investors' behalf. Khan exercised discretionary control over trading in the Accounts to determine the amount, timing and price to open or close positions, what currencies to trade and the extent of leverage. Khan was solely responsible for trading in the Accounts.

8. Khan agreed to trade on behalf of each investor in exchange for 50% of the trading profits and received a portion of the profits initially earned in two of the Accounts. In addition, Khan was compensated by the CFD provider for introducing one of the investors to the CFD provider.

9. Khan traded CFDs which are "investment contracts" and therefore securities as defined in subsection 1(1) of the *Act*.

10. In the alternative, Khan's agreements with investors to trade in the Accounts on their behalf for a share of the profits constitute "investment contracts" and therefore securities as defined in subsection 1(1) of the *Act*.

[1] A CFD is a type of derivative security that allows an investor an opportunity to profit from price movement without owning the underlying asset.

11. By engaging in the conduct described above, Khan engaged in, or held himself out as engaging in, the business of trading in securities without the necessary registration or an applicable exemption from the registration requirement contrary to s. 25(1) of the *Act*.

12. In addition, by engaging in the conduct described above, Khan engaged in, or held himself out as engaging in, the business of advising in securities without the necessary registration or an applicable exemption from the registration requirement contrary to s.25(3) of the *Act*.

C. BREACHES OF THE ACT

Enforcement Staff allege the following breaches of Ontario securities law:

13. During the Material Time, Khan engaged in, or held himself out as engaging in, the business of trading in securities without being registered to do so, and where no exemption to the registration requirement of Ontario securities law was available, contrary to subsection 25(1) of the *Act*.

14. During the Material Time, Khan engaged in, or held himself out as engaging in, the business of advising in securities without being registered to do so, and where no exemption to the registration requirement of Ontario securities law was available, contrary to subsection 25(3) of the *Act*.

D. These allegations may be amended and further and other allegations may be added as Enforcement Staff may advise and the Tribunal may permit.

E. ORDERS SOUGHT

It is requested that the Tribunal make the following orders against Khan:

a. That he cease trading in any securities or derivatives permanently or for such period as is specified by the Tribunal under paragraph 2 of subsection 127(1) of the *Act*;

b. That he be prohibited from acquiring any securities permanently or for such period as is specified by the Tribunal, pursuant to paragraph 2.1 of subsection 127(1) of the *Act*;

c. That any exemption contained in Ontario securities law not apply to him permanently or for such period as is specified by the Tribunal, pursuant to paragraph 3 of subsection 127(1) of the *Act*;

d. That he be reprimanded, pursuant to paragraph 6 of subsection 127(1) of the *Act*;

e. That he resign any position he may hold as a director or officer of any issuer, pursuant to paragraph 7 of subsection 127(1) of the *Act*;

f. That he be prohibited from becoming or acting as a director or officer of any issuer or registrant permanently or for such period as is specified by the Tribunal, pursuant to paragraphs 8 and 8.2 of subsection 127(1) of the *Act*;

g. That he be prohibited from becoming or acting as a registrant or promoter permanently or for such period as is specified by the Tribunal, pursuant to paragraph 8.5 of subsection 127(1) of the *Act*;

h. That he pay an administrative penalty of not more than $1 million for each failure to comply with Ontario securities law, pursuant to paragraph 9 of subsection 127(1) of the *Act*;

i. That he disgorge to the Commission any amounts obtained as a result of non-compliance with Ontario securities law, pursuant to paragraph 10 of subsection 127(1) of the *Act*;

j. That he pay costs of the investigation and the hearing, pursuant to section 127.1 of the *Act*; and

k. Such other orders as the Tribunal considers appropriate in the public interest.

DATED at Toronto, Ontario, this 13th day of March, 2024

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A.2
Other Notices

A.2.1 Fawad Ul Haq Khan carrying on business as Forex Plus

FOR IMMEDIATE RELEASE
March 14, 2024

FAWAD UL HAQ KHAN
carrying on business as
FOREX PLUS,
File No. 2024-6

TORONTO – The Tribunal issued a Notice of Hearing on March 14, 2024 setting the matter down to be heard on March 26, 2024 at 10:00 a.m. or as soon thereafter as the hearing can be held in the above named matter.

Members of the public may observe the hearing by videoconference, by selecting the "Register to attend" link on the Tribunal's hearing schedule, at capitalmarketstribunal.ca/en/hearing-schedule.

A copy of the Notice of Hearing dated March 14, 2024 and Statement of Allegations dated March 13, 2024 are available at capitalmarketstribunal.ca.

Registrar, Governance & Tribunal Secretariat
Ontario Securities Commission

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A.2.2 RAMM Pharma Corporation

FOR IMMEDIATE RELEASE
March 18, 2024

RAMM PHARMA CORPORATION,
File No. 2023-36

TORONTO – The Applicant, RAMM Pharma Corporation withdraws the Application dated December 13, 2023. The previously scheduled day of April 23, 2024 will not be used for the hearing.

A copy of the Notice of Withdrawal dated March 18, 2024, is available at capitalmarketstribunal.ca.

Registrar, Governance & Tribunal Secretariat
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A.2.3 RAMM Pharma Corporation – ss. 8, 21.7

IN THE MATTER OF
RAMM PHARMA CORPORATION

(For Hearing and Review of a Decision Under Sections 8 and 21.7 of
the *Securities Act,* RSO 1990, c S.5)

File No.: 2023-36

NOTICE OF WITHDRAWAL

The Applicant, RAMM Pharma Corporation, withdraws the Application.

DATED this 18th day of March, 2024.

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A.2.4 Capital Markets Tribunal Rules of Procedure – Notice of Amendments

FOR IMMEDIATE RELEASE
March 19, 2024

CAPITAL MARKETS TRIBUNAL ANNOUNCES AMENDMENTS TO ITS *RULES OF PROCEDURE*

TORONTO – On March 19, 2024, the Capital Markets Tribunal implemented substantial amendments to its *Rules of Procedure* (***Rules***). The former *Rules of Procedure and Forms* and *Practice Guideline* are repealed in their entirety and replaced by the new *Rules*, which are effective immediately. The *Rules* apply to all Tribunal proceedings, including proceedings commenced prior to the issuance of this Notice.

The elimination of the *Practice Guideline*, and the incorporation of most of its elements into the new *Rules*, provides a single source for parties to proceedings before the Tribunal. In addition, the amendments to the *Rules* improve readability, clarify requirements, and will improve the efficiency of Tribunal proceedings.

Notable amendments to the *Rules* include:

- changing the email address for the Registrar to registrar@capitalmarketstribunal.ca, to better reflect the Tribunal's independence from the Ontario Securities Commission;
- clarifying service requirements where the Commission as party (previously referred to as "Staff of the Commission") has no representative of record (r 5(1));
- adopting new modern filing practices (r 6, 14(4), 21 and Appendices K-M);
- clarifying requirements with respect to the commencement of proceedings, title of proceedings and scheduling of hearings, including providing the Tribunal and its Registrars with the ability to refuse to process incomplete or defective documents related to the commencement of a proceeding (r 13);
- providing requirements for enforcement proceedings to which new ss.127(4.0.1), 127(4.0.2) or 127(4.0.3) applies (r 14(3));
- clarifying the manner in which requests for temporary orders and extensions of temporary orders are brought before the Tribunal (r 16);
- streamlining how evidence and documents are dealt with during Tribunal proceedings (r 29 and 31); and
- providing for the dismissal of applications and/or motions without a hearing under appropriate circumstances (r 36).

The new *Rules* are available at capitalmarketstribunal.ca/resources.

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B. Ontario Securities Commission

B.1
Notices

B.1.1 CSA Multilateral Staff Notice 81-337 Targeted Continuous Disclosure Review and Guidance for Independent Review Committees for Investment Funds

Canadian Securities Administrators | Autorités canadiennes en valeurs mobilières

CSA MULTILATERAL STAFF NOTICE 81-337
TARGETED CONTINUOUS DISCLOSURE REVIEW AND GUIDANCE FOR
INDEPENDENT REVIEW COMMITTEES FOR INVESTMENT FUNDS

March 21, 2024

Introduction

Staff of the Ontario Securities Commission (**OSC**) and the Autorité des marchés financiers (**Staff, we** or **our**) have completed a continuous disclosure review (the **CD Review**) related to National Instrument 81-107 *Independent Review Committee for Investment Funds*.

In Quebec, National Instrument 81-107 *Independent Review Committee for Investment Funds* is a Regulation. Noting this, in this Notice, we refer to National Instrument 81-107 *Independent Review Committee for Investment Funds* as **NI 81-107** or **the Rule**.

Substance and Purpose

This Notice includes regulatory views on Independent Review Committee (**IRC**) Authority, summarizes our findings and general observations in specific areas of inquiry and provides regulatory views and guidance on each area of inquiry.

The CD Review covered the following topics:

- IRC Term Limits
- Skills, Competencies and Recruitment
- Size and Diversity
- Compensation
- Expanded Scope of IRC Review
- Disclosure to Demonstrate IRC Impact.

1. BACKGROUND

1.1 NI 81-107

NI 81-107 requires an Investment Fund Manager (**IFM**) to identify and refer an actual or perceived conflict of interest matter to the IRC for its approval or recommendation as required by the Rule.

The Rule also requires every investment fund that is a reporting issuer in Canada to have a fully independent body, the IRC, whose role is to review all decisions involving an actual or perceived conflict of interest faced by the IFM in the operation of the fund.

The structure of the fund industry – where the investor's ownership of the fund is separate from the IFM's management and control of the fund – creates the potential for the interests of fund investors to diverge from the financial interests of the IFM. This structure has the potential risk of causing an IFM to act contrary to its fiduciary duty to the investment fund and ultimately, to investors. NI

81-107 came into force in November 2006 and imposed a minimum, consistent standard of independent review for all publicly offered investment funds in each of the jurisdictions represented by the Canadian Securities Administrators (the **CSA**).

The Rule captures two types of conflicts that arise in the operation of an investment fund: (i) 'business' or 'operational' conflicts, i.e. those relating to the operation by the IFM of its funds that are not specifically regulated under securities legislation, except through the general duties of loyalty and care imposed on the IFM; and (ii) 'structural' conflicts, i.e. those resulting from proposed transactions by the IFM with its related entities, fund or portfolio manager, currently prohibited or restricted by securities legislation.

The Rule requires that the IFM establish written policies and procedures that it must follow when making a decision involving a conflict of interest matter and must refer the matter to the IRC for its recommendation or approval, as appropriate, before proceeding.

A decision by the IFM to engage in certain transactions that comprise 'structural' conflicts must be approved by the IRC before the transaction may proceed. Approval by the IRC of each transaction may be provided on a case-by-case basis or take the form of a standing instruction. Prior to the Rule, investment funds seeking to engage in proposed transactions by the IFM with its related entities, fund or portfolio manager, prohibited or restricted by securities legislation (i.e. 'structural conflicts'), required regulatory approval in the form of an exemptive relief decision to proceed. As a result of the Rule, IRC approval of structural conflicts is one of several key conditions set by securities regulatory authorities to be met for certain related party transactions to proceed. In such context, IRC review of an IFM's approach to mitigating conflict of interest matters is intended to contribute to enhanced investor protection.

For any other course of action not restricted by securities legislation but which raises an actual or perceived conflict of interest for the IFM, the IFM is required to refer the conflict of interest matter to the IRC, which must then provide the IFM with a recommendation that it must consider before proceeding. IRC review of the IFM's approach to mitigating such 'operational conflicts' similarly remains relevant to enhanced investor protection.

Since 2006, the investment management industry has experienced several new developments[1] which have informed and challenged existing governance practices and raised new considerations concerning conflicts of interest. In this evolving environment, staff sought to assess the IRC framework in the context of a targeted CD Review.

2. IRC AUTHORITY

The IRC is not intended to replace the IFM's management of its funds.

Consistent with its purpose, the IRC is intended to support the IFM and review its handling of conflicts of interest as they arise in the management and operation of the investment fund. If few or no conflict of interest matters are brought to the IRC for review, IRC members should consider whether that is reasonable, whether there is actual compliance with NI 81-107, or with securities legislation more generally. The IRC has authority to request information it determines useful or necessary from the manager and its officers to carry out its duties[2]. Moreover, the IRC is reminded of its authority under paragraph 3.11(1)(b) of NI 81-107 to engage independent counsel and other advisors it determines useful or necessary to carry out its duties.

In this context, staff have become aware that in certain cases there may be instances of disagreement between an IRC and an IFM on what constitutes a 'conflict of interest matter' under NI 81-107, particularly with respect to 'operational conflicts' that are not prohibited by securities legislation, i.e. an IRC may be of the view that a particular matter or fact pattern should be referred to the IRC as a 'conflict of interest matter' for its recommendation or approval where required. Staff recognize that the process of identifying a conflict of interest matter may be challenging in certain instances.

Our response to such instances is to reiterate that under NI 81-107, responsibility for the identification and mitigation of conflicts of interest of the investment fund ultimately rests with the IFM not the IRC. The process of identifying an operational conflict of interest matter should be informed by the view of a 'reasonable person'[3] applied to a set of facts. In this context, IFMs are encouraged to take a broad view of what constitutes a 'conflict of interest matter' and to err on the side of caution when identifying and referring an actual or perceived conflict of interest matter to the IRC for approval or recommendation.

Staff are also aware that there may be instances where it is appropriate for the IRC to contact the regulator to discuss any matter in connection with the subject funds. IRCs are reminded of their ability under subsection 3.11(3) of NI 81-107 to talk to the regulator about any matter, including whether the IRC has found, or has reasonable grounds to suspect, that a breach of securities legislation has occurred.[4] This permissive ability does not extend to inconsequential matters, however, and should be used when appropriate.

1 Examples include Environmental, Social and Governance, Cryptocurrency, Alternative Funds and the expansion of certain exemptions in NI 81-107 to include non-reporting issuer investment funds, among other new developments.
2 Paragraph 3.11(1)(a) of NI 81-107.
3 Paragraph 1.2(a) of NI 81-107.
4 Commentary 3 to section 3.11 of NI 81-107.

IRCs should ensure that they understand, at all times, what is being asked of the IRC by the IFM, e.g. is the IFM asking for an approval or a recommendation? Is what is being asked consistent with the scope of duties and responsibilities of the IRC, as an independent committee and as outlined in its Charter? Has the IRC ensured proper documentation of the details of any conversations with the IFM? Upon referral of a conflict of interest matter to the IRC for an approval or recommendation, does the IRC need further information or to review specific documents (e.g. fund disclosure documents) to get comfortable with the IFM's proposed approach to mitigating the conflict of interest?

Minutes of the IRC meetings should be fulsome and clearly demonstrate the deliberations of the IRC members and the considerations that factor into any decision made by the IRC when asked for a recommendation or approval on a conflict of interest matter.

3. CONTINUOUS DISCLOSURE REVIEW

Staff completed a review of NI 81-107-related disclosure of investment funds managed by twenty-four different IFMs for which the OSC or the AMF is the principal regulator. The following were reviewed: (a) the prospectus (long form or simplified prospectus as applicable to the fund), (b) the annual information form (**AIF**), where available, (c) the IRC Report to Securityholders and (d) the website of the IFM or funds as applicable.

IFMs reviewed were selected based on criteria designed to reflect a fair representation of fund family size and fund type. Of the 24 IFMs reviewed,

- four had assets under management (**AUM**) of less than $1 billion;
- eleven had AUM of between $1 billion and $50 billion;
- two had AUM of between $50 billion and $100 billion; and
- seven had AUM of over $100 billion.

Investment funds managed by the IFMs included conventional mutual funds, exchange-traded funds, scholarship plans and alternative funds.

4. FINDINGS, COMMENTS and REGULATORY VIEWS

Overall, staff have reached the following conclusions based on the CD Review:

- Several IRCs have members with terms longer than 6 years, however, IRCs are encouraged to strive for ongoing turnover and fresh perspectives on conflicts of interest by limiting IRC terms to a maximum of 6 years, except in limited circumstances;
- IFMs are encouraged to take a broad view of what constitutes a 'conflict of interest matter' and to err on the side of caution to refer an actual or perceived conflict of interest matter to the IRC; and
- Diversity in IRC membership beyond 'skill-set' may lead to better decision-making and good governance.

4.1 IRC Term Limits

Section 3.4 of NI 81-107 specifies that the term of a member of the IRC must not be less than 1 year and not more than 3 years. Subsection 3.3(4) of NI 81-107, however, sets a maximum term of 6 years for an IRC member that may be extended only with the agreement of the IFM.

The maximum 6-year term limit for IRC members was intended to enhance the independence and effectiveness of the IRC and to encourage regular turnover of IRC membership, new insights and varied perspectives on how conflict of interest matters of an investment fund should be viewed and mitigated by the IFM.

Some IRCs indicated that membership longer than 6 years was beneficial to the functioning of the IRC. While most IRCs we reviewed appoint their members for initial terms of 1, 2 or 3 years, the majority of IRCs reviewed had at least one IRC member with a term longer than 6 years. IRC membership for most IRCs we reviewed ranged between 3 years and 6 years, however, we came across a few IRC members serving up to 8 years or longer and in limited instances, we observed IRC members who had served longer than 14 years.

Long-standing membership is valued by IRCs because it is conducive to stability and beneficial to the IRC's understanding and ongoing familiarity with the IFM's operations and framework for mitigating conflicts of interest. Specific factors cited by IFMs in the CD Review in favor of long-standing IRC membership beyond 6 years include the following:

- specialized skill sets, experience or proficiency of IRC members which make specific members hard to replace;

- the need for continuity of knowledge of IRC members, particularly during periods of change in the funds (e.g. fund mergers) or in the IFM's business (e.g. acquisition of new corporate entities);
- the pandemic introduced periods of uncertainty during which IRC continuity was necessary;
- a need for IRC members to have sufficient time to get up to speed and to become familiar with the IFM's operations and its funds; and
- overall knowledge and efficiency of the IRC.

Most IRCs continue to use staggered terms of IRC members to ensure appropriate succession planning. We observed the use of a hard limit of not more than two three-year terms for IRC members, as well as use of a limit on IRC membership to two three-year terms unless the circumstances of business operations specifically required extension of the 6 year maximum limit referenced in NI 81-107[5].

Regulatory Views

IRCs should continue to strive for fresh, ongoing turnover in IRC membership and compliance with the 3-year to 6-year requirement to encourage new insights into how conflicts of interest are reviewed and to avoid static or repetitive approaches to reviewing conflict of interest matters.

Staff are of the view that IRC members should not remain on IRCs indefinitely nor for periods that span excessively beyond 6 years. IRCs should consider implementing firm term limits for the role of IRC Chair to encourage regular changes in leadership. The intent of the Rule is to provide "independent insights" to the IFM concerning investment fund conflict of interest matters. Staff are of the view that such independent insights may be challenged or compromised by an extensive IRC term which could be perceived as a lack of independence of the IRC member.

Staff are of the view that IRC terms beyond 6 years should be viewed as exceptions to the Rule in limited circumstances where appropriate, and should not become common practice.

4.2 Skills, Competencies and Recruitment of IRC Members

Section 3.5 of NI 81-107 specifies the considerations an IFM and/or IRC must give to nominating criteria before appointing an IRC member. While conflicts of interest remain the primary purpose for an IRC, a variety of competencies and skills are typically required to fulfill the IRC's mandate under NI 81-107.

