

# ALBERTA SECURITIES COMMISSION

Citation: Re Candeo Growth Solutions Inc., 2020 ABASC 69

Docket: ENF-012370  
Date: 20200521

## UNDERTAKING

### Candeo Growth Solutions Inc. (Candeo)

#### *Introduction*

1. Candeo was incorporated in Alberta on or about April 3, 2013, and maintains its head office in Calgary, Alberta.
2. The undertakings provided herein to the Executive Director of the Alberta Securities Commission (**Commission**) by Candeo are accepted in the public interest and for the purpose of maintaining the integrity of and confidence in Alberta capital markets.
3. Terms used in this Undertaking have the same meaning as provided in the Alberta securities laws, as defined in the *Securities Act*, RSA 2000, c S-4, as amended (*Act*).

#### *Undertakings of Candeo*

4. Candeo will designate a maximum of five directors, officers and/or employees (**Designated Persons**) to be responsible for determining whether investors meet the terms and conditions of the applicable exemptions defined in National Instrument 45-106 *Prospectus Exemptions* (**NI 45-106**).
5. Designated Persons must attend training on how to determine whether an investor meets the terms and conditions of the Accredited Investor and Family, Friends and Business Associates exemptions, as defined in NI 45-106. Training must accord with the guidance provided in the NI 45-106 Companion Policy.
  - 5.1 Training must be provided by external legal counsel with knowledge of Alberta securities laws and the exempt market.
  - 5.2 Candeo must retain a record of when the training is held and who attends the training.
  - 5.3 Training may be conducted virtually using a face-to-face communication platform.

6. In accordance with NI 45-106 and its Companion Policy, Designated Persons must take reasonable steps to confirm that every investor meets the terms and conditions of the applicable exemption being relied upon at the time of the distribution, as defined by the *Act*. This requirement applies to both new and existing investors in Candeo.
7. For every distribution, as defined by the *Act*, Designated Persons must make detailed written notes outlining the steps taken to determine whether an investor meets the terms and conditions of the applicable exemption, as defined in NI 45-106, including the date and time of all relevant communications and any documents reviewed or relied upon.
  - 7.1 Such notes must be retained by Candeo for eight years from the date of the distribution.
8. Candeo will not engage in the distribution, as defined by the *Act*, of its securities unless the steps outlined in paragraphs 4 to 7 are completed.
9. In addition to the above, Candeo will ensure any distribution, as defined by the *Act*, of its securities is done in strict compliance with Alberta securities laws.
10. Candeo acknowledges it has sought independent legal advice and has voluntarily given the undertakings provided herein.
11. Candeo waives any right to a review of, or appeal from, the terms of this Undertaking that exist under the *Act* or otherwise.
12. Candeo makes no admissions that it has breached, or not complied with, Alberta securities laws.
13. Candeo acknowledges that this document may be referred to in any other proceedings under the *Act*, and in securities regulatory proceedings in other jurisdictions.
14. Signed signature pages may be transmitted by electronic mail, and any such signature shall have the same legal effect as an original.

15. This Undertaking shall be deemed effective as of the date first written above, and shall remain in effect until such time as:

- 15.1 Candeo is released from this Undertaking by the Executive Director; or
- 15.2 a Settlement Agreement has been approved by the Commission and Candeo has complied with all of its terms; or
- 15.3 in the event that a Notice of Hearing is issued against Candeo, a hearing has been convened by a Panel of the Commission and a final determination has been made on the allegations and any sanction.

Signed by the duly authorized signatory )  
of Candeo Growth Solutions Inc. at )  
Calgary, Alberta this 21 day of May, )  
2020, in the presence of: )

Candeo Growth Solutions Inc.

\_\_\_\_\_  
WITNESS NAME )

\_\_\_\_\_  
WITNESS NAME )

Per: “Original signed by”

\_\_\_\_\_  
“Original signed by” )  
SIGNATURE )

William J. Hogan