

REGULATION TO AMEND REGULATION 81-101 MUTUAL FUND PROSPECTUS DISCLOSURE

Securities Act
(R.S.Q., c. V-1.1, s. 331.1, par. (1), (6), (8) and (34))

1. Section 2.1 of Regulation 81-101 Mutual Fund Prospectus Disclosure is amended by adding the following after subsection (d) and making the necessary changes:

“(e) must not file a prospectus more than 90 days after the date of the receipt for the preliminary simplified prospectus.”.

2. Section 2.2 of the Regulation is amended:

(1) by replacing subsection (1) of the French text with the following:

“1) La modification apportée à un prospectus simplifié ou à une notice annuelle prend la forme suivante :

a) soit une simple modification, sans reprise intégrale du texte du prospectus simplifié ou de la notice annuelle;

b) soit une version modifiée du prospectus simplifié ou de la notice annuelle.”;

(2) by replacing, in the French text of subsection (2), the words “prendra obligatoirement la forme d’une section Partie B modifiée et mise à jour” with the words “doit prendre la forme d’une version modifiée de la section Partie B”;

(3) by replacing subsection (3) of the French text with the following:

“3) La modification d’un prospectus simplifié ou d’une notice annuelle est désignée et datée comme suit :

1. dans le cas d’une simple modification, sans reprise du texte du prospectus simplifié ou de la notice annuelle :

« Modification n° [indiquer le numéro de la modification] datée du [indiquer la date de la modification] apportée [au/à la] [indiquer le document] daté[e] du [indiquer la date du document faisant l’objet de la modification]. »;

2. dans le cas d’une version modifiée du prospectus ou de la notice annuelle autre qu’une modification visée au paragraphe 2 :

« Version modifiée datée du [indiquer la date de la modification] [du/de la] [indiquer le document] daté[e] du [insérer la date du document faisant l’objet de la modification]. ».”;

(4) by adding the following after subsection (3):

“(4) The following applies to an amendment to a preliminary simplified prospectus:

(a) Except in Ontario, if, after a receipt is issued for a preliminary simplified prospectus but before a receipt for the simplified prospectus is issued, a material adverse change occurs, a mutual fund must file an amendment to the preliminary simplified prospectus as soon as practicable, but in any event within 10 days after the change occurs.

[Note: In Ontario, a similar obligation to file an amendment to a preliminary prospectus is set out in subsection 57(1) of the *Securities Act* (Ontario).]¹

(b) The regulator must issue a receipt for an amendment to a preliminary simplified prospectus as soon as reasonably possible after the amendment is filed.

(5) Except in Ontario, as soon as practicable, a mutual fund must deliver an amendment to a preliminary simplified prospectus to each recipient of the preliminary simplified prospectus according to the record of recipients required to be maintained under securities legislation.

[Note: In Ontario, similar requirements regarding the delivery of amendments to a preliminary prospectus are set out in subsection 57(3) of the *Securities Act* (Ontario).]

(6) The following applies to an amendment to a simplified prospectus:

(a) Except in Ontario, if, after a receipt for a simplified prospectus is issued but before the completion of the distribution under the simplified prospectus, a material change occurs, a mutual fund must file an amendment to the simplified prospectus as soon as practicable, but in any event within 10 days after the day the change occurs.

[Note: In Ontario, a similar obligation to file an amendment to a final prospectus is set out in subsection 57(1) of the *Securities Act* (Ontario).]

(b) Except in Ontario, if, after a receipt is issued for a simplified prospectus or an amendment to a simplified prospectus is issued but prior to the completion of the distribution under the simplified prospectus, securities in addition to the securities previously disclosed in the simplified prospectus or the amendment to the simplified prospectus are to be distributed, the mutual fund making the distribution must file an amendment to the simplified prospectus disclosing the additional securities, as soon as practicable, but in any event within 10 days after the decision to increase the number of securities offered is made.

[Note: In Ontario, subsection 57(2) of the *Securities Act* (Ontario), as varied by OSC Rule 41-801 - *Implementing 41-101 General prospectus requirements*, provides for similar requirements in respect of amendments for the distribution of additional securities.]

(c) The regulator must issue a receipt for an amendment to a simplified prospectus required to be filed under this section unless the regulator considers that there are grounds set out in securities legislation that would cause the regulator not to issue the receipt for a simplified prospectus.

