

REGULATION TO AMEND REGULATION 41-101 RESPECTING GENERAL PROSPECTUS REQUIREMENTS

Securities Act

(chapter V-1.1, s. 331.1, par. (1), (6), (8) and (34))

1. Section 14.8.1 of Regulation 41-101 respecting General Prospectus Requirements is amended by replacing paragraph (1) with the following:

“(1) For the purposes of subsection (2), “borrowing agent” has the same meaning as in Regulation 81-102 respecting Investment Funds (chapter V-1.1, r. 39).”.

2. Form 41-101F2 of the Regulation is amended :

(1) by deleting paragraph (8) of the General Instructions;

(2) in paragraph (1) of Item 1.3:

(a) by deleting “, including any options or warrants,”;

(b) by replacing, in the French text, the words “OPC coté” with the words “OPC négocié en bourse”;

(3) in Item 1.4:

(a) by deleting paragraph (5);

(b) by deleting paragraph (2) of the Instructions;

(4) by inserting, after Item 1.8, the following:

“1.8.1. Conversion of the Investment Fund

If the investment fund is a non-redeemable investment fund that intends to convert into a mutual fund, by undertaking a transaction that results in the securityholders of the investment fund becoming securityholders in a mutual fund or implementing a change that restructures the investment fund into a mutual fund, state this fact and, if applicable, the date on which the conversion is expected to occur. If applicable, state that the investment strategies of the investment fund will change after it becomes a mutual fund. Include a cross-reference to the section in the prospectus where disclosure regarding the conversion is provided.”;

(5) by inserting, after Item 4.1, the following:

“4.2. Conversion of the Investment Fund

If the investment fund is a non-redeemable investment fund that intends to convert into a mutual fund, by undertaking a transaction that results in the securityholders of the investment fund becoming securityholders in a mutual fund or implementing a change that restructures the investment fund into a mutual fund,

(a) describe under the sub-heading “Conversion of the Fund”:

(i) how the investment fund will implement the conversion,

(ii) the event or events that will trigger the conversion and, if applicable, the date on which the conversion is expected to occur,

(iii) the class or series of securities that securityholders of the investment fund will hold after the conversion,

(iv) how the investment strategies of the investment fund will differ after it becomes a mutual fund,

(v) any approvals that will be required in order to implement the conversion, and

(vi) any other change that is expected to occur as a result of the conversion, and

(b) if applicable, state under the sub-heading “Conversion of the Fund” that the securities of the investment fund will not be listed on the stock exchange on which they trade as a result of the conversion and describe how securityholders may dispose of the securities of the investment fund after the conversion.”;

(6) by inserting, after paragraph (6) of Item 6.1, the following:

“(7) If the investment fund intends to invest in physical commodities

(a) state whether the investment fund may purchase physical commodities or use specified derivatives the underlying interest of which is a physical commodity, and

(b) briefly describe

(i) how physical commodities are or will be used in conjunction with other securities to achieve the investment fund’s investment objectives,

(ii) the types of physical commodities the investment fund expects to invest in, and

(iii) the limits of the investment fund’s use of physical commodities.”;

(7) by replacing paragraph (2) of Item 14.1 with the following:

“(2) Describe how the issue price of the securities of the investment fund is determined.”;

(8) by replacing Item 15.1 with the following:

“15.1. Redemption of Securities

(1) Under the heading “Redemption of Securities”, describe how investors may redeem securities of the investment fund, including

(a) the procedures followed, or to be followed, by an investor who desires to redeem securities of the investment fund and specifying the procedures to be followed and the documents to be delivered before a redemption order pertaining to securities of the investment fund will be accepted by the investment fund for processing and before payment of the proceeds of redemption will be made by the investment fund,

(a.1) the dates on which securities of the investment fund will be redeemed,

(a.2) the dates on which payment of the proceeds of redemption will be made by the investment fund,

(b) how the redemption price of the securities is determined and, if applicable, state that the redemption price of the securities is based on the net asset value of a security of that class, or series of a class, next determined after the receipt by the investment fund of the redemption order, and

(c) the circumstances under which the investment fund may suspend redemptions of the securities of the investment fund.

(2) If the redemption proceeds are computed by reference to the net asset value per security and amounts may be deducted from the net asset value per security, describe each amount that may be deducted and the entity each amount is paid to. If there is a maximum amount or percentage that may be deducted from the net asset value per security, disclose that amount or percentage.”;

(9) by deleting, in subparagraph (c) of paragraph (1) of Item 19.1, the words “or any of its subsidiaries”;

(10) in paragraph (1) of Item 19.9:

(a) by deleting, in the part preceding subparagraph (a), the words “or of a subsidiary of the investment fund”;

(b) by deleting, in subparagraph (b), the words “or any of its subsidiaries”;

(c) by deleting, in subparagraph (c), the words “or from a subsidiary of the investment fund” and the words “or a subsidiary of the investment fund”;

(d) by deleting, in subparagraph (d), the words “or by a subsidiary of the investment fund”;

(11) by deleting Items 21.2 and 21.3;

(12) by inserting, in Item 25.8 and after the words “by the Regulation”, the words “and Regulation 81-102 respecting Investment Funds”;

(13) by deleting Item 27;

(14) by deleting, in subparagraph (d) of paragraph (5) of Item 29.2, the words “or its subsidiaries”;

(15) by deleting, in Item 39.4, the words “or a subsidiary of the investment fund”.

3. The Regulation is amended by replacing, wherever they occur, the words “Regulation 81-102 respecting Mutual Funds” with the words “Regulation 81-102 respecting Investment Funds”.

4. This Regulation comes into force on *(indicate here the date of coming into force of this Regulation)*.