Staff observed that the occupations of the majority of IRC members evidenced familiarity and experience within the investment management industry. IRC members were accountants, lawyers, financial services and regulatory compliance consultants, investment professionals, retired professors, former regulators, former individual asset managers and former executives in various related industries.

The occupations of IRC members were clearly disclosed in either the funds' prospectus or AIF where available, and in some instances, the IRC Report to Securityholders. While not a requirement under section 4.4 of NI 81-107, staff noted that nearly half of the IRC Reports to Securityholders reviewed specifically disclosed the occupation of the IRC member.

Staff noted that all IRCs reviewed had identified key criteria necessary for IRC members to perform their function as an oversight body. These criteria include the following:

- knowledge of the financial, securities and investment fund industry;
- soft skills, such as interpersonal and strong communication skills;
- leadership, management and industry experience;
- professionalism, collegiality, analytical skills and discretion;
- an ability to align with the investor's perspective while providing different thoughts or perspectives; and
- time available to act as an IRC member, along with interest in doing so.

We observed the use of a matrix to assess existing IRC competencies against the competencies/skills of a new or prospective IRC member. The matrix is used to identify gaps in IRC experience or skills and to inform the recruitment process when seeking

[5] Subsection 3.3(4) of NI 81-107.

new IRC members in assessing the competencies of potential candidates. None of the disclosure reviewed indicated a lack of independence of IRC members.

Staff were informed that IRC members are generally recruited from professional and social networks of existing IRC members or those of the IFM and its executives. Staff noted that the recruitment process for new IRC members is one in which both the IRC and IFM generally participate, with the IFM in certain cases, providing lists of potential candidates for further consideration by the IRC.

Regulatory Views

All IRCs reviewed demonstrated knowledge, experience, competencies and relevant skill sets across IRC members. We continue to encourage IRCs and IFMs to strive for diverse skill sets which complement the IRC and which inform its ongoing perspective on how conflicts of interest are reviewed. Staff remind IFMs that, consistent with section 3.15 of NI 81-107, ongoing IRC orientation and education is necessary to enhance the skills and competencies for an effective IRC.

IRCs and IFMs should implement recruitment processes that are fair and transparent, and which encourage IRC membership from individuals with relevant knowledge and experience gained from various backgrounds.

Given the importance of independence for IRC members, IRCs should lead the recruitment process to fill vacancies and not place undue reliance on the IFM's preferred candidates for the IRC.

4.3 Size and Diversity

Section 3.7 of NI 81-107 specifies a three-person minimum requirement for the IRC with allowance for IFMs to ultimately determine the size of the IRC with a view to effective decision-making concerning the funds under its authority.

Our reviews showed full compliance with the three-person minimum IRC requirement and almost one-quarter of IRCs reviewed had four members. Turnover of IRC members was evidenced by nine of the 24 IRCs noting changes to their composition during the review period covered by the IRC Reports to Securityholders.

Staff noted that a number of individuals hold membership on several IRCs.

All IRCs indicated high satisfaction with the three-person minimum IRC requirement. We were informed that this size is conducive to IRC efficacy, diversity of thought, varied insight, effective voting and resolution of issues. Staff were informed that it is appropriate for the size of the IRC to vary based on the number and complexity of conflict of interest matters that are brought to the IRC while another IRC stated that an increase in the mandatory IRC minimum size would provide no benefit and would only serve to increase costs and administrative burden.

IRCs are not currently subject to any regulatory disclosure requirements concerning diversity in IRC membership nor a specific regulatory requirement to establish diversity policies. Noting this, staff considered the diversity of IRC members as part of the CD Review. The results received highlighted that a majority of IRCs have at least one or more women as IRC members. Representation in IRC membership by other diverse groups such as racialized persons, Indigenous peoples, persons with disabilities and LGBTQ2SI+ persons could not be determined.

All IRCs reviewed were supportive of diversity. This support was evidenced by an IRC which had included diversity considerations in its competency matrix. Further, another IRC had specified in its written Charter, the need for diversity in a manner representative of the fund, its securityholders and their communities.

We note that most IRCs highlighted the need for specialty and diversity of 'skill-set' as paramount to the efficacy of the IRC given its limited and targeted focus on conflicts of interest.

Regulatory Views

Staff's view is that diversity beyond skill set should be pursued and reflected in IRC membership.

Our general view is that diversity in IRC membership is likely to result in wider perspectives which may inform better decision-making concerning conflict of interest matters.

We understand that as the scope of the IRC is focused on conflict of interest matters, diversity of skill set is of key importance, however, staff are of the view that there are qualified candidates that could enhance the diversity of skill set of the IRC and more generally, enhance diversity in IRC membership. As such, staff encourage IRCs to pursue IRC membership reflective of all forms of diversity, in particular, those forms that are relevant to the fund and its securityholders.

4.4 Compensation

Section 3.8 of NI 81-107 notes that the IFM may set initial compensation of the IRC when first appointed and cites the IRC's responsibility to set its compensation thereafter. The results of the IRC's annual assessment along with the recommendations of the IFM, if any, must be considered in the setting of compensation by the IRC.

The compensation of IRC members varied amongst IFMs of different sizes with reference to AUM. Staff noted that IRC compensation is generally higher for IFMs with higher levels of AUM. Our specific findings concerning IRC compensation are summarized in Appendix A to this Notice.

One key observation from our review of compensation was that the disclosure in the IRC Report to Securityholders did not specify the basis on which IRC compensation was allocated across the funds. Although there is no requirement in section 4.4 of NI 81-107 to specify the basis for allocation of IRC costs across funds, we noted vague references and terminology to denote the basis of allocation of IRC costs. For example, common references for IRC costs include the following:

- on a *fair and equitable basis* or as *fair and reasonable;*
- *in a manner considered to be reasonable;*
- *in a manner considered by the Manager to be fair and reasonable;*

  or

- made *pro rata*, without further context provided on whether the pro rata share is based on total assets of the fund, its complexity of investment objectives or some other basis.

A minority of IRCs indicated that costs were allocated equally across their funds. Staff noted discrepancies between aggregate IRC compensation amounts cited in the IRC Report to Securityholders and the funds' AIF where available. Issuers explained these differences as a typographical error or the application of taxes or other expenses in one disclosure document and not the other, or due to timing differences in the presentation of the disclosure.

We noted a few instances where the compensation of individual IRC members was not broken down by individual amounts in the funds' AIF. We also noted one IRC Report to Securityholders which cited IRC compensation in U.S. dollars, whereas its other fund disclosure documents, including the financial statements, reported in Canadian dollars.

With reference to paragraph 4.4(1)(f) of NI 81-107, a majority of IRC Reports to Securityholders specified the basis on which IRC compensation is determined. Common criteria used to determine IRC compensation included the following:

- industry annual compensation reports;
- comparative industry IRC compensation;
- workload and time commitment of IRC members;
- complexity of issues faced by the IRC members;
- results of the IRC's annual self-assessment;
- nature and number of funds overseen by the IRC;
- inflation, economic conditions and market value of IRC members;
- number of meetings held or required by the IRC or IFM to address specific conflicts of interest; and,
- industry best practices.

Regulatory Views

Staff noted a wide variation in compensation levels across IFMs of different sizes. IRC compensation should be measured, justified based on the complexity and involvement of the IRC, and transparent concerning the basis for determination. Staff are of the view that IRC compensation should be transparent and clearly disclosed as it can be viewed as a measure of the IRC's independence.

Section 4.4 of NI 81-107 does not mandate disclosure in the IRC Report to Securityholders of the basis on which IRC costs are allocated across applicable funds. The regulatory view, however, is that such disclosure is beneficial to investors and that any description that is used to denote how such costs have been allocated should be informative, meaningful and not vague, e.g. a statement to the effect of the IRC fees and expenses being allocated across the funds in a 'fair and equitable manner' is not

informative and raises questions as to whether, for example the reference to 'equitable' means 'equally' across funds. Ideally, an IRC Report to Securityholders is enhanced if the basis for allocation of IRC costs across funds is disclosed and if clear language specifying the basis for allocation is used, e.g. 'equally', 'proportionate based on the NAV or complexity of the fund', 'based on NAV of the fund', etc.

Staff also remind IFMs of the need for breakdown of individual IRC costs in the fund's prospectus going forward[6] and appropriate consistency in disclosure between the fund's prospectus and the IRC Report to Securityholders. Disclosure of IRC compensation in Canadian dollars, while not a requirement of NI 81-107, is preferred to enable appropriate comparisons of IRC compensation to be made across IRCs.

4.5 Expanded Scope of IRC Review

Section 3.6 of NI 81-107 requires an IRC to adopt a written charter setting out its mandate, responsibilities, functions and the policies and procedures it will follow when carrying out its functions. Commentary 4 to section 3.6 notes that the IFM and IRC may agree that the IRC will perform functions additional to those prescribed by NI 81-107 and elsewhere in securities legislation. Essentially, the IRC is required under NI 81-107 to review the IFM's handling of conflicts of interest as they arise in the operation of the investment fund but may be tasked with functions additional to the review of conflicts of interest, as agreed to with the IFM.

Staff noted a degree of commonality in terms of what IFMs consider to be a 'conflict of interest matter' necessitating referral to the IRC for its recommendation or approval. Most IFMs obtained standing instructions from their IRCs concerning the following subject matters:

- Proxy Voting
- Operating Costs / Expense Allocation
- Inter-Fund Trading
- Personal Trading
- Gifts, Gratuities and Business Entertainment
- Allocation of Investment Opportunities, Trade Allocation and Aggregation
- Unitholder Activity (large transactions; short-term trades, transactions-in-kind etc.)
- NAV Errors and Adjustments
- Soft Dollars Use
- Transactions in Securities of Related Issuers
- Fund Valuation
- Trade Errors and Modifications
- Fund of Funds
- Correcting Portfolio Pricing Errors
- Sub-Advisor Selection / Change
- Best Execution
- Seed Capital
- Fair Value Pricing
- Confidentiality & Code of Ethics
- Services Provided by Related Parties / Affiliates

[6] See Form 81-101F1 *Contents of Simplified Prospectus* – Part A – Item 4.16(2), Form 81-101F2 *Contents of Annual Information Form* – Item 15(2) and Form 41-101F2 *Information Required in an Investment Fund Prospectus* – Item 19.1(12)

- Portfolio / Investment Management & Change
- Purchases of Equity / Fixed Income Securities Underwritten by an Affiliate.

We also noted the standing instructions from a smaller number of IRCs concerning various themes but suggestive of the identification and concern for a similar type(s) of conflict of interest matter to those listed above. These standing instructions have been categorized in Appendix B to this Notice.

The focus of IRCs under NI 81-107 is conflicts of interest and review of the IFM's handling of conflicts of interest as they arise in the operation of the funds.

Noting this scope, we are also aware that investment funds and IFMs currently face growing areas of operational complexity. Therefore, we sought feedback on whether IRCs should be tasked with more mandatory responsibilities and subject areas of the investment fund to review beyond conflicts of interest.

All IRCs and IFMs shared the common view that the mandate of the IRC should not be expanded to areas beyond conflicts of interest. We were told that 'conflicts of interest' is a sufficiently broad enough area to justify the existence of the IRC and to derive benefit from the IRC's consideration of conflict of interest matters. Staff were informed that an expanded scope for the IRC is not needed, given the complexity, wide scope and implications of the conflict of interest matters referred to the IRC. Further, staff were informed that an expansion of the IRC mandate beyond conflicts of interest would impose additional costs with minimal to no benefit to fund securityholders, the fund or the IFM.

Regulatory Views

The Rule places the highest onus on the IFM to identify conflicts of interest, to compose and evidence a plan of action based on its written policies and procedures to mitigate the conflict of interest, and to refer such conflicts to the IRC for its approval or recommendation, under subsections 5.2(2) or 5.3(1) of NI 81-107 respectively. In contrast, IRCs are expected to be reactive to an IFM's referral to the IRC of a conflict of interest matter. Once the matter has been referred, the IRC is within its authority under the Rule to be proactive in its review function.

Given the onus on IFMs to identify conflicts of interest, staff encourage IFMs to take a broad and wide-ranging view of 'operational' conflicts of interest. Industry experience and disclosure under NI 81-107 has yielded a general list of common conflict of interest matters, crystallized into specific areas of conflict and adopted by several IFMs across the industry. This outcome is beneficial and encourages consistency between IFMs and IRCs, however, staff is of the view that the identification by IFMs of new, operational conflict of interest matters should be ongoing. Prohibitions in securities legislation on certain related party transactions dictate the existence of 'structural conflicts' for which IRC approval is required in order for the IFM to proceed with the transaction. However, concerning 'structural conflicts', IFMs are encouraged to be aware of when an IRC approval or exemptive relief from requirements in securities legislation is required in order to proceed with such transactions.

In this context, IFMs are encouraged to have a disciplined, established, organizational approach to identifying new, operational conflicts of interest which may not have been considered previously. A disciplined approach to identifying new operational conflicts of interest for example, may take the form of quarterly, or otherwise regular, organizational meetings across sectors of an organization aimed specifically at the identification of new conflicts of interest. The increasing complexity of investment fund management regulation and operations makes it appropriate for the IFM to have an ongoing and specific focus on the identification of new conflicts of interest and to refer those to the IRC for its recommendation or approval, as appropriate.

Staff encourage a broad interpretation of 'operational' conflicts of interest to derive maximum benefit from IRC review of how conflicts of interest are mitigated.

4.6 Disclosure to Demonstrate IRC Impact

Subsection 5.1(1) of NI 81-107 requires the IFM to determine, with reference to its duties under securities legislation and its written policies and procedures, what action it proposes to take in respect of a conflict of interest matter and to present its proposed action to the IRC for its approval or recommendation under subsections 5.2(2) and 5.3(1) as appropriate. In referring the matter to the IRC, the IFM is expected to inform the IRC whether its proposed action follows the IFM's written policies and procedures on the matter.[7]

Under section 5.4 of NI 81-107, IRCs are permitted to issue standing instructions to the IFM to proceed on a given conflict of interest matter in accordance with its terms. Commentary 2 to section 5.4 of NI 81-107 states that the IRC may consider including in any standing instruction any terms or conditions in prior exemptive relief orders, waivers or approvals obtained from the securities regulatory authorities.

[7] Commentary 3 to section 5.1 of NI 81-107.

Staff queried whether a specific metric or additional disclosure should be used to assess the efficacy of the IRC and its impact on the IFM's handling of a conflict of interest matter. Staff were interested in whether there is a specific and measurable way to assess, quantify and determine the extent of IRC impact on the decisions of the IFM on how it chooses to mitigate conflicts of interest of the fund.

Most IRCs consider the current disclosure requirements in the annual IRC Report to Securityholders to adequately demonstrate the work and impact of the IRC. A few IRCs suggested that it could be beneficial to disclose discussions between the IRC and the IFM, however, they noted this would be difficult to demonstrate efficacy. An IFM suggested that a cover report by the IRC Chair summarizing the activities of the IRC may be beneficial for investors.

Another IFM suggested that the following measures may be beneficial in highlighting the activities and benefits of the IRC:

- citing a profile of each IRC member in the annual IRC Report to Securityholders;
- transparency into the components of any competency matrix used by the IRC to assess current skills and competencies of IRC members against those of prospective IRC members; or
- additional guidance from the regulators to enhance consistency in the qualitative disclosures of conflict of interest matters reviewed by the IRC across IFMs, given significant variances noted.

Regulatory Views

As the IRC Report to Securityholders is the disclosure document in which IRC activities are captured, IRCs should ensure that the disclosure in such documents is fulsome, substantive and informative and that it provides a clear picture of the scope of IRC activities and the impact of the IRC's involvement on how conflicts of interest of the funds have been mitigated. As an example, the IRC Report to Securityholders could provide insight into any enhanced procedures adopted by the IFM as a result of an IRC approval or recommendation.

Enhanced disclosure in the IRC Report to Securityholders on the activity and impact of the IRC can better inform stakeholders about the value, role and impact of the IRC.

NEXT STEPS

IFMs and IRCs are encouraged to use the guidance provided in this Notice to further enhance and support their roles under NI 81-107. Staff will continue to monitor disclosure in this area.

Questions

Please refer your questions to any of the following:

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Appendix A:

CD Review Findings on IRC Compensation

IFM Size	Range of Aggregate IRC Compensation	Range of IRC Compensation for Individual IRC Chairs	Range of IRC Compensation for Individual IRC Members (Non-IRC Chairs)
AUM < $1 Billion	$12,000 to $33,000	$4,000 to $13,000	$3,000 to $10,000
AUM between $1 Billion and less than $50 Billion	$20,160 to $154,603	$10,600 to $53,000	$8,100 to $48,000
AUM between $50 Billion and $100 Billion	$113,500 to $132,800	$41,500 to $50,000	$36,000 to $40,000
AUM > $100 Billion	$60,000 to $246,250	$24,000 to $88,750	$18,000 to $78,750

Appendix B:

Staff Categorization of Various IRC Standing Instructions Observed from CD Review

THEMES				
Related Entities	**Unitholders**	**Service Providers and Oversight**	**Fund Operations, Allocation, Fees, Valuation and Performance**	**Employee Behaviour**
In Species Transactions Prohibited Investments Foreign Exchange Transactions with Related Party Transactions Through Related Dealer	Capacity Issues Showing Favoritism to Unitholders Complaints Handling Large Unitholders	Broker Selection Oversight of Service Providers Transition Management Services & Affiliated Brokerage Services Oversight of Sub-Advisor Compliance Referral Arrangements Reasonable Enquiries of Sub-Advisor COI Related Supplier Fees and Quality Monitoring Non-Audit Services Guidelines re Serving as Director Outsourcing to Third Parties	Management Fees NAV Calculation / Frequency of Calculation Performance Incentives Benchmark Indices Omnibus Redemption / Disposition for Investments in Funds Fund Gain / Loss Accounting Valuation of Illiquid & Private Placements Discretionary Trades in Securities where Selling Commission is Earned Distribution Issues Allocation of Income, Surpluses & Scholarships ETF / IPU Purchases for Retail Investment Funds Portfolio Holdings Release Dissemination of Portfolio Info Transfer Agency Error Correction Auditor Custody Launching, Merging, Closing of Funds	Outside Business Activity Employee / Managers COIs

			Underlying (Alternative) Fund Investment Mutual Fund Sales Flow-Through Limited Partnership Merging into Fund Supplements to Base Shelf Prospectus Short Term Trading Fees Market Timing Manual Pricing	

B.2
Orders

B.2.1 Mirati Therapeutics, 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).

[Original text in French]

March 12, 2024

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

AND

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

AND

IN THE MATTER OF
MIRATI THERAPEUTICS, INC.
(the Filer)

ORDER

Background

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

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

a) the Autorité des marchés financiers is the principal regulator for this application,

b) the Filer has provided notice that subsection 4C.5(1) of *Regulation 11-102 respecting Passport System* (Regulation 11-102) is intended to be relied upon Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Prince Edward Island and Saskatchewan, 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 *Regulation 14-101 respecting Definitions*, Regulation 11-102 and, in Québec, in *Regulation 14-501Q on definitions* have the same meaning if used in this order, unless otherwise defined.