(d) The regulator must not refuse to issue a receipt under paragraph (c) without giving the mutual fund who filed the simplified prospectus an opportunity to be heard.”

3. Section 2.3 of the Regulation is amended:

(1) in subsection (1):

(a) by replacing paragraph (a) with the following:

“(a) file with a preliminary simplified prospectus and a preliminary annual information form

(i) a signed copy of the preliminary annual information form,

(ii) if the manager of the mutual fund is incorporated, continued or organized under the laws of a foreign jurisdiction or resides outside of Canada, a submission to the jurisdiction and appointment of an agent for service of process of the manager of a mutual fund in form set out in Appendix D to Regulation 41-101 respecting General Prospectus Requirements approved by Ministerial Order (*indicate the number and date of the ministerial order approving the regulation*),

¹ Notes included in this Regulation have been inserted for convenience of reference only and do not form part of this Regulation or have any force or effect as a regulation or policy.

(iii) copies of the following documents, and any amendments to the following documents, that have not previously been filed

(A) articles of incorporation, amalgamation, continuation or any other constating or establishing documents of the issuer, unless the constating or establishing document is a statutory or regulatory instrument,

(B) by-laws or other corresponding instruments currently in effect,

(C) any security holder or voting trust agreement that the issuer has access to and that can reasonably be regarded as material to an investor in securities of the issuer,

(D) any security holders' rights plans or other similar plans, and

(E) any other contract of the issuer or a subsidiary of the issuer that creates or can reasonably be regarded as materially affecting the rights or obligations of the issuer's security holders generally;

(iv) copies of any material contract that has not previously been filed, other than a contract entered into in the ordinary course of business, but certain provisions of the contract may be omitted or marked so as to be unreadable if

(A) the issuer has reasonable grounds to believe that disclosure of those provisions would be seriously prejudicial to the interests of the issuer or would violate confidentiality provisions,

(B) the issuer has reasonable grounds to believe that those provisions do not contain information relating to the issuer or its securities that would be necessary to understanding the contract, and

(C) in the copy of the material contract filed by the issuer, immediately after a provision that has been omitted or marked so as to be unreadable, the issuer includes a description of the type of information that has been omitted or marked so as to be unreadable;

(v) the documents referred to in subparagraphs (iii) and (iv), must include copies of

(A) any declaration of trust or trust agreement of the mutual fund, limited partnership agreement, or any other constating or establishing documents of the mutual fund,

(B) any agreement of the mutual fund or the trustee with the manager of the mutual fund,

(C) any agreement of the mutual fund, manager or trustee with the portfolio advisers of the mutual fund,

(D) any agreement of the mutual fund, the manager or trustee with the custodian of the mutual fund, and

(E) any agreement of the mutual fund, the manager or trustee with the principal distributor of the mutual fund;

(vi) any other supporting documents required to be filed under securities legislation.”;

(b) by replacing subparagraphs (b)(i), (ii) and (iii) with the following:

“(i) for

(A) a new mutual fund, a copy of a draft opening balance sheet of the mutual fund, and

(B) an existing mutual fund, a copy of the latest audited financial statements of the mutual fund, and

(ii) any personal information for the mutual fund that has not been previously delivered to the regulator in connection with a simplified prospectus of the mutual fund or another mutual fund managed by the manager,

(iii) a Personal Information Form and Authorization to Collect, Use and Disclose Personal Information in the form set out in Appendix A to Regulation 41-101 respecting General Prospectus Requirements for the indirect collection of the personal information referred to in subparagraph (ii) for each director or officer of the mutual fund, each promoter of the mutual fund, or if the promoter is not an individual, each director or officer of the promoter and each director or officer of the manager of the mutual fund,

(iv) a signed letter to the regulator from the auditor of the mutual fund prepared in accordance with the form suggested for this circumstance by the Handbook, if a financial statement of the mutual fund included in the preliminary simplified prospectus is accompanied by an unsigned auditor's report, and

(v) any other supporting documents required to be delivered or sent to the securities regulatory authority under in securities legislation.”;

(2) in subsection (2):

(a) by replacing subparagraph (a)(ii) with the following:

“(ii) a submission to the jurisdiction and appointment of an agent for service of process of the manager of the mutual fund in the form set out in Appendix C to Regulation 41-101 respecting General Prospectus Requirements, if the manager of the mutual fund is incorporated, continued or organized under the laws of a foreign jurisdiction or resides outside of Canada and if that document has not already been filed,

