

**CHANGES TO POLICY STATEMENT TO REGULATION 31-103 RESPECTING REGISTRATION REQUIREMENTS, EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS**

1. Section 14.17 of *Policy Statement to Regulation 31-103 respecting Registration Requirements, Exemptions and Ongoing Registrant Obligations* is amended by inserting, after the paragraph under the title “**Reporting information when approximations are used**”, the following:

**“Payments from Investment Fund Managers Received by Principal Distributors**

A registered firm that is a mutual fund’s principal distributor may have an arrangement with the investment fund manager for which they act as principal distributor. In order to provide transparency regarding the interests of the principal distributor in such circumstances, it is important to provide investors with information regarding payments received by principal distributors. In particular, there may be circumstances where the principal distributor might receive a percentage of the management fees collected by the investment fund manager. In some cases, the percentage received may vary depending on the total level of assets under management attributed to the principal distributor. Principal distributors must provide, in a footnote, information disclosing the maximum percentage of the management fee that is paid to them by an investment fund manager for principal distributor services provided to the investment fund manager and the funds, as required under paragraph 14.17(1)(v).

For greater clarity, we do not expect registered firms to also disclose under paragraph 14.17(1)(g) a payment which is required to be disclosed under paragraph 14.17(1)(v).”.