Representations

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

1. the Filer is not an OTC reporting issuer under *Regulation 51-105 respecting Issuers Quoted in the U.S. Over-the-Counter Markets*;

2. the outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 securityholders in each of the jurisdictions of Canada and fewer than 51 securityholders in total worldwide;

3. no securities of the Filer, including debt securities, are traded in Canada or another country on a marketplace as defined in *Regulation 21-101 respecting Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported;

4. the Filer is applying for an order that the Filer has ceased to be a reporting issuer in all of the jurisdictions of Canada in which it is a reporting issuer; and

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

Order

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

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

"Marie-Claude Brunet-Ladrie"
Directrice de la surveillance des émetteurs et initiés
Autorité des marchés financiers

OSC File #: 2024/0086

B.2.2 Marathon Gold Corporation

Headnote

National Policy 11-206 Process for Cease to be a Reporting Issuer Applications – Application for an order that the issuer is not a reporting issuer under applicable securities laws – issuer has outstanding warrants exercisable into securities of acquirer – holders of outstanding securities no longer require public disclosure in respect of the issuer – 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
MARATHON GOLD CORPORATION
(the Filer)

ORDER

Background

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

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

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

b) the Filer has provided notice that subsection 4C.5(1) of Multilateral Instrument 11-102 - *Passport System* (MI 11-102) is intended to be relied upon British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon Territory, Northwest Territories and Nunavut.

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 a corporation existing under the federal laws of Canada with its head office located in Toronto, Ontario.

2. The Filer is a reporting issuer or the equivalent in each of the of the provinces and territories of Canada and the common shares of the Filer (the **Filer Shares**) were listed and traded on the Toronto Stock Exchange (the **TSX**) under the symbol "MOZ" until their de-listing on January 26, 2024.

3. All of the issued and outstanding Filer Shares are owned by Calibre Mining Corp. (**Calibre**).

4. Calibre, the parent company of the Filer, is a corporation existing under the Business Corporations Act (British Columbia). Calibre is a reporting issuer in the provinces of British Columbia, Alberta and Ontario, and the common shares of Calibre (the **Calibre Shares**) are listed and traded on the TSX under the symbol "CXB".

5. Upon completion of the court approved plan of arrangement (the **Arrangement**) under section 192 of the *Canada Business Corporations Act* (the **CBCA**), that was made effective at 12:01 a.m. (Toronto time) (the **Effective Time**) on January 24, 2024 (the **Effective Date**), pursuant to the arrangement agreement between Calibre and the Filer dated November 12, 2023 (the **Arrangement Agreement**), Calibre acquired all of the outstanding Filer Shares not already held by Calibre, in exchange for 0.6164 (the **Exchange Ratio**) of a Calibre Share (the **Consideration**).

6. On November 13, 2023, the Filer issued a news release, publicly announcing the Arrangement Agreement.

7. Immediately prior to the Effective Time, the Filer had the following issued and outstanding securities: (a) 469,163.035 Filer Shares (including 66,666,667 Filer Shares held by Calibre); (b) 16,298,450 stock options (the **Filer Options**); (c) 1,497,882 restricted share units (the **RSUs**); (d) 1,857,735 share-settled deferred share units (the **Shares Settled DSUs**); (e) 392,000 cash-settled deferred share units (the **Cash Settled DSUs**); (f) 1,549,767 performance share units (the **PSUs**); (g) 10,000,000 common share purchase warrants (the **Filer Certificated Warrants**) expiring on January 31, 2028, each exercisable to acquire one Filer Share at a price of $1.35 per Filer Share; and (h) 78,409,300 common share purchase warrants (the **Filer Indenture Warrants**, and together with the Filer Certificated Warrants, the **Filer Warrants**) expiring on September 20, 2024, each exercisable

to acquire one Filer Share at a price of $1.35 per Filer Share.

8. Upon completion of the Arrangement, Calibre acquired all of the issued and outstanding Filer Shares (excluding the 66,666,667 Filer Shares already held by Calibre) in exchange for the Consideration for each Filer Share, resulting in Calibre owning all of the issued and outstanding Filer Shares and the Filer becoming a wholly-owned subsidiary of Calibre.

9. Pursuant to the Arrangement, each outstanding RSU, Share Settled DSU, Cash Settled DSU, and PSU was deemed to be fully vested and was surrendered to the Filer in exchange; (i) in the case of each outstanding RSU, Share Settled DSU, and PSU, for one Filer Share, which was subsequently exchanged for the Consideration; and (ii) in the case of each Cash Settled DSU, for cash.

10. Pursuant to the Arrangement, each outstanding Filer Option was exchanged for a replacement option (each, a **Replacement Calibre Option**) exercisable for Calibre Shares, with the number and price of such Replacement Calibre Options adjusted by the Exchange Ratio.

11. Pursuant to the Arrangement, the terms of the Filer Certificated Warrants and the terms of the Filer Indenture Warrants, each holder of a Filer Warrant outstanding immediately prior to the Effective Date, became entitled upon completion of the Arrangement, to receive, upon the exercise of such holder's Filer Warrant, in lieu of each Filer Share to which such holder was previously entitled, 0.6164 of a Calibre Share. As a result of the Arrangement, the terms of the Filer Certificated Warrants and the terms of the Filer Indenture Warrants, Calibre is now obligated to issue Calibre Shares to satisfy the exercise of Filer Warrants.

12. The Filer distributed the meeting materials (which included, among other things, the management information circular, notice of meeting, and letter of transmittal) on December 22, 2023, to the holders of Filer Shares (the **Filer Shareholders**), Options, RSUs, Share Settled DSUs, Cash Settled DSUs, PSUs and Warrants, as well as the directors and auditors of the Filer, and to the Director appointed under the CBCA, in connection with the special meeting (the **Filer Meeting**) of Filer Shareholders that took place on January 16, 2024 to consider the Arrangement, in accordance with the interim order of the Ontario Superior Court of Justice (Commercial List) rendered December 11, 2023.

13. As was required pursuant to the terms of the Arrangement:

    (a) the resolution approving the Arrangement was approved by the Filer Shareholders at the Filer Meeting called for such purpose by an affirmative vote of at least 66 2/3% of the votes cast in person or by proxy at the Filer Meeting; and

    (b) the Ontario Superior Court of Justice (Commercial List) granted its final approval of the Arrangement on January 22, 2024.

14. As a result of the completion of the Arrangement, 249,813,422 additional Calibre Shares were issued and listed and posted for trading on the TSX, up to 10,046,332 Calibre Shares were reserved for issuance upon exercise of the Replacement Calibre Options, and up to 54,495,490 Calibre Shares were reserved for issuance upon exercise of the Filer Warrants.

15. The Filer Shares were delisted from the TSX at the close of business on January 26, 2024 and following such date, no securities of the Filer are currently listed for trading on any stock exchange.

16. On completion of the Arrangement, the Filer Warrants continued to exist as warrants of the Filer. The Filer Warrants are not, and were not, listed on the TSX for trading. The Filer Warrants are the only outstanding securities of the Filer held by persons other than Calibre.

17. Calibre, on behalf of the Filer, has made diligent enquiry (the **Investigation**) to determine the number and jurisdiction of the beneficial holders of the Filer Warrants, however, it has been unable to determine with certainty the total number of beneficial holders of Filer Warrant. The Investigation included a request for geographical breakdown of ownership from Broadridge, resulting in the procurement of each of: (i) a Canadian geographical analysis report; and (ii) a United States geographical analysis report. Based on the Investigation, there are at least 457 beneficial holders of Filer Warrants, including (a) 132 beneficial holders of Filer Warrants resident in British Columbia (representing approximately 4.31% of the total aggregate Filer Warrants); (b) 56 beneficial holders of Filer Warrants resident in Alberta (representing approximately 1.36% of the total aggregate Filer Warrants); (c) 1 beneficial holder of Filer Warrants resident in Saskatchewan (representing approximately less than 0.01% of the total aggregate Filer Warrants); (d) 7 beneficial holders of Filer Warrants resident in Manitoba (representing approximately 0.11% of the total aggregate Filer Warrants); (e) 208 beneficial holders of Filer Warrants resident in Ontario (representing approximately 34.94% of the total aggregate Filer Warrants); (f) 4 beneficial holder of Filer Warrants resident in Quebec (representing approximately 0.44% of the total aggregate Filer Warrants); (g) 4 beneficial holders of Filer Warrants resident in Nova Scotia (representing approximately 0.02% of the total aggregate Filer Warrants); (h) 3 beneficial holders of Filer Warrants resident in New Brunswick (representing approximately 0.02% of the total aggregate Filer Warrants); (i) 5 beneficial holders of

Filer Warrants resident in Newfoundland and Labrador (representing approximately 0.10% of the total aggregate Filer Warrants); (j) 18 beneficial holders of Filer Warrants resident in the United States (representing approximately 17.02% of the total aggregate Filer Warrants); and (k) 19 beneficial holders of Filer Warrants resident in international countries (i.e. outside of Canada and the United States) (representing approximately 27.95% of the total aggregate Filer Warrants). Each Filer Warrant is exercisable only for the Consideration, being 0.6164 of a Calibre Share. No Filer Shares or other securities of the Filer are issuable upon exercise of any Filer Warrants.

18. The Filer is not required to obtain any consents or approvals to cease to be a reporting issuer in any jurisdiction under any contractual arrangement between the Filer and the holders of the Filer Warrants.

19. The Filer cannot rely on the exemption available in Section 13.3 of National Instrument 51-102 -- *Continuous Disclosure Obligations* (**NI 51-102**) for issuers of exchangeable securities because the Filer Warrants are not "designated exchangeable securities" as defined in NI 51-102. The Filer Warrants do not provide their holders with voting rights in respect of Calibre.

20. The Filer is not eligible to surrender its status as a reporting issuer pursuant to the simplified procedure under section 19 of National Policy 11-206 *Process for Cease to be a Reporting Issuer Applications* as the Filer Warrants are not 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.

21. The Filer is not an OTC reporting issuer under Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*.

22. 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.

23. The Filer is not a reporting issuer in any jurisdiction of Canada other than the jurisdictions identified in this order. 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.

24. The Filer and Calibre are not in default of any requirement under securities legislation in any jurisdiction.

25. The Filer has no intention to seek public financing by way of an offering of securities and has no intention of issuing any securities other than the issuance of securities to Calibre or its affiliates.

26. Upon the granting of the Order Sought, the Filer will not be a reporting issuer or the equivalent in any jurisdiction of Canada.

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 on this 7th, day of March, 2024.

"Erin O'Donovan"
Manager, Corporate Finance
Ontario Securities Commission

OSC File #: 2024/0080
SEDAR+ File #: 6083494

B.2.3 Latitude Uranium 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).

March 14, 2024

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
LATITUDE URANIUM 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 Jurisdiction 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):

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

b) the Filer has provided notice that subsection 4C.5(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia and Alberta.

Interpretation

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

Representations

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

1. the Filer is not an OTC reporting issuer under Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*;

2. the outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 securityholders in each of the jurisdictions of Canada and fewer than 51 securityholders in total worldwide;

3. no securities of the Filer, including debt securities, are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported;

4. the Filer is applying for an order that the Filer has ceased to be a reporting issuer in all of the jurisdictions of Canada in which it is a reporting issuer; and

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

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.

"Michael Balter"
Manager, Corporate Finance
Ontario Securities Commission

OSC File #: 2024/0119

B.2.4 Playmaker Capital Inc. – s. 1(6) of the OBCA

Headnote

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

Statutes Cited

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

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

AND

IN THE MATTER OF
PLAYMAKER CAPITAL INC.
(the Applicant)

ORDER
(Subsection 1(6) of the OBCA)

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

AND UPON the Applicant representing to the Commission that:

1. The Applicant is an "offering corporation" as defined in subsection 1(1) the OBCA;

2. The Applicant has no intention to seek public financing by way of an offering of securities; and

3. On March 7, 2024 the Applicant was granted an order (the **Reporting Issuer Order**) pursuant to subclause 1(10)(a)(ii) of the *Securities Act* (Ontario) that it is not a reporting issuer in Ontario and is not a reporting issuer or the equivalent in any other jurisdiction in Canada in accordance with the simplified procedure set out in National Policy 11-206 *Process for Cease to be a Reporting Issuer Applications*. The representations set out in the Reporting Issuer Order continue to be true.

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

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

DATED at Toronto on this 18th day of March, 2024.

"Michael Balter"
Manager, Corporate Finance
Ontario Securities Commission

OSC File #: 2024/0108

B.3
Reasons and Decisions

B.3.1 Northwest & Ethical Investments L.P. and NEI Long Short Equity Fund

Headnote

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

Applicable Legislative Provisions

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

March 12, 2024

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
NORTHWEST & ETHICAL INVESTMENTS L.P.
(the Filer)

AND

NEI LONG SHORT EQUITY FUND
(the Existing Alternative Fund)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Existing Alternative Fund and any alternative mutual fund established or restructured in the future and managed by the Filer or an affiliate of the Filer (collectively with the Existing Alternative Fund, the **Alternative Funds**), for a decision under the securities legislation of the principal regulator that grants relief to the Alternative Funds from the requirement in subsection 5.1(4) of National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (**NI 81-101**) that states that a simplified prospectus (**SP**) for an alternative mutual fund must not be consolidated with an SP of another mutual fund if the other mutual fund is not an alternative mutual fund to permit consolidation of the SP of one or more of the Alternative Funds with the SP of one or more of the funds existing today listed in Schedule A or created in the future that (i) are reporting issuers to which NI 81-101 and National Instrument 81-102 *Investment Funds* (**NI 81-102**) apply, (ii) are not alternative mutual funds, and (iii) are managed by the Filer or an affiliate of the Filer (collectively, the **Conventional Funds** and together with the Alternative Funds, the **Funds**) (the **Exemption Sought**).

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

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

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

Interpretation

Unless otherwise defined, terms in this decision have the respective meanings given to them in NI 81-101, NI 81-102, National Instrument 14-101 *Definitions*, and MI 11-102.

Representations

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

The Filer

1. The Filer is a limited partnership formed under the laws of Ontario which acts through its general partner Northwest & Ethical Investments Inc., a corporation formed under the laws of Canada with its head office in Toronto, Ontario.

2. The Filer is registered as (i) a commodity trading manager in Ontario; (ii) a portfolio manager in British Columbia and Ontario; (iii) an exempt market dealer in Alberta, British Columbia, Manitoba, New Brunswick, Nova Scotia, Ontario, Prince Edward Island, Québec and Saskatchewan; and (iv) an investment fund manager in British Columbia, Newfoundland and Labrador, Ontario and Québec.

3. The Filer, or an affiliate of the Filer, is or will be, the manager, portfolio advisor and/or trustee of each of the Funds.

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

The Funds

5. The Alternative Funds are, or will be, established under the laws of Ontario or Canada as a mutual fund that is a trust or a class of shares of a mutual fund corporation and is, or will be, a reporting issuer in one or more of the Canadian Jurisdictions.

6. The Conventional Funds are not, or will not be, an alternative mutual fund.

7. The securities of the Funds are, or will be, qualified for distribution in one or more of the Canadian Jurisdictions using an SP, as applicable, and fund facts documents prepared and filed in accordance with the securities legislation of such Canadian Jurisdictions.

8. Each Fund is, or will be, a mutual fund to which the requirements of NI 81-101 and NI 81-102 apply, subject to any exemptions therefrom that have been, or may be, granted by the applicable securities regulatory authorities.

Reasons for the Exemption Sought

9. The Filer wishes to combine the SPs of the Alternative Funds with the SP of the Conventional Funds in order to reduce renewal, printing and related costs of the SPs.

10. Even though the Alternative Funds are, or will be, alternative mutual funds, they share, or will share, many common operational and administrative features with the Conventional Mutual Funds. Combining the Funds in the same SP will allow investors to more easily compare the features of the Alternative Funds and the Conventional Funds and will streamline disclosure across the Filer's fund platform.

11. Filing the same SP for the Alternative Funds and the Conventional Funds will ensure that the Filer can make corresponding changes to the operational and administrative features of Alternative Funds and the Conventional Funds in a consistent manner, if required.

12. The fund facts document of the Funds will continue to be provided to investors when purchasing securities of the Funds as required by applicable securities legislation. The form and content of the fund facts documents of the Funds will not change as a result of the Exemption Sought.

13. The SP of the Funds will continue to be provided to investors, upon request, as required by applicable securities legislation.

14. National Instrument 41-101 *General Prospectus Requirements* (**NI 41-101**) does not contain a provision equivalent to subsection 5.1(4) of NI 81-101. Accordingly, an investment fund manager that manages exchange-traded funds (**ETFs**) is permitted to consolidate a prospectus under NI 41-101 for its ETFs that are alternative mutual funds with a prospectus for its ETFs that are conventional mutual funds. The Filer submits that there is no reason why mutual funds filing a prospectus under NI 81-101 should be treated differently from ETFs filing a prospectus under NI 41-101.

Decision

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

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

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

Application File #: 2024/0100
SEDAR+ File #: 6092280

SCHEDULE A

LIST OF CONVENTIONAL FUNDS

1 NEI Money Market Fund
2 NEI Canadian Bond Fund
3 NEI Canadian Impact Bond Fund
4 NEI Global Impact Bond Fund
5 NEI Global Total Return Bond Fund
6 NEI Global High Yield Bond Fund
7 NEI Conservative Yield Portfolio
8 NEI Balanced Yield Portfolio
9 NEI Global Sustainable Balanced Fund
10 NEI Growth & Income Fund
11 NEI Canadian Dividend Fund
12 NEI Canadian Equity RS Fund
13 NEI Canadian Equity Fund
14 NEI ESG Canadian Enhanced Index Fund
15 NEI U.S. Dividend Fund
16 NEI U.S. Equity RS Fund
17 NEI Canadian Small Cap Equity RS Fund
18 NEI Canadian Small Cap Equity Fund
19 NEI Global Dividend RS Fund
20 NEI Global Value Fund
21 NEI Global Equity RS Fund
22 NEI Global Growth Fund
23 NEI Environmental Leaders Fund
24 NEI Clean Infrastructure Fund
25 NEI International Equity RS Fund
26 NEI Emerging Markets Fund
27 NEI Select Income RS Portfolio
28 NEI Select Income & Growth RS Portfolio
29 NEI Select Balanced RS Portfolio
30 NEI Select Growth & Income RS Portfolio
31 NEI Select Growth RS Portfolio
32 NEI Select Maximum Growth RS Portfolio
33 NEI Impact Conservative Portfolio
34 NEI Impact Balanced Portfolio
35 NEI Impact Growth Portfolio
36 NEI Income Private Portfolio
37 NEI Income & Growth Private Portfolio
38 NEI Balanced Private Portfolio
39 NEI Growth Private Portfolio
40 NEI Fixed Income Pool
41 NEI Canadian Equity Pool
42 NEI Global Equity Pool
43 NEI Managed Asset Allocation Pool

B.3.2 Guardian Partners Inc. and The Top Funds

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Mutual funds that are not reporting issuers granted extensions of the annual financial statement filing and delivery deadlines and the interim financial statement filing and delivery deadlines under NI 81-106 to permit the funds to file and deliver annual financial statements within 183 days of their most recently completed financial year and to file and deliver interim financial statements within 90 days of their most recently completed interim period – Funds invest the majority of their assets in Underlying Funds with later financial reporting deadlines – Relief subject to conditions including disclosure of extended financial reporting deadlines in the offering memorandum of the Fund.