(iii) any other supporting documents required to be filed under securities legislation.”;

(b) by replacing subparagraph (b)(iv) with the following:

“(iv) any personal information for the mutual fund that has not been previously delivered to the regulator in connection with a simplified prospectus of the mutual fund or another mutual fund managed by the manager,

(v) a Personal Information Form and Authorization to Collect, Use and Disclose Personal Information in the form set out in Appendix A to Regulation 41-101 respecting General Prospectus Requirements for the indirect collection of the personal information referred to in subparagraph (iv) for each director or officer of the mutual fund, each promoter of the mutual fund, or if the promoter is not an individual, each director or officer of the promoter and each director or officer of the manager of the mutual fund,

(vi) a signed letter to the regulator from the auditor of the mutual fund prepared in accordance with the form suggested for this circumstance by the Handbook, if a financial statement of the mutual fund incorporated by reference into the pro forma simplified prospectus is accompanied by an unsigned auditor's report, and

(vii) any other supporting documents required to be delivered or sent to the securities regulatory authority under in securities legislation.”;

(3) in subsection (3):

(a) by replacing subparagraph (a)(iii) with the following:

“(iii) a submission to the jurisdiction and appointment of an agent for service of process of the manager of the mutual fund in the form set out in Appendix C to Regulation 41-101 respecting General Prospectus Requirements, if the manager of the mutual fund is incorporated, continued or organized under the laws of a foreign jurisdiction or resides outside of Canada and if that document has not already been filed,

(iv) any consents required by section 2.8 of this Regulation, and

(v) any other supporting documents required to be delivered or sent to the securities regulatory authority under securities legislation.”;

(b) by replacing subparagraph (b)(iii) with the following:

“(iii) details of any changes to the personal information for the mutual fund since the delivery of that information in connection with the filing of the simplified prospectus of the mutual fund or another mutual fund managed by the manager.

(iv) a Personal Information Form and Authorization to Collect, Use and Disclose Personal Information in the form set out in Appendix A to Regulation 41-101 respecting General Prospectus Requirements for the indirect collection of the personal information referred to in subparagraph (iii) for each director or officer of the mutual fund, each promoter of the mutual fund, or if the promoter is not an individual, each director or officer of the promoter and each director or officer of the manager of the mutual fund,

(v) a copy of each report or valuation referred to in the simplified prospectus, for which a consent is required to be filed under section 2.8 and that has not previously been filed, and

(vi) any other supporting documents required to be delivered or sent to the securities regulatory authority under in securities legislation.”;

(4) in subsection (4):

(a) by replacing subparagraphs (a)(i) and (ii) with the following:

“(i) a signed copy of the amendment to the annual information form,

(ii) any consents required by section 2.8 of this Regulation,

(iii) a copy of any material contract of the mutual fund, and a copy of any amendment to a material contract of the mutual fund, not previously filed, and

(iv) any other supporting documents required to be filed under securities legislation; and”;

(b) in paragraph (b):

(i) by replacing, in the French text of subparagraph (i), the words “sous forme de prospectus simplifié modifié et révisé” with the words “une version modifiée du prospectus simplifié”;

(ii) by replacing, in the French text of subparagraph (ii), the words “sous forme de notice annuelle modifiée et révisée” with the words “une version modifiée de la notice annuelle”;

(iii) by replacing subparagraph (iii) with the following:

“(iii) details of any changes to the personal information for the mutual fund since the delivery of that information in connection with the filing of the simplified prospectus of the mutual fund or another mutual fund managed by the manager,

(iv) a Personal Information Form and Authorization to Collect, Use and Disclose Personal Information in the form set out in Appendix A to Regulation 41-101 respecting General Prospectus Requirements for the indirect collection of the personal information referred to in subparagraph (iii) for each director or officer of the mutual fund, each promoter of the mutual fund, or if the promoter is not an individual, each director or officer of the promoter and each director or officer of the manager of the mutual fund, and

(v) any other supporting documents required to be delivered or sent to the securities regulatory authority under in securities legislation.”;

(5) in subsection (5):

(a) by replacing subparagraphs (a)(i) and (ii) with the following:

“(i) a signed copy of the amendment to the annual information form,

(ii) any consents required by section 2.8 of this Regulation,

(iii) a copy of any material contract of the mutual fund, and a copy of any amendment to a material contract of the mutual fund, not previously filed, and

(iv) any other supporting documents required to be filed under securities legislation; and”;

(b) by replacing paragraph (b) with the following:

“(b) at the time an amendment to an annual information form is filed, deliver or send to the securities regulatory authority

(i) details of any changes to the personal information for the mutual fund since the delivery of that information in connection with the filing of the simplified prospectus of the mutual fund or another mutual fund managed by the manager,

(ii) a Personal Information Form and Authorization to Collect, Use and Disclose Personal Information in the form set out in Appendix A to Regulation 41-101 respecting General Prospectus Requirements for the indirect collection of the personal information referred to in subparagraph (i) for each director or officer of the mutual fund, each promoter of the mutual fund, or if the promoter is not an individual, each director or officer of the promoter and each director or officer of the manager of the mutual fund, and

(iii) any other supporting documents required to be delivered or sent to the securities regulatory authority under in securities legislation;

(c) at the time an amendment to an annual information form is filed, if the amendment is in the form of an amended and restated annual information form, deliver or send to the securities regulatory authority

(i) a copy of the amended and restated annual information form blacklined to show changes and the text of deletions from the annual information form, and

(ii) any other supporting documents required to be delivered or sent to the securities regulatory authority under securities legislation.”.

4. The Regulation is amended by inserting the following after Section 2.4:

“2.5. Lapse date

(1) This section does not apply in Ontario.

(2) In this section,

“Lapse date” means, with reference to a security that is being distributed under applicable securities legislation or this section, the date that is 12 months after the date of the most recent simplified prospectus relating to the security.

(3) Subject to subsection (2), the distribution of a security to which the prospectus requirement applies must not continue after the lapse date unless a new simplified prospectus that

complies with applicable securities legislation and this Regulation is filed and a receipt for that new prospectus is issued by the regulator.

(4) A distribution may be continued for a further twelve months after a lapse date if,

(a) a pro forma simplified prospectus prepared in accordance with this Regulation is filed not less than thirty days prior to the lapse date of the previous prospectus;

(b) a simplified prospectus is filed not later than ten days following the lapse date of the previous simplified prospectus; and

(c) a receipt for the simplified prospectus is issued by the regulator within twenty days following the lapse date of the previous simplified prospectus.

(5) The continued distribution of securities after the lapse date does not contravene subsection (3) unless and until any of the conditions of subsection (4) are not complied with.

(6) Subject to any extension granted under subsection (5), all distributions completed in reliance upon subsection (4) after the lapse date may be cancelled at the option of the purchaser within 90 days of the purchaser's first knowledge of the failure to comply with such conditions where any of the conditions to the continuation of a distribution under subsection (4) are not complied with.

(7) The regulator may, upon an application of a reporting issuer, extend, subject to such terms and conditions as it may impose, the times provided by subsection (4) where in its opinion it would not be prejudicial to the public interest to do so.

[Note: In Ontario, similar requirements and procedures regarding refiling of prospectuses are set out in section 62 of the *Securities Act* (Ontario).]

2.6. Audit of financial statements

Any financial statements, other than interim financial statements, included in or incorporated by reference in a simplified prospectus must meet the audit requirements in Part 2 of Regulation 81-106 respecting Investment Fund Continuous Disclosure approved by Ministerial Order no. 2005-05 dated May 19, 2005.

2.7. Review of unaudited financial statements

Any unaudited financial statements included in or incorporated by reference in a simplified prospectus must have been reviewed in accordance with the relevant standards set out in the Handbook for a review of financial statements by the mutual fund's auditor or a public accountant's review of financial statements.

2.8. Approval of financial statements and related documents

A mutual fund must not file a simplified prospectus unless each financial statement and each management report of fund performance, as applicable, included in or incorporated by reference in the simplified prospectus has been approved in accordance with the requirements in Part 2 of Regulation 81-106 respecting Investment Fund Continuous Disclosure.