Applicable Legislative Provisions

National Instrument 81-106 Investment Fund Continuous Disclosure, ss. 2.2, 2.4, 5.1(2) and 17.1.

March 14, 2024

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
GUARDIAN PARTNERS INC.
(the Filer)

AND

THE TOP FUNDS
(as defined below)

DECISION

Background

The principal regulator of the Jurisdiction has received an application from the Filer, the Filer's affiliates, I_3 Alternative Strategy Fund (the **Initial Top Fund**) and any other existing or future mutual fund that is not and will not be a reporting issuer, that is or will be organized under the laws of a jurisdiction of Canada, and that is, or will be, managed by the Filer or an affiliate of the Filer, and that invests or will invest in underlying funds (the **Underlying Funds**) as part of its investment strategy (the **Future Top Funds** and together with the Initial Top Fund, the **Top Funds**), for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**), to request relief from section 2.2, section 2.4, paragraph 5.1(2)(a) and paragraph 5.1(2)(b) of National Instrument 81-106 *Investment Fund Continuous Disclosure* (**NI 81-106**) on behalf of the Filer.

The Filer, the Filer's affiliates and the Top Funds, request a decision, pursuant to section 17.1 of NI 81-106, exempting the Top Funds from:

(a) the requirement in section 2.2 of NI 81-106 that the Top Funds file their audited annual financial statements and auditor's report (the **Annual Financial Statements**) on or before the 90th day after the Top Funds' most recently completed financial year (the **Annual Filing Deadline**);

(b) the requirement in paragraph 5.1(2)(a) of NI 81-106 that the Top Funds deliver to securityholders their Annual Financial Statements by the Annual Filing Deadline (the **Annual Delivery Requirement**);

(c) the requirement in section 2.4 of NI 81-106 that the Top Funds file their unaudited interim financial statements (the **Interim Financial Statements**) on or before the 60th day after the Top Funds' most recently completed interim period (the **Interim Filing Deadline**); and

(d) the requirement in paragraph 5.1(2)(b) of NI 81-106 that the Top Funds deliver to securityholders their Interim Financial Statements by the Interim Filing Deadline (the **Interim Delivery Requirement**),

(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 (the **Principal Regulator**) for this application as the head office of the Filer is located in Ontario, and

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

Definitions

Unless expressly defined herein, terms used have the respective meanings given to them in MI 11-102, National Instrument 14-101 *Definitions,* National Instrument 81-102 *Investment Funds* and NI 81-106.

Representations

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

The Filer

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

2. The Filer is registered in the categories of investment fund manager, portfolio manager and exempt market dealer in each of Ontario, Québec and Newfoundland & Labrador, and in the categories of portfolio manager and exempt market dealer in each of the remaining Canadian Jurisdictions.

3. The Filer or an affiliate of the Filer is, or will be, the investment fund manager and/or portfolio manager of each Top Fund.

4. The Filer, an affiliate of the Filer or a third party is or will act as trustee or general partner of each Top Fund.

5. The Filer is not a reporting issuer in any jurisdiction of Canada and is not in default of securities legislation of any jurisdiction of Canada.

The Top Funds

6. The Initial Top Fund is an investment fund established as a trust under the laws of Ontario. Each Future Top Fund will be organized as a limited partnership, trust or class of shares of a corporation under the laws of Ontario or of another jurisdiction of Canada.

7. Each of the Top Funds will be a "mutual fund" for purposes of the securities legislation of Ontario.

8. Securities of the Initial Top Fund are, and each Future Top Fund will be, offered for sale to qualified investors in one or more Canadian Jurisdictions pursuant to an exemption from the prospectus requirements, including the accredited investor exemption under National Instrument 45-106 *Prospectus Exemptions* or equivalent.

9. None of the Top Funds is, or will be, a reporting issuer in any of the Canadian Jurisdictions.

10. The Initial Top Fund has, and it is currently anticipated that each Future Top Fund will have, a financial year-end of December 31.

11. Each Top Fund's investment objective is to invest, or will be achieved by investing, in Underlying Funds, which may pursue a variety of investment strategies.

12. The investment objective of the Initial Top Fund is to seek to outperform the Equity Alternative Benchmark (defined as a cumulative index with monthly returns equal to 0.50 X monthly returns of the MSCI World Index) over a full business cycle – without assuming a meaningful incremental increase in risk – measured by comparative probability of a permanent loss of capital to that of the Equity Alternative Benchmark, through investment in alternative strategies including investment in (i) focused or niche long-only public equities and (ii) Underlying Funds, as well as direct investment in securities of any kind including financial instruments or derivatives.

13. The Initial Top Fund, through its investment in the Underlying Funds, will seek to generate attractive risk-adjusted returns which are differentiated and complementary to traditional equities and fixed income securities through investment in alternative strategies including, but not limited to, investment in focused or niche long-only public equities, hedge funds, commodity pools or other private or public investment vehicles, investment companies, managed accounts, funds of funds, exchange traded funds, or other investment entities that may invest or trade in securities of any kind, as well as direct investment in securities of any kind including financial instruments or derivatives.

14. The Underlying Funds will be managed by the Filer, an affiliate of the Filer or a third party.

15. The Filer believes that the Top Funds' investment in the Underlying Funds offers benefits not available through a direct investment in the investment vehicles, companies, other issuers or assets held by the relevant Underlying Fund(s).

16. Securities of the Top Funds will be typically redeemable at various intervals, as will securities of certain Underlying Funds. As each Top Fund has a medium- to long-term investment horizon, each Top Fund will be able to manage its own liquidity requirements taking into consideration the frequency at which securities of the Underlying Funds may be redeemed.

17. The net asset value of each Top Fund will be calculated no less frequently than monthly. Securityholders of each Top Fund will be provided with the net asset value of the Top Fund on a no less frequently than monthly basis.

18. Certain holdings of each Top Fund invested in securities of the Underlying Funds may be disclosed in the Top Fund's Annual Financial Statements and Interim Financial Statements.

The Underlying Funds

19. The Underlying Funds may be domiciled in Canada, the Cayman Islands or other international jurisdictions.

20. The Underlying Funds may have varying financial year-ends and may be subject to a variety of financial reporting deadlines. Currently, each of the Underlying Funds held by the Initial Top Fund has a financial year-end of December 31 except for one such Underlying Fund, which has a financial year-end of September 30. Therefore, in most cases, the Top Funds will not be able to obtain the finalized financial statements of the Underlying Funds prior to the Annual Filing Deadline or the Interim Filing Deadline for filing the Financial Statements and, in all cases, no sooner than other investors in the Underlying Funds receive the financial statements of the Underlying Funds. The Filer expects this timing delay in the completion of the Annual Financial Statements and the Interim Financial Statements of each Top Fund to occur every year for the foreseeable future.

21. All of the Underlying Funds currently invested in by the Initial Top Fund are managed by entities unrelated to the Filer (the **Third-Party Underlying Funds**). Approximately 57% of the Third-Party Underlying Funds currently invested in by the Initial Top Fund have up to 6 months from their year end to provide audited financial statements.

22. The offering memorandum of each Top Fund that will be provided to prospective investors will disclose, or such investors will be otherwise notified, that: (i) the Annual Financial Statements for such Top Fund will be delivered to each investor within 183 days of such Top Fund's financial year end; and (ii) the Interim Financial Statements for such Top Fund will be delivered to each investor within 90 days following the end of each interim period of such Top Fund.

23. The Filer will notify securityholders of the Top Funds that it has received and intends to rely on relief from the Annual Filing Deadline and Annual Delivery Requirement and the Interim Filing Deadline and the Interim Delivery Requirement.

Financial Statement Filing and Delivery Requirements

24. Section 2.2 and paragraph 5.1(2)(a) of NI 81-106 require a Top Fund to file and deliver its Annual Financial Statements by the Annual Filing Deadline. As each Top Fund's financial year-end is, or is currently anticipated to be, December 31, such Top Funds will have a filing and delivery deadline of March 31 in a non-leap year.

25. Section 2.4 and paragraph 5.1(2)(b) of NI 81-106 require a Top Fund to file and deliver its Interim Financial Statements by the Interim Filing Deadline. As each Top Fund's interim period-end is, or is currently anticipated to be, June 30, such Top Funds will have an interim filing and delivery deadline of August 29 in a non-leap year.

26. Section 2.11 of NI 81-106 provides an exemption from the filing requirements of the Annual Financial Statements and the Interim Financial Statements if, among other things, the Top Fund delivers such statements in accordance with Part 5 of NI 81-106 by the Annual Filing Deadline and the Interim Filing Deadline, as applicable.

27. As noted above, the Underlying Funds may have varying financial year-ends and may be subject to a variety of financial reporting deadlines. The Top Funds and the Underlying Funds may have financial reporting deadlines that are not aligned with the filing and delivery deadlines contemplated by NI 81-106 and that are applicable to the Top Funds. In addition, even if such reporting deadlines are aligned, they do not allow for sufficient time for the Filer, the Top Funds and the

auditor of the Top Funds, as applicable, to prepare the applicable financial statements and reports in a manner to meet the deadlines set out in NI 81-106.

28. In order to formulate an opinion on the financial statements of each Top Fund, the Top Fund's auditor requires audited financial statements of its respective Underlying Fund(s) in order to audit the information contained in the Top Fund's Annual Financial Statements.

29. The auditors of the Initial Top Fund have advised the Filer that they will be unable to express an unmodified audit opinion in accordance with subsection 2.7(2) of NI 81-106 if the audited financial statements of the Underlying Funds are not completed and available to the respective Top Fund sufficiently in advance of the Annual Filing Deadline and the Annual Delivery Requirement.

30. With respect to Underlying Funds managed by the Filer or an affiliate of the Filer, the added costs associated with having such Underlying Funds change their financial reporting deadlines or pay for expedited auditing services in order to provide their financial statements at an earlier date outweigh the expected benefit to the unitholders of the Top Funds.

31. Each Top Fund therefore seeks an extension of the Annual Filing Deadline and the Annual Delivery Requirement to permit delivery within 183 days of such Top Fund's most recently completed financial year-end, to enable the Top Fund's auditors to first receive the audited annual financial statements and auditor's reports of the relevant Underlying Funds so as to be able to prepare such Top Fund's Annual Financial Statements.

32. Each Top Fund seeks an extension of the Interim Filing Deadline and the Interim Delivery Requirement to permit delivery within 90 days of such Top Fund's most recently completed interim period, to enable the Top Fund to first receive the interim financial reports of the relevant Underlying Funds so as to be able to determine the net asset value of the relevant Underlying Funds and prepare such Top Fund's Interim Financial Statements.

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 for so long as:

1. The Top Fund has a financial year ended December 31.

2. The Top Fund's investment strategy is to primarily invest the Top Fund's investable assets in securities of one or more Underlying Funds whose investment objectives are compatible with the Top Fund's investment objectives.

3. The Top Fund invests the majority of its assets in Underlying Funds.

4. No less than 25% of the total assets of the Top Fund at the time the Top Fund makes the initial investment decision in the Underlying Fund(s), are invested in investment entities that have financial reporting periods that end on December 31 of each year and are subject to laws of their jurisdictions, or applicable exemptive relief, that require that their annual financial statements be delivered within 183 days of their financial year ends and interim financial statements be delivered within 90 days of their most recent interim period.

5. The offering memorandum provided to prospective investors regarding the Top Fund discloses that:

    a. the Annual Financial Statements for the Top Fund will be filed and delivered on or before the 183rd day after the Top Fund's most recently completed financial year; and

    b. the Interim Financial Statements for the Top Fund will be filed and delivered on or before the 90th day after the Top Fund's most recently completed interim period, subject to regulatory approval.

6. The Top Fund notifies its securityholders that the Top Fund has received and intends to rely on relief from the filing and delivery requirements under section 2.2, section 2.4, paragraph 5.1(2)(a) and paragraph 5.1(2)(b) of NI 81-106.

7. The Top Fund is not a reporting issuer in any jurisdiction of Canada, and the Filer has the necessary registrations to carry out its operations in each jurisdiction of Canada in which it operates.

8. The conditions in section 2.11 of NI 81-106 will be met, except for subsection 2.11(b), and:

   a. the Annual Financial Statements will be delivered to securityholders of the Top Fund in accordance with Part 5 of NI 81-106 on or before the 183rd day after the Top Fund's most recently completed financial year; and

   b. the Interim Financial Statements will be delivered to securityholders of the Top Fund in accordance with Part 5 of NI 81-106 on or before the 90th day after the Top Fund's most recently completed interim period.

9. This Exemption Sought terminates within one year of the coming into force of any amendment to NI 81-106 or other rule that modifies how the Annual Filing Deadline, Annual Delivery Requirement, Interim Filing Deadline or Interim Delivery Requirement applies in connection with mutual funds under the Legislation.

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

Application File #: 2023/0625
SEDAR+ File #: 06062125

B.3.3 BMO Investments Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief granted from subsection 5.1(4) of NI 81-101 to permit simplified prospectus disclosure of alternative mutual funds to be consolidated with simplified prospectus disclosure of mutual funds that are not alternative mutual funds.

Applicable Legislative Provisions

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

March 14, 2024

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
BMO INVESTMENTS INC.
(the Filer)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer, on behalf of any alternative mutual fund established or restructured in the future and managed by the Filer (each, an **Alternative Fund** and collectively, the **Alternative Funds**) for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) that grants relief to the Alternative Funds from the requirement in subsection 5.1(4) of National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (**NI 81-101**) which states that a simplified prospectus for an alternative mutual fund must not be consolidated with a simplified prospectus of another mutual fund if the other mutual fund is not an alternative mutual fund (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 all provinces and territories of Canada (the **Jurisdictions**).

Interpretation

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

Representations

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

The Filer

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

2. The Filer is registered as an investment fund manager (**IFM**) in each of Ontario, Québec and Newfoundland and Labrador, and as a mutual fund dealer in each of the Jurisdictions.

3. The Filer or an affiliate of the Filer will be the IFM of each Alternative Fund.

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

The Funds

5. Each Alternative Fund will be established under the laws of Ontario or Canada as a mutual fund that is a trust or a class of shares of a mutual fund corporation that will be a reporting issuer in one or more of the Jurisdictions.

6. The securities of each Alternative Fund will be qualified for distribution in one or more of the Jurisdictions using a simplified prospectus and fund facts document prepared and filed in accordance with the securities legislation of such Jurisdictions. Each Alternative Fund will be subject to the requirements of NI 81-101 and NI 81-102.

Reasons for the Exemption Sought

7. The Filer wishes to combine the simplified prospectus of the Alternative Funds with the simplified prospectus of the mutual funds existing today or created in the future (i) that are reporting issuers to which NI 81-101 and NI 81-102 apply, (ii) that are not alternative mutual funds, and (iii) for which the Filer, or an affiliate of the Filer, acts or will act as the investment fund manager (the **Conventional Funds**) in order to reduce renewal, printing and related costs. Offering the Alternative Funds using the same simplified prospectus as the Conventional Funds would facilitate the distribution of the Alternative Funds in the Jurisdictions under the same prospectus disclosure and enable the Filer to streamline disclosure across the Filer's fund platform.

8. Even though the Alternative Funds will be alternative mutual funds, they will share many common operational and administrative features with the Conventional Funds and combining them in the same simplified prospectus will allow investors to more easily compare the features of the Alternative Funds and the Conventional Funds.

9. The ability to file the same simplified prospectus for the Alternative Funds and the Conventional Funds will ensure that the Filer can make corresponding changes to the operational and administrative features of the Alternative Funds and the Conventional Funds in a consistent manner, if required.

10. Investors will continue to receive the fund facts document(s) when purchasing securities of the Alternative Funds or the Conventional Funds as required by applicable securities legislation. The form and content of the fund facts document(s) of the Alternative Funds and the Conventional Funds will not change as a result of the Exemption Sought.

11. The simplified prospectus of the Alternative Funds and the Conventional Funds will continue to be provided to investors, upon request, as required by applicable securities legislation.

12. National Instrument 41-101 *General Prospectus Requirements* (**NI 41-101**) does not contain a provision equivalent to subsection 5.1(4) of NI 81-101. Accordingly, an investment fund manager that manages exchange-traded funds (**ETFs**) is permitted to consolidate a prospectus under NI 41-101 for its ETFs that are alternative mutual funds with a prospectus for its ETFs that are conventional mutual funds. There is no reason why mutual funds filing a simplified prospectus under NI 81-101 should be treated differently from ETFs filing a prospectus under NI 41-101.

Decision

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

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

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

Application File #: 2024/0118
SEDAR+ File #: 6094780

B.3.4 EHP Funds Inc. and EHP Global Multi-Strategy Alternative Fund

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted from fund multi-layering restriction in paragraph 2.5(2)(b) of NI 81-102 to permit an investment fund to invest in another investment fund under common management that holds more than 10% of its net assets in securities of other investment funds – Top fund is an exchange-traded alternative mutual fund that seeks to achieve its investment objectives by investing part of its assets in related alternative funds with the same manager – Underlying funds will be related alternative mutual fund that may invest up to 20% related and unrelated funds an efficient and cost-effective alternative to investing directly in the portfolio assets – Relief granted from multi-layering restriction in paragraph 2.5(2)(b) to permit in the underlying funds, subject to conditions.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 2.5(2)(b) and 19.1.

March 14, 2024

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
EHP FUNDS INC.
(the Filer)

AND

IN THE MATTER OF
EHP GLOBAL MULTI-STRATEGY ALTERNATIVE FUND
(the Top Fund)

DECISION

Background

The principal regulator in the Jurisdiction has received an application (the **Application**) from the Filer on behalf of the Top Fund, which holds securities of EHP Advantage Alternative Fund and EHP Foundation Alternative Fund (the **Underlying Funds** and, each, an **Underlying Fund**), for a decision under the securities legislation (**Legislation**) of the Jurisdiction granting an exemption from paragraph 2.5(2)(b) of National Instrument 81-102 - *Investment Funds* (**NI 81-102**) to permit the Top Fund to hold securities of the

Underlying Funds (as defined below), each which Underlying Fund in turn will hold more than 10% of its net asset value (**NAV**) in securities of one or more investment funds (the **Third Tier Funds** and, each, a **Third Tier Fund**) (each, a **Three-Tier Structure**) (the **Exemption Sought**). The Third Tier Funds may be comprised of: (i) one or more other mutual funds, each of which is, or will be, subject to NI 81-102 and managed by the Filer or an affiliate thereof (each, an **EHP Third Tier Fund**, and, together with the Top Fund and the Underlying Funds, the **Funds** and, each, a **Fund**); and (ii) one or more other investment funds (the **Other Funds** and, each, an **Other Fund**).

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

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

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

Defined Terms

Unless expressly defined herein, terms in this Application have the respective meanings given to them in NI 81-102, National Instrument 14-101 - *Definitions* or MI 11-102.

Representations

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

The Filer

1. The Filer is a corporation incorporated under the laws of the Province of Ontario, with its head office located in Toronto, Ontario.

2. The Filer is registered as an investment fund manager in Ontario, Québec, and Newfoundland and Labrador and as a portfolio manager in Ontario.

3. The Filer or an affiliate is, or will be, the investment fund manager of the Top Fund, each Underlying Fund, and each EHP Third Tier Fund.

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

The Funds

5. Each Fund is, or will be, an “alternative mutual fund” organized and governed by the laws of a Jurisdiction or the laws of Canada.

6. Each Fund is, or will be, a reporting issuer in one or more Jurisdictions governed by the provisions of NI 81-102, subject to any exemption therefrom that has been, or may be, granted by the securities regulatory authorities.

7. The securities of the Underlying Funds and the EHP Third Tier Funds may be sold to investors other than the Top Fund and Underlying Funds, respectively.

8. None of the Funds is in default of securities legislation in any of the Jurisdictions.

The Top Fund

9. The investment objective of the Top Fund is to generate superior risk adjusted investment returns over the long-term by utilizing a multi-strategy approach consisting of diversified quantitative and systematic investment strategies.

10. The Top Fund currently seeks to achieve its investment objective by investing in securities of alternative mutual funds managed or advised by the Manager, including the Underlying Funds, which in turn invest in long and short positions in high-yield bonds, investment grade corporate bonds, government bonds, convertible bonds, convertible debentures, preferred shares, options, futures, forward contracts, currencies, volatility instruments, short term debt instruments, distressed debt, cash and cash equivalents, equities, fixed-income exchange-traded funds (ETFs), equity ETFs, special purpose acquisition companies (SPACs), and other alternative mutual funds.

11. The Top Fund wishes to have the ability to purchase securities of the Underlying Funds, each of which will hold more than 10% of its NAV in securities of the Third Tier Funds, as described below.

12. The Top Fund will not sell short securities of any Underlying Fund.

The Underlying Funds

13. The investment objective of EHP Advantage Alternative Fund is to generate superior risk adjusted investment returns over the long-term by utilizing a multi-strategy approach consisting of diversified quantitative and systematic investment strategies. EHP Advantage Alternative Fund will use alternative investment strategies, including equity long/short, equity market neutral, and credit long/short, by investing in North American equities, fixed-income ETFs, equity ETFs, and treasury futures derivative contracts as a part of implementing these strategies.

14. The investment objective of EHP Foundation Alternative Fund is to provide a positive total return, regardless of market conditions or general market direction, with low correlation to North American equity markets. EHP Foundation Alternative Fund will use alternative investment strategies, including

equity long/short, equity market neutral, and credit long/short, by investing in North American equities, fixed-income ETFs, equity ETFs, and treasury futures derivative contracts as a part of implementing these strategies.

15. Each Underlying Fund may invest in securities of Other Funds, including the EHP Third Tier Funds and ETFs, in accordance with its investment objective.

16. Each Underlying Fund currently invests in one or more Other Funds, where, at the time of purchase, the Underlying Fund holds, in aggregate, no more than 10% of its NAV in securities of such Other Funds, which excludes, for greater certainty, index participation units.

17. Each Underlying Fund wishes to invest in one or more EHP Third Tier Funds for tactical purposes, which investments will, when aggregated with securities of Other Funds held by the Underlying Fund (excluding index participation units), immediately after purchase, comprise, in aggregate, up to 30% of the NAV of the Underlying Fund.

18. As a result of market movement, Third Tier Funds may comprise more than 30% of the NAV of an Underlying Fund at any time.

19. No Underlying Fund will sell short securities of a Third Tier Fund, excluding index participation units.

General

20. Subsection 2.5(2)(b) of NI 81-102 prohibits an investment fund from investing in another investment fund if, at the time of purchase, the other investment fund has more than 10% of its net assets invested in securities of other investment funds (the **Multi-Tier Prohibition**).

21. Since an Underlying Fund's investment in securities of the Third Tier Funds may, from time to time, exceed 10% of the NAV of the Underlying Fund, the Multi-Tier Prohibition will prohibit the Top Fund from investing in the Underlying Fund.

22. An investment by the Top Fund in an Underlying Fund would not qualify for the exemptions in paragraph 2.5(4) of NI 81-102 from the Multi-Tier Prohibition because the Underlying Funds do not issue index participation units and are not clone funds or money market funds.

23. An investment in the Underlying Funds by the Top Fund is an efficient and cost-effective alternative to administering one or more investment strategies directly.

24. An investment by the Top Fund in an Underlying Fund or by an Underlying Fund in a Third Tier Fund represents the business judgment of responsible persons uninfluenced by considerations other than the best interests of the Top Fund or the applicable Underlying Fund, as the case may be.

25. The Other Funds are managed by investment fund managers other than the Filer and its affiliates. Neither the Filer nor its affiliates manage any Other Funds.

26. There will be no duplication of management fees or incentive fees between the Top Fund and the Underlying Funds, and between the Underlying Funds and the EHP Third Tier Funds. The prospectus of the Top Fund and the Underlying Funds will disclose that management fees and incentive fees will not be duplicated amongst such Funds as a result of a Three-Tier Structure.

Three-Tier Structure

27. The Filer will foster standards of fairness in the allocation of orders policy, the purpose of which is to seek the fair treatment for investors in all investment funds managed by the Filer that are involved in a fund of fund structure by assessing material costs between funds that pertain to transaction charges. This policy is designed to isolate material and/or excessive transaction costs associated with significant trades, at the Filer's discretion, and to prevent the dilution of a fund's assets when these material transactions occur by taking steps to ensure that the applicable fund or funds bear(s) the appropriate economic impact of such transaction costs.

28. The Filer will implement a liquidity risk management policy, the purpose of which is to monitor underlying liquidity of investment funds managed by the Filer, with each such investment fund potentially considered a large unitholder investment. This policy seeks to ensure that unitholders are not adversely impacted by trading activities of large unitholders.

29. To manage liquidity risk due to cross-ownership of funds within a Three-Tier Structure, the Filer will use a combination of risk management tools to address the significant investor risk, including: (i) Independent Review Committee (or IRC) approved governance policies that have been adopted to protect all investors in the Funds; (ii) internal portfolio manager notification requirements of significant cash flows into the Funds; (iii) ongoing liquidity monitoring of each Fund's portfolio; and (iv) real time cash projection reporting for the Funds. Each Fund in a Three-Tier Structure will be managed as a stand-alone investment for purposes of the application of these risk management tools,

30. The prospectus of the Top Fund discloses or will disclose in the next regularly scheduled renewal, or amendment if earlier, that the Top Fund invests in securities of the Underlying Funds, and that each Underlying Fund may invest more than 10% of its

NAV in securities, on an aggregate basis, of other investment funds, including Third Tier Funds.

31. The prospectus of each Fund in a Three-Tier Structure discloses or will disclose in the next regularly scheduled renewal, or amendment if earlier, that the accountability for portfolio management is: (a) at the level of each Underlying Fund with respect to the selection of Third Tier Funds to be purchased by the Underlying Fund and with respect to the purchase and sale of any other portfolio securities or other assets held by the Underlying Fund; and (b) at the level of each EHP Third Tier Fund with respect to the purchase and sale of portfolio securities and other assets held by that EHP Third Tier Fund.

32. Each Fund in a Three-Tier Structure complies with the requirements under National Instrument 81-106 – *Investment Fund Continuous Disclosure* (**NI 81-106**) relating to top 25 positions portfolio holdings disclosure in its management reports of fund performance and the requirements of Form 81-101F3 - *Contents of Fund Facts Document* (**Form 81-101F3**) relating to top 10 position portfolio holdings disclosure in its Fund Facts as if the Fund was investing directly in the Third Tier Funds.

33. None of the Funds relies on any discretionary relief permitting the Fund to exceed the leverage exposure otherwise permitted under NI 81-102 through the use of borrowing, short selling, and specified derivatives.

34. Except for paragraph 2.5(2)(b) of NI 81-102, each investment by the Top Fund in securities of the Underlying Funds will be made in accordance with the provisions of section 2.5 of NI 81-102.

35. It would not be prejudicial to the public interest to grant the Exemption Sought.

Decision

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

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

(i) the Filer is the registered investment fund manager of the Top Fund, each Underlying Fund, and each EHP Third Tier Fund;

(ii) an investment by the Top Fund in securities of the Underlying Funds is in accordance with the investment objectives and strategies of the Top Fund;

(iii) the prospectus of the Top Fund discloses or will disclose in the next regularly scheduled renewal, or amendment if earlier, that the Top Fund invests in securities of the Underlying Funds, and that each Underlying Fund may invest more than 10% of its NAV in securities, on an aggregate basis, of other investment funds, including Third Tier Funds;

(iv) the Top Fund's investment in securities of each Underlying Fund and each Underlying Fund's investment in each Third Tier Fund in a Three-Tier Structure is otherwise made in compliance with all other requirements of section 2.5 of NI 81-102, except to the extent that discretionary relief has been granted from any such requirement;

(v) there is no duplication of management fees, incentive fees or administrative fees between each tier of the Three-Tier Structure;

(vi) the Three-Tier Structure is implemented in a manner that seeks the fair treatment for investors in all of the investment funds managed by the Filer that are involved in a Three-Tier Structure by assessing material portfolio transaction costs among all of such investment funds;

(vii) the Filer maintains investor protection policies and procedures that address liquidity and redemption risk due to cross-ownership of funds within a Three-Tier Structure, and each Fund in a Three-Tier Structure is managed as a stand-alone investment for purposes of these policies and procedures;

(viii) each Fund in a Three-Tier Structure complies with the requirements under NI 81-106 relating to top 25 positions portfolio holdings disclosure in its management reports of fund performance and the requirements of Form 81-101F3 relating to top 10 position portfolio holdings disclosure in its Fund Facts as if the Fund was investing directly in the Third Tier Funds; and

(ix) none of the Funds relies on any discretionary relief permitting the Fund to exceed the leverage exposure otherwise permitted under NI 81-102 through the use of borrowing, short selling, and specified derivatives.

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

Application File #: 2024/0093
SEDAR+ File #: 6087484

B.3.5 Embark Student Corp. et al.

Headnote

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

Applicable Legislative Provisions

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

March 14, 2024

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
EMBARK STUDENT CORP.
(the "Filer")

AND

IN THE MATTER OF
THE FLEX FIRST PLAN
AND
THE FAMILY SINGLE STUDENT
EDUCATION SAVINGS PLAN
(the "Terminating Plans")

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer, on behalf of the Terminating Plans, for a decision under the securities legislation of the Jurisdiction (the "**Legislation**") that the time limits for the renewal of the prospectus of each Terminating Plan dated May 8, 2023 (together, the "**Current Prospectus**") be extended to the time limits that would apply if the lapse date was July 1, 2024 (the "**Exemption Sought**").

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

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

(b) 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 by the Filer and the Terminating Plans in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon (together with Ontario, the "**Jurisdictions**").

Interpretation

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

Representations

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

The Filer

1. The Filer is a corporation amalgamated under the *Canada Business Corporations Act* having its head office in Mississauga, Ontario.

2. The Filer is registered as a scholarship plan dealer in each of the provinces and territories of Canada and an investment fund manager in Ontario, Québec and Newfoundland and Labrador.

3. The Filer is the investment fund manager and scholarship plan dealer of the Terminating Plans and Embark Student Foundation is the sponsor of the Terminating Plans.

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

The Terminating Plans

1. Each Terminating Plan is a reporting issuer in the Jurisdictions in which its securities are distributed.

2. Securities of the Terminating Plans are qualified for sale in each of the Jurisdictions under the Current Prospectus, which has been prepared in accordance with National Instrument 41-101 *General Prospectus Requirements* (**NI 41-101**).

3. At the special meeting of the unitholders of the Terminating Plans held on December 12, 2023, the Filer received approval to wind up the Terminating Plans and transfer the existing assets of the Terminating Plans to the Embark Student Plan and Embark Select Conservative Plan (collectively, the "**Embark Plans**") by July 1, 2024.

4. All the assets of the Terminating Plans will be transferred to the Embark Plans on July 1, 2024 (the "**Termination Date**") and thereafter, the Terminating Plans will be terminated.

5. Current unitholders may subscribe for or purchase securities of the Terminating Plans directly from the Filer in accordance with existing contribution schedules. The Filer ceased to sell units of the Terminating Plans to new customers as of March 1,

2023 when it began offering units of the Embark Plans under the initial prospectus for those plans dated February 6, 2023. The application is being made in order to preserve these existing contribution schedules after May 8, 2024 and until the Termination Date.

6. Pursuant to section 62(1) of the *Securities Act (Ontario)* (the "**Act**"), the lapse date for the Current Prospectus is May 8, 2024 (the "**Current Lapse Date**"). Accordingly, if a new prospectus for each Terminating Plan is not otherwise filed and receipted by the Current Lapse Date, under section 62(2) of the Act, the distribution of securities of each of the Terminating Plans would have to cease on the Current Lapse Date unless: (i) the Terminating Plans file a pro forma prospectus at least 30 days prior to the Current Lapse Date; (ii) the final prospectus is filed no later than 10 days after the Current Lapse Date; and (iii) a receipt for the final prospectus is obtained within 20 days after the Current Lapse Date.

7. The Terminating Plans are not in default of securities legislation in any of the Jurisdictions.

The Exemption Sought

1. The Exemption Sought will allow the Filer to avoid incurring unnecessary costs and any confusion that may result from renewing the Terminating Plans under the Current Prospectus and later terminating the Terminating Plans.

2. There have been no undisclosed material changes in the business, operations or affairs of each Terminating Plan since the date of the Current Prospectus. Accordingly, the Current Prospectus represents current information regarding the applicable Terminating Plan.

3. Given the disclosure obligations of the Filer and the Terminating Plans, should any material change in the business, operations or affairs of the Terminating Plans occur, the Current Prospectus of the Terminating Plans will be amended as required under the Legislation.

4. The Exemption Sought will not affect the currency or accuracy of the information contained in the Current Prospectus of each Terminating Plan and therefore will not be prejudicial to the public interest.

Decision

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

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

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

Application File #: 2024/0064
SEDAR+ File #: 6081415

B.3.6 Auspice Capital Advisors Ltd. et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted under subsection 62(5) of the Securities Act to permit extension of a prospectus lapse date by 42 days to facilitate the incorporation by reference of more recent financial statements and auditors' consent letter after change of auditor – no conditions.

Applicable Legislative Provisions

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

Citation: *Re Auspice Capital Advisors Ltd.*, 2024 ABASC 47

March 18, 2024

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
AUSPICE CAPITAL ADVISORS LTD.
(the Filer)

AND

AUSPICE DIVERSIFIED TRUST
AND
AUSPICE ONE FUND TRUST
(the Funds)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (each a **Decision Maker**) has received an application from the Filer on behalf of the Funds for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that the time limits for the renewal of the simplified prospectus of the Funds dated February 28, 2023 (the **Current Prospectus**) be extended to the time limits that would apply if the lapse date of the Current Prospectus was April 10, 2024 (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 subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in each jurisdiction of Canada, other than Alberta and Ontario; 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*, MI 11-102, and National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (**NI 81-101**) have the same meaning if used in this decision, unless otherwise defined.

Representations

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

1. The Filer is a quantitative investment specialist that was established in 2006.

2. The Filer is registered as a portfolio manager, investment fund manager and exempt market dealer in Alberta, as a commodity trading manager, investment fund manager and exempt market dealer in Ontario, as an investment fund manager in British Columbia, Québec, and Newfoundland and Labrador, and as an exempt market dealer in British Columbia and Québec. The Filer's head office is in Calgary, Alberta.

3. Each Fund is a mutual fund organized as an open-ended unit trust governed by the laws of the Province of Alberta.

4. Each Fund is an alternative mutual fund as defined in National Instrument 81-102 *Investment Funds* (**NI 81-102**).

5. Each Fund is a reporting issuer in each jurisdiction of Canada.

6. Prior to February 28, 2023, the Funds were offered through an offering memorandum only and were not reporting issuers during such prior period.

7. Neither the Filer nor the Funds are in default of securities legislation in any jurisdiction of Canada.

8. The Funds currently distribute securities in each jurisdiction of Canada under the Current Prospectus.

9. Pursuant to section 2.5(2) of NI 81-101, the lapse date of the Current Prospectus is February 28, 2024 (the **Lapse Date**). Accordingly, under subsection 2.5(4) of NI 81-101, the distribution of securities of each of the Funds must cease on the Lapse Date unless: (i) the Funds file a pro forma prospectus at least 30 days prior to the Lapse Date;

(ii) the final prospectus is filed no later than 10 days after the Lapse Date; and (iii) a receipt for the final prospectus is obtained within 20 days of the Lapse Date.

10. The renewal prospectus for the Funds is therefore required to be filed by March 9, 2024 in order for securities of the Funds to continue to be distributed after the Lapse Date.

11. During 2023, the auditor of the Funds was changed from KPMG LLP (**KPMG**) to EY LLP (**EY**).

12. The fiscal year-end of each of the Funds is December 31 and, pursuant to section 2.2 of National Instrument 81-106 *Investment Fund Continuous Disclosure*, the annual financial statements and auditor's report are required to be filed on or before the 90th day after each Fund's most recently completed financial year, which for each Fund since it became a reporting issuer, is the financial period ended December 31, 2023 (the **2023 Fiscal Year-End**).

13. The audited financial statements of the Funds for the financial period ended December 31, 2022 (the **2022 Fiscal Year-End**) were filed as required on May 15, 2023, with an unqualified audit report (the **2022 Audit Report**) from KPMG dated March 16, 2023. An auditors' consent letter from KPMG in respect of these financial statements, also dated March 16, 2023, was also filed on May 15, 2023.

14. Given the change in the auditor of the Funds, the Filer has determined that that it will not be possible to obtain from KPMG the required auditor's consent letter relating to the use of its 2022 Audit Report in the final renewal simplified prospectus of the Funds (the **Renewal SP**) prior to the date that is 20 days after the Lapse Date. Furthermore, the Filer has determined that the Funds would incur unduly high costs to obtain the consent letter from KPMG.

15. In the circumstances, the Filer considers that it is not in the best interests of the Funds to obtain the required auditor's consent letter relating to the incorporation by reference in the Renewal SP of KPMG's 2022 Audit Report, which would be required to be incorporated by reference into the Renewal SP at this time.

16. EY is in the process of completing the audited financial statements of the Funds for the 2023 Fiscal Year-End, which will be completed by EY on or before March 30, 2024. EY has advised the Filer that it expects to be in a position to provide its consent to the incorporation of its auditor's report on such financial statements by reference in the Renewal SP in early April 2024. EY has also advised that it expects to charge a significantly lower fee for such consent than that requested by KPMG for its consent in respect of the 2022 Audit Report.

17. The Filer considers that it is in the interests of the securityholders of the Funds that the Exemption Sought be granted, such that the Funds may wait to renew the Current Prospectus until the audited financial statements of the Funds for the 2023 Fiscal Year-End are completed and EY is able to provide the required auditor's consent in respect of its report on such financial statements for purposes of the Renewal SP.

18. Extending the Lapse Date to April 10, 2024 will also allow the Filer to update the Fund Facts to include more up-to-date information for the 2023 Fiscal Year-End.

19. Other than the change of the auditor of the Funds, which was previously disclosed, there have not been any other material changes in the affairs of the Funds since the Current Prospectus was filed. Accordingly, the Current Prospectus continues to provide accurate information regarding the Funds.

20. Extending the Lapse Date will also not be prejudicial to anyone buying securities of the Funds between the date hereof and when the Renewal SP is finalized.

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.

"Denise Weeres"
Director, Corporate Finance
Alberta Securities Commission

B.3.7 Brookfield Reinsurance Ltd.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief granted from the requirements of paragraph 9.3(1)(b) of National Instrument 44-102 Shelf Distributions requiring the securities distributed under an ATM prospectus be equity securities – relief granted on terms and conditions.

Applicable Legislative Provisions

National Instrument 44-102 Shelf Distributions, ss. 9.3(1)(b) and 11.1.
Securities Act, R.S.O. 1990, c. S.5, as am., ss. 53 and 74.

February 7, 2024

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
BROOKFIELD REINSURANCE LTD.

DECISION

Background

The principal regulator in the Jurisdiction has received an application from Brookfield Reinsurance Ltd. (the **company** or the **Filer**) for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) that, in respect of the class A-1 exchangeable non-voting shares of the company (**Class A-1 Exchangeable Shares**), the Filer be exempt from requirements contained in section 9.3(1)(b) of National Instrument 44-102 – *Shelf Distributions* (**NI 44-102**) that distributions by way of an at-the-market distribution using the shelf procedures be limited to distributions of equity securities (the **At-the-Market Distribution Eligibility Requirements** or the **Exemption Sought**). The Class A-1 Exchangeable Shares are the economic equivalent of, and exchangeable for, class A limited voting shares (**Brookfield Class A Shares**) of Brookfield Corporation, as more particularly described below. The Class A-1 Exchangeable Shares are also convertible into class A exchangeable limited voting shares of the company (**Class A Exchangeable Shares**).

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

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

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

Interpretation

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

Representations

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

Relevant Entities

Brookfield Corporation

1. Brookfield Corporation was formed by articles of amalgamation dated August 1, 1997 and is organized pursuant to articles of amalgamation under the Business Corporations Act (Ontario) dated January 1, 2005 and articles of amendment by arrangement dated December 9, 2022.

2. Brookfield Corporation's registered and head office is located at Suite 100, Brookfield Place, 181 Bay Street, Toronto, Ontario, M5J 2T3.

3. The Brookfield Class A Shares are co-listed on the New York Stock Exchange (**NYSE**) and the Toronto Stock Exchange (**TSX**) under the symbol "BN".

4. The authorized share capital of Brookfield consists of (a) an unlimited number of preference shares designated as class A preference shares, issuable in series, (b) an unlimited number of Brookfield Class A Shares and (c) 85,120 class B limited voting shares.

5. Brookfield Corporation is a reporting issuer in each of the provinces and territories of Canada and is not in default of any requirement under securities legislation in the jurisdictions in which it is a reporting issuer.

The Company

6. The company was incorporated on December 10, 2020 under the Companies Act 1981 of Bermuda, as amended, as an exempted company limited by shares.

7. The registered and head office of the company is located at Ideation House, 1st Floor, 94 Pitts Bay Road, Pembroke HM 08 Bermuda.

8. The authorized share capital of the company consists of (a) Class A Exchangeable Shares, (b) Class A-1 Exchangeable Shares, (c) class B limited voting shares, (d) class C non-voting shares, (e) class A junior preferred shares, issuable in series, (f) class B junior preferred shares, issuable in series, (g) class A senior preferred shares, issuable in series and (h) class B senior preferred shares, issuable in series.

9. The Class A Exchangeable Shares are listed on the NYSE and the TSX under the symbol "BNRE".

10. The Class A-1 Exchangeable Shares are listed on the NYSE and the TSX under the symbol "BNRE.A".

11. The company is a reporting issuer in each of the provinces and territories of Canada and is not in default of any requirement under securities legislation in the jurisdictions in which it is a reporting issuer.

12. An investment in the Class A-1 Exchangeable Shares is intended to be, as nearly as practicable, functionally and economically, equivalent to an investment in Brookfield Class A Shares or an investment in Class A Exchangeable Shares. As such, the company expects that investors will hold or purchase Class A-1 Exchangeable Shares as an alternative way of owning Class A Exchangeable Shares or Brookfield Class A Shares rather than a separate and distinct investment.

13. Brookfield Corporation and the company are party to an amended and restated support agreement dated March 21, 2023 (**Support Agreement**), pursuant to which Brookfield Corporation has agreed to support the economic equivalence of the Exchangeable Shares by agreeing to take all actions reasonably necessary to enable the company to pay quarterly distributions, the liquidation amount or the amount payable on a redemption of Exchangeable Shares, as the case may be.

14. In addition to the Support Agreement, the Exchangeable Share provisions contain terms that provide holders of Exchangeable Shares directly with protections designed to make the Exchangeable Shares the economic equivalent of the Brookfield Class A Shares.

15. The Class A-1 Exchangeable Shares are exchangeable into Brookfield Class A Shares and convertible into Class A Exchangeable Shares on a one-for-one basis. Except for the fact that the Class A-1 Exchangeable Shares do not carry voting rights and that they are convertible into Class A Exchangeable Shares on a one-for-one basis, the rights, privileges, restrictions and conditions attached to the Class A Exchangeable Shares as a class and the Class A-1 Exchangeable Shares as a class are identical in all respects. Holders of Class A-1 Exchangeable Shares can exercise their voting rights in either the company or in Brookfield Corporation, by converting their Class A-1 Exchangeable Shares into Class A Exchangeable Shares, or by exchanging their Class A-1 Exchangeable Shares for Brookfield Class A Shares.

At-the-Market Distributions

16. Following the issuance and listing of Class A-1 Exchangeable Shares on the NYSE and the TSX that occurred in November 2023, the company wishes to be eligible to distribute Class A-1 Exchangeable Shares by way of an at-the-market distribution under NI 44-102.

17. The At-the-Market Distribution Eligibility Requirements are outlined in section 9.3(1)(b) of NI 44-102, pursuant to which, only equity securities may be distributed by way of an at-the-market distribution using the shelf procedures.

18. The term "equity security" is defined under the Legislation as a security that carries a residual right to participate in the earnings of the issuer and, on the liquidation or winding up of the issuer, in its assets.

19. The Class A-1 Exchangeable Shares do not carry a residual right to participate in the assets of the company upon liquidation or winding-up of the company, and accordingly, are not equity securities under the Legislation.

20. The Class A-1 Exchangeable Shares provide holders thereof with a security of a reporting issuer having an economic return equivalent to an investment in Brookfield Class A Shares, which are equity securities under the Legislation.

21. Based upon the rationale provided in paragraph 17 above, it would not be prejudicial to the public interest to exempt the company from the At-the-Market Distribution Eligibility Requirements in respect of a distribution of Class A-1 Exchangeable Shares.

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 and the company does not have to comply with the At-the-Market Distribution Eligibility Requirements in respect of a distribution of Class A-1 Exchangeable Shares so long as:

(a) the company otherwise satisfies the conditions set out in section 9.3 of NI 44-102 to distribute securities under an ATM prospectus (as defined in NI 44-102) as part of an at-the-market distribution;

(b) the securities being distributed are Class A-1 Exchangeable Shares; and

(c) the Brookfield Class A Shares qualify as equity securities under NI 44-102.

"Marie-France Bourret"
Manager, Corporate Finance
Ontario Securities Commission

OSC File #: 2024/0021

B.4
Cease Trading Orders

B.4.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

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

Failure to File Cease Trade Orders

Company Name	Date of Order	Date of Revocation
Tombill Mines Limited	March 5, 2024	March 11, 2024
Besra Gold Inc.	March 6, 2024	March 18, 2024
First Growth Funds Limited	March 6, 2024	March 15, 2024

B.4.2 Temporary, Permanent & Rescinding Management Cease Trading Orders

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

B.4.3 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
Agrios Global Holdings Ltd.	September 17, 2020	
Sproutly Canada, Inc.	June 30, 2022	
iMining Technologies Inc.	September 30, 2022	
Alkaline Fuel Cell Power Corp.	April 4, 2023	
mCloud Technologies Corp.	April 5, 2023	
FenixOro Gold Corp.	July 5, 2023	
HAVN Life Sciences Inc.	August 30, 2023	
PlantFuel Life Inc.	January 30, 2024	
Odd Burger Corporation	January 30, 2024	
Biovaxys Technology Corp.	February 29, 2024	

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B.7
Insider Reporting

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

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

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

B.9
IPOs, New Issues and Secondary Financings

INVESTMENT FUNDS

Issuer Name:
Encasa Canadian Bond Fund
Encasa Canadian Short-Term Bond Fund
Encasa Equity Fund
Principal Regulator – Ontario
Type and Date:
Preliminary Simplified Prospectus dated Mar 11, 2024
NP 11-202 Preliminary Receipt dated Mar 13, 2024
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing #06043277

Issuer Name:
Onex Dividend Distribution Fund
Onex Global Special Situations Alternative Fund
Onex High Yield Bond Fund (Canada)
Onex International Fund
Onex Premium Income Trust
Onex U.S. Equity Fund
Principal Regulator – Ontario
Type and Date:
Final Simplified Prospectus dated Mar 11, 2024
NP 11-202 Final Receipt dated Mar 12, 2024
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing #06077091

Issuer Name:
Manulife Alternative Opportunities Fund
Manulife Strategic Income Plus Fund
Principal Regulator – Ontario
Type and Date:
Preliminary Simplified Prospectus dated Mar 15, 2024
NP 11-202 Preliminary Receipt dated Mar 15, 2024
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing #06096976

Issuer Name:
Manulife Smart Enhanced Yield ETF
Manulife Smart U.S. Enhanced Yield ETF
Principal Regulator – Ontario
Type and Date:
Combined Preliminary and Pro Forma Long Form Prospectus dated Mar 15, 2024
NP 11-202 Preliminary Receipt dated Mar 15, 2024
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing #06097021

Issuer Name:
Mackenzie Global Women's Leadership ETF
Principal Regulator – Ontario
Type and Date:
Amendment # 3 to Final Long Form Prospectus dated Mar 13, 2024
NP 11-202 Final Receipt dated Mar 18, 2024
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing #03545384

Issuer Name:
NCM Balanced Income Portfolio
NCM Growth and Income Portfolio
Principal Regulator – Alberta
Type and Date:
Amendment # 1 to Final Simplified Prospectus dated Mar 8, 2024
NP 11-202 Final Receipt dated Mar 12, 2024
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing # 03520821

NON-INVESTMENT FUNDS

Issuer Name:
Hybrid Power Solutions Inc.
Principal Regulator – British Columbia
Type and Date:
Final Shelf Prospectus dated Mar 14, 2024
NP 11-202 Final Receipt dated Mar 15, 2024
Offering Price and Description:
$20,000,000.00 - Common Shares, Warrants, Subscription Receipts, Units, Debt Securities
Filing # 06095478

Issuer Name:
Dunbar Metals Corp.
Principal Regulator – British Columbia
Type and Date:
Preliminary Long Form Prospectus dated Mar 13, 2024
NP 11-202 Preliminary Receipt dated Mar 13, 2024
Offering Price and Description:
Minimum: $200,000.00 / 2,000,000 Common Shares
Maximum: $500,000.00 / 5,000,000 Common Shares
at a price of $0.10 per Common Share
Filing # 06096055

Issuer Name:
Abaxx Technologies Inc.
Principal Regulator – Ontario
Type and Date:
Final Shelf Prospectus dated Mar 13, 2024
NP 11-202 Final Receipt dated Mar 13, 2024
Offering Price and Description:
$100,000,000.00 - Common Shares, Warrants, Subscription Receipts, Units, Debt Securities, Share Purchase Contracts
Filing # 06084945

Issuer Name:
iA Financial Corporation Inc.
Principal Regulator – Quebec
Type and Date:
Preliminary Shelf Prospectus dated Mar 11, 2024
NP 11-202 Preliminary Receipt dated Mar 11, 2024
Offering Price and Description:
$3,000,000,000.00 - Debt Securities, Class A Preferred Shares, Common Shares, Subscription Receipts, Warrants, Share Purchase Contracts, Units
Filing # 06095170

Issuer Name:
Algonquin Power & Utilities Corp.
Principal Regulator – Ontario
Type and Date:
Fina Shelf Prospectus dated Mar 11, 2024
NP 11-202 Final Receipt dated Mar 11, 2024
Offering Price and Description:
Debt Securities (unsecured), Subscription Receipts, Preferred Shares, Common Shares, Warrants, Share Purchase Contracts, Share Purchase or Equity Units, Units
Filing # 06094932

B.10
Registrations

B.10.1 Registrants

Type	Company	Category of Registration	Effective Date
New Registration	iAM Independent Asset Management Corp.	Portfolio Manager and Investment Fund Manager	March 12, 2024
Change in Registration Categories	Patrimonica Asset Management Inc.	From: Portfolio Manager and Exempt Market Dealer To: Portfolio Manager, Exempt Market Dealer and Investment Fund Manager	March 15, 2024
Change in Registration Categories	Investors Group Financial Services Inc.	From: Mutual Fund Dealer To: Mutual Fund Dealer and Exempt Market Dealer	March 18, 2024

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B.11
CIRO, Marketplaces, Clearing Agencies and Trade Repositories

B.11.2 Marketplaces

B.11.2.1 Toronto Stock Exchange – Housekeeping Rule Amendments to the TSX Company Manual – Notice

TORONTO STOCK EXCHANGE

NOTICE OF
HOUSEKEEPING RULE AMENDMENTS TO
THE TSX COMPANY MANUAL

Introduction

In accordance with the Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 (the "**Protocol**"), Toronto Stock Exchange ("**TSX**") has adopted, and the Ontario Securities Commission (the "**OSC**") has approved, amendments (the "**Amendments**") to Sections 429, 429.1, 614(j), and 620(d) of the TSX Company Manual (the "**Manual**"). The Amendments are Housekeeping Rules under the Protocol and therefore have not been published for comment. The OSC has not disagreed with the categorization of the Amendments as Housekeeping Rules. In accordance with Section 5 of the Protocol, TSX has obtained a waiver from the OSC in connection with the requirements to obtain approval by the board of directors of TSX.

Reasons for the Amendments

The Amendments are being made: (i) in response to industry changes in North America to move to a cycle where settlement occurs one trading day after the trade date ("**T+1**"), as set out in CSA Staff Notice 24-318 – Preparing for the Implementation of T+1 Settlement (the "**CSA Staff Notice**"); and (ii) to clarify in Section 429 that the ex-dividend date is set and published by TSX.

The Amendments relate to non-public interest changes and include aligning the Manual with the T+1 settlement cycle as set out in the CSA Staff Notice.

Summary of the Amendments

Section	Amendment
429 – Ex-Dividend Trading	Amend language to reflect that one trading day is permitted for the completion of the registration of a securities transaction and consequently, indicate that the shares will commence trading on an ex-dividend basis on the record date. Update language in the example provided as a result of the aforementioned amendments. Update language to clarify that the ex-dividend date is set and published by TSX.
429.1 – Due Bill Trading	Amend language to indicate that trading on an ex-distribution basis, without the use of Due Bills, will commence at the opening of trading on the record date of the distribution.
614(j) – Rights Offerings	Amend language to indicate that rights are listed on TSX at the opening of trading on the record date.
620(d) – Stock Split	Amend language to indicate that, where the push-out method is used, securities will commence trading on TSX on a split basis at the opening of business on the record date.

Text of the Amendments

The Amendments are set out as blacklined text at **Appendix A**. For ease of reference, a clean version of the Amendments are set out at **Appendix B**.

Timing and Transition

The Amendments become effective on May 27, 2024.

APPENDIX A

BLACKLINES OF
NON-PUBLIC INTEREST AMENDMENTS TO THE MANUAL

Ex-Dividend Trading

Sec. 429.

Determining whether the seller or the buyer is entitled to the dividend is accomplished through the procedure known as ex-dividend trading. On shares selling ex-dividend the seller retains the right to a pending dividend payment, and the opening bid quotation is usually reduced by the value of the dividend payable.

Since ~~two~~ one trading day~~s are~~ is allowed for the completion of the registration of a securities transaction, it is necessary that the shares commence trading on an ex-dividend basis at the opening of trading on ~~the date which is one trading day prior to~~ the record date for the dividend. For example, if the record date for a dividend is Friday, the shares will commence trading on an ex-dividend basis at the opening of trading on that Friday ~~the preceding Thursday~~ (in the absence of statutory holidays). ~~If the record date is Monday, the shares will commence trading on an ex-dividend basis at the opening of trading on Friday of the previous week (in the absence of statutory holidays).~~

When a distribution is paid entirely in securities which are immediately consolidated following the distribution, resulting in no change to the number of securities held by security holders, ex-dividend trading will not apply.

The ex-dividend date is set and published by TSX.

[...]

Due Bill Trading

Sec. 429.1.

For the purposes of this Section 429.1, "distribution" means any dividend, distribution, interest, security or right to which holders of listed securities have an entitlement, based on a specific record date.

Due Bill trading may be used at the discretion of the Exchange based on various relevant factors. However, the Exchange will normally defer ex-distribution trading and use Due Bills when the distribution per listed security represents 25% or more of the value of the listed security on the declaration date. Without the use of Due Bills, trading on an ex-distribution basis would commence at the opening of trading ~~one trading day prior to~~ on the record date for the distribution and could result in a significant adjustment of the market price of the security. Security holders will then be deprived of the value of the distribution between the ex-distribution date and the payment date. By deferring the ex-distribution date through the use of Due Bills, sellers of the listed securities during this period can realize the full value of the listed securities they hold, by selling the securities with the Due Bills attached. The use of Due Bills will also avoid confusion regarding the market value of the listed securities.

[…]

The Exchange may also use Due Bills for distributions which are subject to a condition which may not be satisfied before the normal ex-distribution trading date (i.e., ~~one trading day before~~ on the record date). When Due Bills are used for conditional distributions, the condition must be met prior to the payment date.

[…]

D. Rights Offerings

Sec. 614.

[…]

(j) Rights are listed on TSX at the opening of trading on the ~~first trading day preceding the~~ record date. At the same time, the underlying listed securities of the listed issuer commence trading on an ex-rights basis, which means that purchasers of the listed securities at that time are not entitled to receive the rights. Due Bill trading may be used in certain circumstances for conditional rights offerings as determined at the discretion of the Exchange. See Section 429.1.

[…]

Sec. 620. Stock Split

(d) Where the push-out method is used, the securities will commence trading on TSX on a split basis at the opening of business on the ~~first trading day preceding the~~ record date. Due Bill trading may be used in certain circumstances as determined at the discretion of the Exchange. See Section 429.1.

[…]

APPENDIX B

NON-PUBLIC INTEREST AMENDMENTS TO THE TSX COMPANY MANUAL

Ex-Dividend Trading

Sec. 429.

Determining whether the seller or the buyer is entitled to the dividend is accomplished through the procedure known as ex-dividend trading. On shares selling ex-dividend the seller retains the right to a pending dividend payment, and the opening bid quotation is usually reduced by the value of the dividend payable.

Since one trading day is allowed for the completion of the registration of a securities transaction, it is necessary that the shares commence trading on an ex-dividend basis at the opening of trading on the record date for the dividend. For example, if the record date for a dividend is Friday, the shares will commence trading on an ex-dividend basis at the opening of trading on that Friday (in the absence of statutory holidays).

When a distribution is paid entirely in securities which are immediately consolidated following the distribution, resulting in no change to the number of securities held by security holders, ex-dividend trading will not apply.

The ex-dividend date is set and published by TSX.

[...]

Due Bill Trading

Sec. 429.1.

For the purposes of this Section 429.1, "distribution" means any dividend, distribution, interest, security or right to which holders of listed securities have an entitlement, based on a specific record date.

Due Bill trading may be used at the discretion of the Exchange based on various relevant factors. However, the Exchange will normally defer ex-distribution trading and use Due Bills when the distribution per listed security represents 25% or more of the value of the listed security on the declaration date. Without the use of Due Bills, trading on an ex-distribution basis would commence at the opening of trading on the record date for the distribution and could result in a significant adjustment of the market price of the security. Security holders will then be deprived of the value of the distribution between the ex-distribution date and the payment date. By deferring the ex-distribution date through the use of Due Bills, sellers of the listed securities during this period can realize the full value of the listed securities they hold, by selling the securities with the Due Bills attached. The use of Due Bills will also avoid confusion regarding the market value of the listed securities.

[…]

The Exchange may also use Due Bills for distributions which are subject to a condition which may not be satisfied before the normal ex-distribution trading date (i.e., on the record date). When Due Bills are used for conditional distributions, the condition must be met prior to the payment date.

[…]

D. Rights Offerings

Sec. 614.

[…]

> (j) Rights are listed on TSX at the opening of trading on the record date. At the same time, the underlying listed securities of the listed issuer commence trading on an ex-rights basis, which means that purchasers of the listed securities at that time are not entitled to receive the rights. Due Bill trading may be used in certain circumstances for conditional rights offerings as determined at the discretion of the Exchange. See Section 429.1.

[…]

Sec. 620. Stock Split

(d) Where the push-out method is used, the securities will commence trading on TSX on a split basis at the opening of business on the record date. Due Bill trading may be used in certain circumstances as determined at the discretion of the Exchange. See Section 429.1.

[…]

B.11.2.2 Toronto Stock Exchange – Housekeeping Amendments to the Rules of Toronto Stock Exchange – Notice of Housekeeping Rule Amendments

TORONTO STOCK EXCHANGE

NOTICE OF
HOUSEKEEPING RULE AMENDMENTS

HOUSEKEEPING AMENDMENTS TO
THE RULES OF TORONTO STOCK EXCHANGE

Introduction

In accordance with the Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 (the "**Protocol**"), TSX Inc. ("**TSX**") has adopted, and the Ontario Securities Commission (the "**OSC**") has approved, amendments (the "**Amendments**") to the TSX Rule Book. The Amendments are Housekeeping Rules under the Protocol and therefore have not been published for comment. The OSC has not disagreed with the categorization of the Amendments as Housekeeping Rules. In accordance with Section 5 of the Protocol, TSX has obtained a waiver from the OSC in connection with the requirements to obtain approval by the board of directors of TSX.

Reasons for the Amendments

The Amendments are being made in response to industry changes in North America to move to a cycle where settlement occurs one trading day after the trade date ("**T+1**"), as set out in CSA Staff Notice 24-318 – Preparing for the Implementation of T+1 Settlement (the "**CSA Staff Notice**").

Summary of the Amendments

Amendments to Rules 5-103(1), 5-103(2)(a)(i), 5-103(2)(a)(ii), 5-103(2)(b)(i), 5-103(b)(ii), 5-103(2)(c), 5-301(2), and 5-301(9) are being made to conform to applicable amendments being made in North America to move to T+1 as set out in the CSA Staff Notice.

Text of the Amendments

The Amendments are set out as blacklined text at Appendix A. For ease of reference, a clean version of the Amendments is set out at Appendix B.

Timing

The Amendments become effective May 27, 2024.

APPENDIX A

BLACKLINE OF HOUSEKEEPING AMENDMENTS TO TORONTO STOCK EXCHANGE RULE BOOK

Rule 5-103 Settlement of Exchange Trades

(1) Exchange trades in securities shall settle on the ~~second~~first Settlement Day after the trade date, unless otherwise provided by the Exchange or the parties to the trade by mutual agreement.

(2) Notwithstanding Rule 5-103(1), unless otherwise provided by the Exchange or the parties to the trade by mutual agreement:

(a) trades on a when issued basis made:

(i) prior to the first Trading Day ~~before~~ of the anticipated date of issue of the security shall be settled on the anticipated date of issue of such security, and

(ii) on or after the first Trading Day before the anticipated date of issue of the security shall settle on the ~~second~~first settlement day after the trade date, provided if the security has not been issued on the date for settlement such trades shall be settled on the date that the security is actually issued;

(b) trades for rights, warrants and installment receipts made:

(i) ~~on the second and first Trading Day before the expiry or payment date, shall be cash trades for next day settlement, and~~ **Repealed (May 27, 2024)**

(ii) on expiry or payment date shall be cash trades for immediate settlement and trading shall cease at 12:00 Noon (unless the expiry or payment time is set prior to the close of business in which case trading shall cease at the close of business on the first Trading Day preceding the expiry or payment), provided selling Participating Organizations must have the securities that are being sold in their possession or credited to the selling account's position prior to such sale; and

(c) ~~cash trades in securities for next day delivery shall be settled through the facilities of the Clearing Corporation on the first settlement cycle following the date of the trade or, if applicable, over-the-counter, by noon of the first settlement day following the trade; and~~ **Repealed (May 27, 2024)**

(d) cash trades in securities that have been designated by the Exchange for same day settlement shall be settled by over-the-counter delivery no later than 2:00 p.m. on the trade day.

(3) Notwithstanding Rule 5-103(1), an Exchange Contract may specify delayed delivery which shall provide the seller with the option to deliver at any time within the period specified in the contract, and, if no time is specified, delivery shall take place at the option of the seller within thirty days from the date of the trade unless the parties by mutual agreement specify a delivery date more than thirty days from the date of the trade.

Amended (September 5, 2017 and May 27, 2024)

[...]

DIVISION 3 - CLOSING OUT CONTRACTS

Rule 5-301 Buy-Ins

[...]

(2) Security Loans

In the absence of any agreement to the contrary, a loan of securities between Participating Organizations may be called through service of notice in writing of termination of the loan to the borrowing Participating Organization and the borrowing Participating Organization shall return securities of the same class as those loaned in the specified quantity by the close of business on the ~~second~~first Settlement Day following the date of receipt of such notice.

[...]

(9) Settlement

Unless otherwise required or agreed to by the Exchange, a buy-in shall be executed ~~on a cash basis~~ for cash same~~next~~ day delivery.

Amended (April 18, 2019 and May 27, 2024)

APPENDIX B

CLEAN VERSION OF HOUSEKEEPING AMENDMENTS TO TORONTO STOCK EXCHANGE RULE BOOK

Rule 5-103 Settlement of Exchange Trades

(1) Exchange trades in securities shall settle on the first Settlement Day after the trade date, unless otherwise provided by the Exchange or the parties to the trade by mutual agreement.

(2) Notwithstanding Rule 5-103(1), unless otherwise provided by the Exchange or the parties to the trade by mutual agreement:

(a) trades on a when issued basis made:

(i) prior to the first Trading Day of the anticipated date of issue of the security shall be settled on the anticipated date of issue of such security, and

(ii) on or after the first Trading Day before the anticipated date of issue of the security shall settle on the first settlement day after the trade date, provided if the security has not been issued on the date for settlement such trades shall be settled on the date that the security is actually issued;

(b) trades for rights, warrants and installment receipts made:

(i) **Repealed (May 27, 2024)**

(ii) on expiry or payment date shall be cash trades for immediate settlement and trading shall cease at 12:00 Noon (unless the expiry or payment time is set prior to the close of business in which case trading shall cease at the close of business on the first Trading Day preceding the expiry or payment), provided selling Participating Organizations must have the securities that are being sold in their possession or credited to the selling account's position prior to such sale; and

(c) **Repealed (May 27, 2024)**

(d) cash trades in securities that have been designated by the Exchange for same day settlement shall be settled by over-the-counter delivery no later than 2:00 p.m. on the trade day.

(3) Notwithstanding Rule 5-103(1), an Exchange Contract may specify delayed delivery which shall provide the seller with the option to deliver at any time within the period specified in the contract, and, if no time is specified, delivery shall take place at the option of the seller within thirty days from the date of the trade unless the parties by mutual agreement specify a delivery date more than thirty days from the date of the trade.

Amended (September 5, 2017 and May 27, 2024)

[...]

DIVISION 3 - CLOSING OUT CONTRACTS

Rule 5-301 Buy-Ins

[...]

(2) Security Loans

In the absence of any agreement to the contrary, a loan of securities between Participating Organizations may be called through service of notice in writing of termination of the loan to the borrowing Participating Organization and the borrowing Participating Organization shall return securities of the same class as those loaned in the specified quantity by the close of business on the first Settlement Day following the date of receipt of such notice.

(9) Settlement

Unless otherwise required or agreed to by the Exchange, a buy-in shall be executed for cash same day delivery.

Amended (April 18, 2019 and May 27, 2024)

B.11.2.3 TSX Inc. – Proposed Amendments and Request for Comments – Notice

NOTICE OF
PROPOSED AMENDMENTS AND REQUEST FOR COMMENTS

TSX INC.

TSX Inc. ("**TSX**" or "**we**") is publishing this Notice of Proposed Amendments and Request for Comments in accordance with the "Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits Thereto" regarding amendments to the Toronto Stock Exchange Rule Book (the "**TSX Rules**") to facilitate proposed changes to Contingent Option Trades (as defined below) linked to trades of options on the Montreal Exchange ("**MX**"), all as described below.

Market participants are invited to provide comments. Comments should be in writing and delivered by April 22, 2024 to:

Joanne Sanci
Senior Counsel, Regulatory Affairs
TMX Group
100 Adelaide Street West, Suite 300
Toronto, Ontario M5H 1S3
Email: tsxrequestforcomments@tsx.com

A copy should also be provided to:

Market Regulation Branch
Ontario Securities Commission
20 Queen Street West
Toronto, Ontario M5H 3S8
Email: marketregulation@osc.gov.on.ca

Comments will be made publicly available unless confidentiality is requested. Upon completion of the review by staff at the Ontario Securities Commission ("**OSC**"), and in the absence of any regulatory concerns, a notice will be published to confirm approval by the OSC.

Background, Outline and Rationale for the Amendments

Contingent Option Trades play a pivotal role in the strategic operations of many market participants. A "**Contingent Option Trade**" is the trade of securities on TSX (that are underlying an option traded on MX) that are effected as part of a pre-existing MX Trade (as defined below).

Currently, Contingent Option Trades are resource intensive and a manual process for both TMX staff and MX clients. To effect a Contingent Option Trade, an MX client ("**Client A**") is required to contact a market supervisor of MX and indicate that they wish to effect a trade of the option as a cross. Pursuant to the applicable MX rules, 50% of the volume (the "**50% MX Rule**") must be made available to qualified market makers on MX before a cross can be effected. The market supervisor of MX will telephone the qualified market makers to "shop around" the trade. If there are no interested parties, then Client A can complete the full volume of the option cross trade. If the MX market supervisor finds an interested MX market maker ("**Client B**"), then Client B will be the opposite side of the option trade. When a match is found (whether with Client B or the full cross for Client A), a timestamp is created for that match (the "**MX Trade**"). The MX market supervisor then contacts TSX staff (via email and telephone) to advise and provide details of the MX Trade including the timestamp. TSX staff will then manually effect the trade of the underlying equities securities on TSX at the timestamp between Client A and Client B (or in the case of a full cross, just Client A). Client A and Client B are always approved participants of MX and TSX. Under the current procedures, a Contingent Option Trade must occur within the existing market price (the "**NBBO**") for the underlying security at the timestamp.

Given that price discovery occurs on MX and the relative price of the options instrument to the underlying securities is what drives trading on Contingent Option Trades, TSX is proposing to amend the Contingent Option Trade procedures to allow for the trade in securities on TSX to execute at a price within the daily high and low price, which may be outside the NBBO (the "**COT Amendments**"). Contingent Option Trades will continue not setting the last sale, open, close, high or low prices, and will be disseminated using the existing "MS" special terms marker on the TSX public market data feeds. The COT Amendments seek to provide TSX participants and MX members with the flexibility and confidence to effect both the equity and derivative components of a Contingent Option Trade with ease. The COT Amendments are a result of client demand and aim to align our Contingent Option Procedures with other markets who offer this functionality as described in the MX proposal found here.

The scenario below illustrates how a Contingent Option Trade would be treated under the current procedures and under the Amendments:

- A dealer creates the following contingent option instrument on MX:
    - Expiry date: June 1, 2024
    - Strike Price: $43.00
    - Call option
    - Underlying Equities Price: $42.20
    - Delta: 45%
- If the option quantity traded is 200 call option contracts, the underlying equities trade that would be routed to TSX is 9,000 shares at $42.20 per share calculated as follows:
    - 200 options x 100 (option multiplier) x 45% (delta) = 9,000 shares at $42.20 per share.

In this scenario, if the NBBO was $42.00 at the time of the trade, the equities portion would not trade under the current procedures as the price for the underlying equities security is outside of the NBBO. However pursuant to the COT Amendments, the underlying equities securities would now trade even though the price is outside of the NBBO.

In connection with COT Amendments, TSX is also proposing to automate the process for Contingent Option Trades (the "**Automation Amendments**", and together with the COT Amendments, the "**Amendments**").

While Rule 4-1103 - *Exchange for Physicals and Contingent Option Trades* of the TSX Rules ("**Rule 4-1103**") permits the Amendments, TSX is proposing that the policies and procedures as set out in Policy 4-1103 Exchange for Physicals and Contingent Option Trades be removed from the TSX Rules. TSX is of the view that these policies and procedures are not required to be reflected in the TSX Rules. The applicable policies and procedures will be communicated to participants from time to time, and can be found in the Order Types and Functionality Guide.

Blackline of Amendments

A blackline of the Amendments against the existing rules is attached as **Appendix A** hereto for ease of reference.

Analysis of Impacts

(i) Impact on Market

TSX anticipates that the Amendments will have a positive impact on the market structure, members, investors, issuers or the capital markets. As noted above, the Amendments will provide MX clients, and ultimately TSX clients, with the flexibility and confidence to effect both the MX Trade and Contingent Option Trade.

TSX believes that the Amendments are fair and reasonable, and will not create barriers to access.

For the reasons mentioned above, TSX is of the view that the Amendments are not contrary to the public interest. While the Contingent Option Trades may be within the TSX's daily high and low price, the parties to the trade are the same parties to the MX Trade who have made informed decisions in respect of both the MX Trade and the Contingent Option Trade. In addition, Contingent Option Trades do not set the "last sale" price for securities on TSX.

(ii) Impact on Members and Service Vendors

The Amendments are expected to have a positive impact on members.

TSX does not require any systems change for TSX clients. However, we understand that the changes proposed by MX will require significant systems changes for MX members.

In order to ensure client readiness and a seamless transition with no impact on the market, even after the Amendments are implemented, TSX anticipates that there will be a six-month period by which Contingent Option Trades could be effected manually in the same manner as they are today. TSX staff will support this transition period by manually handling any of the trades until the transition period is completed. There are no changes required by TSX clients.

Under the automated process, Contingent Option Trades will continue to be marked as "MS".

(iii) Impact on Compliance with Applicable Securities Laws

The Amendments will not impact TSX's compliance with applicable securities laws requirements for fair access and maintenance of fair and orderly markets. As noted above, TSX is of the view that the Amendments will support the maintenance of fair and orderly markets.

Consultations Undertaken in Formulating the Amendments

TSX did not conduct any consultations in regards to the Amendments.

However, TSX understands that MX consulted its members regarding its proposed amendments, which included automating Contingent Option Trades.

Alternatives Considered

No alternatives were considered.

Timing

Following receipt of regulatory approval, TSX intends to implement the Amendments in Q2 2024, subject to MX members having made the necessary changes to take into account the Amendments.

APPENDIX A

BLACKLINED VERSION OF
TSX RULES REFLECTING THE AMENDMENTS

Rule 4-1103 ~~Exchange for Physicals and~~ Contingent Option Trades

Orders which are conditional upon a simultaneous trade in a derivative on another exchange ~~shall be special terms trades and~~ shall **only** be traded in accordance with the prescribed procedures and conditions **as may be amended by the Exchange from time to time**.

Amended (XX, 2024)

~~**Policy 4-1103 Exchange for Physicals and Contingent Option Trades**~~

~~(1) Application~~

~~This Policy applies to each person who has been granted trading access to the Exchange and who seeks to enter an order on the Exchange for a security which is contingent upon the execution of one or more trades in an option on the Montreal Exchange or who seeks to exchange an index futures contract that is traded on the Exchange for the equivalent number of securities underlying the futures contract (including an equivalent number of index participation units) on a contingent basis.~~

~~(2) Procedure for Contingent Option Trade~~

~~If a person to whom this Policy applies seeks to enter an order on the Exchange for a security which is contingent upon the execution of one or more trades in an options market, the following rules shall apply:~~

~~(a) the trade in the security and the offsetting option trades must be for the same account;~~

~~(b) the option portion of the trade must be approved by a floor governor or other exchange official of the stock exchange on which the option is listed and such approval shall be evidenced by the initials of the governor or official on the options trade ticket;~~

~~(c) the options trade ticket shall be time stamped;~~

~~(d) the person shall telephone Trading and Client Services of the Exchange at (416) 947-4440 and provide the details of the contingent trade including the name of the person with trading access to the Exchange with whom the contingent trade has been made;~~

~~(e) the trade in the security must be within the existing market for the security on the Exchange at the time of the telephone call to Trading and Client Services;~~

~~(f) a copy of the options trade ticket as initialled by a floor governor or exchange official and time stamped shall be provided by facsimile transmission to Trading and Client Services at (416) 947- 4280 within ten minutes following the time stamp on the ticket; and~~

~~(g) provided the trade has been made and reported in accordance with the above rules, the Exchange shall manually execute the trade in the security as a special terms trade with the marker "MS" effective as of the time stamped on the option trade ticket.~~

~~(3 Procedure for Exchange for Physicals~~

~~If a person to whom this Policy applies seeks to exchange a futures contract for the equivalent number of securities underlying the futures contract (including an equivalent number of units of the applicable Index Participation Fund or mutual fund), the following provisions shall apply:~~

~~(a) the trade in the security and the trade in the futures contract must be for the same account;~~

~~(b) the equities component may be made as a cross or as a trade between persons with trading access on the Exchange;~~

~~(c) the futures portion of the trade must be approved by a floor governor or other exchange official of the stock exchange on which the future is listed and such approval shall be evidenced by the initials of the governor or official on the futures trade ticket;~~

~~(d) the futures trade ticket shall be time stamped;~~

(e) the person shall telephone Trading and Client Services of the Exchange at (416) 947-4440 and provide the details of the exchange including the name of the person with trading access to the Exchange with whom the exchange has been made;

(f) the trade in the securities made during the Regular Session will be at the bid price of the securities on the Exchange at the time of the telephone call to Trading and Client Services and the trade in securities made after the end of the Regular Session will be at the last sale price of the securities on the Exchange provided that where the last sale price is outside of the closing quotes for any security the price for that security shall be the bid or offer which is closest to the last sale price;

(g) a copy of the futures trade ticket as initialled by a floor governor or exchange official and time stamped shall be provided to Trading and Client Services within ten minutes following the time stamp on the ticket;

and provided the trade has been made and reported in accordance with the above rules, the Exchange shall manually execute the trade in the securities as a special terms trade with the marker "MS" effective as of the time stamped on the futures trade ticket.

Amended (February 24, 2012 and March 1, 2021)

B.11.2.4 Cboe Canada Inc. – Housekeeping Rule Amendment to the Trading Policies – Notice

CBOE CANADA INC.

NOTICE OF
HOUSEKEEPING RULE AMENDMENT TO
THE TRADING POLICIES

Introduction

In accordance with the *Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits Thereto*, Cboe Canada Inc. ("**Cboe Canada**" or the "**Exchange**") has adopted certain amendments to its trading rules (the "**Trading Policies**") that are of a housekeeping nature (collectively, the "**Housekeeping Rule Amendment**"). The Ontario Securities Commission has not disagreed with the housekeeping categorization. The Housekeeping Rule Amendment comprises the amendments described below.

Housekeeping Rule Amendment and Rationale for Classification

The Housekeeping Rule Amendment comprises the following:

- The correction of a clerical error to reflect the actual (ongoing) practice of limiting the number of Trader IDs available for each Odd Lot Liquidity Provider ("**OLLP**") sending orders to the MATCHNow Odd Lot Facility (consistent with the description of this limitation in section 6.1 of the MATCHNow In Detail Specification, available at https://cdn.cboe.com/resources/membership/MN_In_Detail_Specification-EN.pdf), along with an increase in the applicable limit from 15 Trader IDs to 25 Trader IDs; and

- Various typographical and other non-substantive corrections, as described further in the table below.

The Housekeeping Rule Amendment does not have a significant impact on the Exchange, its market structure, members, issuers, investors or the Canadian capital markets, and it is consistent with the types of changes described in subsection 6.1(5) of Companion Policy 21-101CP to National Instrument 21-101 *Marketplace Operation*.

Additional details are provided in the table below.

	Trading Policies Section	Amendment	Rationale
1.	***Part I. Definitions and Interpretations*** *1.01 Definitions*	**"Liquidity Taking Order"** means an active Limit or Market FOK/IOC order entered in any of the Trading Books (including a "Market Flow Order" on the MATCHNow Trading Book, sometimes referred to as an "Immediate or Cancel" or "IOC" order, as further described in the In Detail Specification~~, which is an appendix to the Exchange's Trading Functionality Guide)~~.	To reflect the fact that the MATCHNow In Detail Specification has remained a stand-alone Cboe Canada document.
2.	***Part I. Definitions and Interpretations*** *1.01 Definitions*	**"UMIR"** means the Universal Market Integrity Rules adopted by CIRO as amended, supplemented, and in effect from time to time.	To make a grammatical (punctuation) change for clarity.
3.	***Part IX. Trading in MATCHNow*** *9.02 Commentary*	***Commentary*** *For additional defined terms and other functionality information unique to the MATCHNow Trade Book, please see the* In Detail Specification~~, which is an appendix to the Exchange's Trading Functionality Guide).~~	To reflect the fact that the MATCHNow In Detail Specification has remained a stand-alone Cboe Canada document.
4.	***Part IX. Trading in MATCHNow*** *9.04(1)*	(1) In MATCHNow, orders from all accounts may interact with each other, unless otherwise specified in the *In Detail Specification*~~, which is an appendix to the Exchange's Trading Functionality Guide)~~.	To reflect the fact that the MATCHNow In Detail Specification has remained a stand-alone Cboe Canada document.
5.	***Part IX. Trading in MATCHNow***	(d) Each ~~There is no limit on the number of Trader IDs available to each~~ Odd Lot Liquidity Provider is	To correct a clerical error (i.e., an incorrect

	Trading Policies Section	Amendment	Rationale
	9.07(4)(d)	limited to a maximum of 25 Trader IDs at any given time for sending orders to the MATCHNow Odd Lot Facility~~, provided that each Trader ID represents an individual DEA Client, a distinct proprietary trading desk or algorithmic trader of the Member, and/or an individual Approved Trader~~.	suggestion that no limit applies to the number of Trader IDs for each OLLP) and increase the applicable limit on the number of Trader IDs per OLLP from 15 to 25
6.	***Part IX. Trading in MATCHNow*** *9.08 Cboe BIDS Canada 9.08(1)*	**9.08 ~~Cboe BIDS Canada (Conditionals)~~** (1) Conditionals may be originated by a Member or a Sponsored User through Cboe BIDS Canada.	To simplify the title of Section 9.08 and make a consequential adjustment to the wording of Section 9.08(1)
7.	***Part IX. Trading in MATCHNow*** *9.08(1) Commentary* *9.08(2) Commentary* *9.08(5) Commentary*	Replace the erroneous term "Subscriber" with the correct term "Member" throughout the respective Commentary for the aforementioned Sections.	To make typographical corrections
8.	***Part IX. Trading in MATCHNow*** *9.08(6) Commentary*	***Commentary*** *For up-to-date details on how each Sponsored User feature works, please see the* In Detail Specification~~, which is an appendix to the Exchange's Trading Functionality Guide).~~	To reflect the fact that the MATCHNow In Detail Specification has remained a stand-alone Cboe Canada document.
9.	***Part XI. General Provisions Regarding Market Making*** *11.07(4)*	(4) Any reassignment will be made in accordance with the Exchange procedures set out under this Section ~~10~~11.07.	To correct the numbering of the cross-reference
10.	***Part XIII. Clearing and Settlement*** *13.01(5)* *13.03(2)* *13.03(3)* *13.05(2)* *13.05(3)*	**13.01 Clearing and Settlement** […] (5) Members shall obtain agreement from their clients that the client will provide instructions with respect to the receipt or delivery of the securities to the settlement agent promptly upon receipt by the client of the confirmation referred to in Section ~~12~~13.01(4) and that the client will ensure that its settlement agent affirms the transaction in accordance with National Instrument 24-101 *Institutional Trade Matching and Settlement*. **13.03 Settlement of the Exchange Trades of Listed Securities** […] (2) Notwithstanding Section ~~12~~13.03(1), unless otherwise provided by the Exchange or the parties to the trade by mutual agreement: […] (3) Notwithstanding Section ~~12~~13.03(1), a trade on the Exchange may specify delayed delivery, which gives the seller the option to deliver at any time within the period specified in the contract, and, if no time is specified, delivery will be at the option of the seller within thirty days from the date of the trade.	To correct the numbering of each cross-reference

	Trading Policies Section	Amendment	Rationale
		13.05 Failed Trades in Rights, Warrants, and Instalment Receipts […] (2) Where a demand has been made in accordance with Section ~~12~~13.05(1), payment by purchasing Members for […] (3) Where a demand has not been made in accordance with Section ~~12~~13.05(1), settlement shall be in accordance with normal settlement procedures, but delivery of the subject securities, as the case may be, is not required.	
11.	***Various Parts*** *1.02(3)* *2.02(2)* *3.07(1)* *4.01(3) and (5)* *4.02 Commentary* *5.09(1)* *7.07(6)* *7.08(1)* *9.07(5)* *11.04(3) Commentary* *15.01(2)* *16.01(4)*	Correct the use and capitalization of the word “Section” throughout the Trading Policies and make other minor typographical and/or grammatical corrections.	To improve internal consistency

The Trading Policies can be viewed at: https://www.cboe.ca/en/resources

The Housekeeping Rule Amendment is effective as of the date hereof.

B.11.2.5 Cboe Canada Inc. – Proposed Public Interest Rule Amendments to the Cboe Canada Trading Policies – Request for Comments

CBOE CANADA INC.

PROPOSED PUBLIC INTEREST RULE AMENDMENTS TO THE CBOE CANADA TRADING POLICIES

REQUEST FOR COMMENTS

Introduction

Cboe Canada Inc. ("**Cboe Canada**" or the "**Exchange**") is publishing certain proposed public interest rule amendments (the "**Public Interest Rule Amendments**") to Cboe Canada's trading rules (the "**Trading Policies**") in accordance with the *Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits Thereto*, which is attached as Schedule 4 to the Exchange's recognition order. The Public Interest Rule Amendments were filed with the Ontario Securities Commission (the "**OSC**") and are being published for comment. A description of the Public Interest Rule Amendments is set out below, and the text of the Public Interest Rule Amendments is set out in Appendix A. Subject to any changes resulting from the comments received, the Public Interest Rule Amendments will be effective upon publication of the notice of approval on the OSC's website.

I. Reaffirmation of Broker Preferencing over MMVA on NEO-L and NEO-N in All Circumstances

Description of the Public Interest Rule Amendment

We are proposing to reaffirm the predominance of broker preferencing as the first matching priority on Cboe Canada's NEO-L and NEO-N Trading Books (as those terms are defined in Section 1.01 of the Trading Policies), including in cases where Market Maker Volume Allocation (or "**MMVA**") would otherwise prevail.

The main purpose of the proposed change is to ensure that broker preferencing is always predominant on NEO-L and NEO-N—even in edge cases where a Designated Market Maker's ("**DMM**") resting order would be entitled to matching priority based on MMVA, as is the case today under the existing matching logic of the NEO-L and NEO-N Trading Books.

The proposed change does not require any modification to the main text of Sections 6.07 and 8.04 of the Trading Policies, which describe matching priorities on NEO-L and NEO-N, respectively; rather, it is reflected in amendments to the commentary for those two rules, which call out specific edge cases. The amendments include a clarification for how MMVA works (i.e., to expressly acknowledge that DMM orders are a subset of Latency Sensitive Trader ("**LST**") orders and that broker preferencing prevails over MMVA).

Expected Date of Implementation

We are seeking to implement the Public Interest Rule Amendment in Q2 of 2024.

Rationale and Relevant Supporting Analysis

The proposed change is in line with the original intention of the Exchange for NEO-L and NEO-N and with the general thrust of the matching priorities for those two Trading Books as already outlined in the main text of Sections 6.07 and 8.04—namely, to respect broker preferencing above all other matching priority factors. Furthermore, we believe it is in line with the expectations of our Members, not to mention a positive factor for execution quality overall. See, e.g., Joint CSA/IIROC Staff Notice 23-327, Update on Internalization within the Canadian Equity Market (2020), 43 OSCB 6504 (Aug. 20) (available at https://www.osc.ca/sites/default/files/2020-11/csa_20200820_23-327_csa-iiroc-internalization-canadian-equity-market.pdf), s. IV ("[B]roker preferencing is a longstanding part of Canadian market structure. As currently functioning, broker preferencing may allow dealers to benefit from interaction with their own orders, and may also benefit individual clients with improved execution quality.").

Expected Impact on Market Structure, Members, Investors, Issuers and Capital Markets

We do not expect this proposed change to have a negative impact on market structure, our Members, or any other stakeholders.

Expected Impact on Exchange's Compliance with Ontario Securities Law and on Requirements for Fair Access and Maintenance of Fair and Orderly Markets

The proposed change will not impact Cboe Canada's compliance with Ontario securities law and, in particular, the requirements for fair access and maintenance of fair and orderly markets. The change will be well publicized in advance of implementation and will simply result in a different matching allocation in certain edge cases going forward.

Expected Impact on the Systems of Members or Service Vendors

We do not expect any impact on the systems of Members or service vendors, as no systems changes will be required on their end.

Alternatives Considered

No alternatives were considered.

New Feature or Rule

Broker preferencing is a long-standing and fundamental principle of trading on Canadian marketplaces, and the proposed change simply further aligns NEO-L and NEO-N with that principle.

II. Removal of Matching Priority Factors to Make NEO-D a Simple Price-Time Priority Model

Description of the Public Interest Rule Amendments

We are proposing to remove broker preferencing, NEO Trader order priority, and Size-Time (as those terms are used and/or defined in the Trading Policies) as matching priorities in the NEO-D Trading Book, resulting in a simple price-time priority model. The proposed change is reflected in amendments to Section 7.04, namely, the replacement of the former paragraphs (a), (b), (c) with a simple description of the new price-time priority that will apply to continuous trading on NEO-D. We have also proposed a consequential change (a minor deletion) in the defined term "Size-Time" in Section 1.01.

Expected Date of Implementation

We are seeking to implement the Public Interest Rule Amendment in Q2 of 2024.

Rationale and Relevant Supporting Analysis

We have received several requests from Cboe Canada Members for the proposed change to NEO-D. In addition, the proposed change will help to differentiate the functionality of NEO-D (a dark book) from that of the Exchange's other dark book—the MATCHNow Trading Book—thereby providing our clients with a more diverse array of service offerings to meet their needs.

Expected Impact on Market Structure, Members, Investors, Issuers and Capital Markets

We do not expect this proposed change to have a negative impact on market structure, our Members, or any other stakeholders. We believe the simpler matching priority being proposed for NEO-D will offer Members a more meaningful alternative between the NEO-D and MATCHNow Trading Books by making the respective matching logic of the two books more distinctive from one another. Furthermore, the removal of broker preferencing from NEO-D may help small and mid-sized dealers compete more successfully with larger dealers for liquidity on the new NEO-D Trading Book, as compared with other dark (or lit) venues. We believe this is a fair and worthwhile counterbalance to the predominance of broker preferencing on Canadian marketplaces as a whole.

Expected Impact on Exchange's Compliance with Ontario Securities Law and on Requirements for Fair Access and Maintenance of Fair and Orderly Markets

The proposed change will not impact Cboe Canada's compliance with Ontario securities law and, in particular, the requirements for fair access and maintenance of fair and orderly markets. The change will be well publicized in advance of implementation and will result in a different (simpler) matching allocation going forward, as a result of the proposed removal of certain existing matching priorities. The differentiation of matching priorities and other key features is summarized in the following table:

Feature	NEO-D Current	NEO-D Proposed	MATCHNow
Matching Model	Midpoint & MPI matching only - with ability to segment on size ("MAQ") and counterparty election Auto-ex odd lots	Back to basics (No order preferencing, including no broker preferencing – price/time allocation only)	Price improvement for active order flow Midpoint, MPI, and At The Touch trading Odd Lot Liquidity Provider program Size discovery Cboe BIDS Canada (Conditionals) integration
Allocation	Price / Broker / Size-Time[1] for Neo Trader / Other	Price / Time	Regular: Broker / Pro-rata Conditional: Price / Broker / Size / Time
Pricing	Inverted for Retail Fee-Fee for Non-Retail	Inverted for Retail Fee-Fee for Non-Retail[2]	Fee - Fee

We note that, given the much larger size of order flow on the NEO-L and NEO-N Trading Books as compared to NEO-D[3], the proposed changes to the latter Trading Book will have no material impact whatsoever on the overall approach of the Exchange, which will continue to promote, through NEO-L and NEO-N, a more level playing field between high-frequency traders (referred to as "Latency Sensitive Traders" or "LSTs" in the Trading Policies) and traders who work on behalf of long-term investors (referred to as "NEO Traders" in the Trading Policies).

Expected Impact on the Systems of Members or Service Vendors

We do not expect any impact on the systems of Members or service vendors, as no systems changes will be required on their end.

Alternatives Considered

No alternatives were considered.

New Feature or Rule

The CSE2 order book of the Canadian Securities Exchange is based on a similar simple price-time priority matching logic, with no broker preferencing. See, e.g., In re Canadian Securities Exchange – Significant Change Subject to Public Comment – Amendments to Trading System Functionality & Features – Notice and Request for Comment, (2022), 45 OSCB 2437 (Mar. 3) at 2438 ("[CSE2] [t]rades both lit and dark orders with Price/Time priority. There is no broker priority ('broker preferencing')."") (available at https://www.osc.ca/sites/default/files/2022-03/cse_20220303_significant-change-subject-to-public-comment.pdf), approved by In re Canadian Securities Exchange – System Functionality – Second Trading Book – CSE2 – Notice of Approval (2022), 45 OSCB 7835 (Sept. 1) (available at https://www.osc.ca/sites/default/files/2022-09/cse_20220901_second-trading-book.pdf).

1 Size-Time ranking based on order size, time entered, and time of last partial fill.

2 We are currently studying potential changes to fees applicable to the different types of order flow on NEO-D; any such changes would be part of a future Form 21-101F1 amendment.

3 For 2023, in terms of volume traded, NEO-L and NEO-N flow combined represented approximately 118 times the flow of NEO-D. Source: Canadian Investment Regulatory Organization, Reports of Market Share by Marketplace (https://www.iiroc.ca/markets/reports-statistics-and-other-information/reports-market-share-marketplace).

Comments

Comments should be provided, in writing, no later than April 22, 2024, to:

Joacim Wiklander
Interim Chief Executive Officer and President
Cboe Canada Inc.
65 Queen Street West
Suite 1900
Toronto, ON M5H 2M5
jwiklander@cboe.com

with a copy to:

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

Please note that, unless confidentiality is requested, all comments will be publicly available.

APPENDIX A

TEXT OF THE PUBLIC INTEREST RULE AMENDMENT

Trading Policies Section	Amendment
Part I. Definitions and Interpretations *1.01 Definitions*	"**Size-Time**" means the following allocation methodology utilized in ~~NEO-D and~~ NEO-N when multiple potential matches have been identified at a given price: (1) if an incoming order can be completely filled by a single resting order, that resting order will trade; or (2) if more than one resting order is large enough to completely fill the incoming order, the lowest Size-Time Rank will determine which one of those orders will trade; or (3) if no resting orders are large enough to completely fill the incoming order, the Size-Time Rank of all orders at that price level will determine in which order they will trade from lowest to highest.
Part VI. Trading in NEO-L *6.07(2)*	***Commentary*** *A DMM order can only receive MMVA priority over other LST orders, including in ~~certain~~ circumstances where both offsetting DMM and LST orders are by the same Member and there are no offsetting NEO Trader orders in the Trading Book~~when the LST order is from the same Member as the incoming order~~. However, for greater clarity, we note that offsetting orders by the same Member always execute first, notwithstanding any other matching priorities, including MMVA.*
Part VII. Trading in NEO-D *7.04(4)*	~~(4)~~ A Liquidity Providing Order resting in NEO-D at a particular price will be executed prior to or after any orders at the same price ~~in accordance~~ according to ~~with the following~~time priority ~~rules:~~ ~~(a) against an offsetting order entered in NEO-D by the same Member (if there is more than one, then against offsetting NEO Trader™ orders by the same Member according to Size-Time priority of the offsetting order, then all other offsetting orders by the same Member, according to Size-Time priority of the offsetting order, provided none of the orders is a jitney order); then~~ ~~(b) against offsetting NEO Trader™ orders in NEO-D, according to Size-Time priority of the offsetting order; then~~ (c) ~~against offsetting orders in NEO-D according to Size-Time priority~~.
Part VIII. Trading in NEO-N *8.04(3)*	***Commentary*** *A DMM order can only receive MMVA priority over other LST orders, including in ~~certain~~ circumstances where both offsetting DMM and LST orders are by the same Member and there are no offsetting NEO Trader orders in the Trading Book~~when the LST order is from the same Member as the incoming order~~. However, for greater clarity, we note that offsetting orders by the same Member always execute first, notwithstanding any other matching priorities, including MMVA.*

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