2.9. Consents of experts

(1) A mutual fund must file the written consent of any notary in Quebec, solicitor, auditor, accountant, engineer or appraiser, or any person or company whose profession or business gives authority to a statement made by that person or company named in a simplified prospectus or an amendment to a simplified prospectus, either directly or, if applicable, in a document incorporated by reference,

(a) as having prepared or certified any part of the simplified prospectus or the amendment;

(b) as having opined on financial statements from which selected information included in the simplified prospectus has been derived and which audit opinion is referred to in the simplified prospectus directly or in a document incorporated by reference; or

(c) as having prepared or certified a report, valuation, statement or opinion referred to in the simplified prospectus or the amendment, directly or in a document incorporated by reference.

(2) The consent referred to in subsection (1) must

(a) be filed no later than the time the simplified prospectus or the amendment is filed or for the purposes of future financial statements that have been incorporated by reference in a simplified prospectus, no later than the date that those financial statements are filed;

(b) state that the person or company being named consents

(i) to being named, and

(ii) to the use of that person or company's report, valuation, statement or opinion;

(c) refer to the report, valuation, statement or opinion stating the date of the report, valuation, statement or opinion; and

(d) contain a statement that the person or company referred to in subsection (1)

(i) has read the simplified prospectus, and

(ii) has no reason to believe that there are any misrepresentations in the information contained in it that are

(A) derived from the report, valuation, statement or opinion, or

(B) within the knowledge of the person or company as a result of the services performed by the person or company in connection with the report, financial statements, valuation, statement or opinion.

(3) In addition to any other requirement of this section, the consent of an auditor or accountant must also state

(a) the dates of the financial statements on which the report of the person or company is made; and

(b) that the person or company has no reason to believe that there are any misrepresentations in the information contained in the simplified prospectus that are

(i) derived from the financial statements on which the person or company has reported, or

(ii) within the knowledge of the person or company as a result of the audit of the financial statements.

(4) Subsection (1) does not apply to an approved rating organization that issues a rating to the securities being distributed under the simplified prospectus.

2.10. Language of Documents

(1) A mutual fund must file a document required to be filed under this Regulation in the French language or in the English language.

(2) Despite subsection (1), if an issuer files a document only in the French language or only in the English language but delivers to an investor or prospective investor a version of the document in the other language, the mutual fund must file that other version not later than when it is first delivered to the investor or prospective investor.

(3) In Québec, the simplified prospectus and any document incorporated by reference must be in the French language or in the French and the English language.

2.11. Statement of rights

Except in Ontario, a simplified prospectus must contain a statement of the rights given to a purchaser under securities legislation for a failure to deliver the simplified prospectus or for a misrepresentation in the simplified prospectus.”.

[Note: In Ontario, section 60 of the *Securities Act* (Ontario) requires the inclusion of a similar statement of rights.]

5. The Regulation is amended by adding the following subsection after subsection 3.2(2):

“(3) Except in Ontario, any dealer distributing a security during the waiting period must:

(a) send a copy of the preliminary simplified prospectus to each prospective purchaser who indicates an interest in purchasing the security and requests a copy of such preliminary simplified prospectus; and

(b) maintain a record of the names and addresses of all persons and companies to whom the preliminary simplified prospectus has been forwarded.”.

[Note: In Ontario, similar obligations regarding the distribution of a preliminary prospectus and maintaining a distribution list are set out in sections 66 and 67 of the *Securities Act* (Ontario).]

6. The Regulation is amended by inserting the following after section 5.4:

“Part 6 Certificates

6.1. Application

A certificate required under this Part may be omitted from a pro forma simplified prospectus.

6.2. Interpretation

For the purposes of this Part,

“manager certificate form” means a certificate in the form set out in Item 20 of Form 81-101F2, Contents of Annual Information Form, and attached to the annual information form;

“mutual fund certificate form” means a certificate in the form set out in Item 19 of Form 81-101F2, Contents of Annual Information Form, and attached to the annual information form;

“principal distributor certificate form” means a certificate in the form set out in section Item 22 of Form 81-101F2, Contents of Annual Information Form, and attached to the annual information form;

“promoter certificate form” means a certificate in the form set out in Item 21 of Form 81-101F2, Contents of Annual Information Form, and attached to the annual information form.

6.3. Date of certificates

The date of the certificates in a prospectus or an amendment to a prospectus must be within 3 business days before the filing of the prospectus or amendment of the prospectus, as applicable.

6.4. Certificate of the mutual fund

(1) Except in Ontario, a simplified prospectus of a mutual fund must be certified by the mutual fund.

[Note: In Ontario, the requirement that a prospectus contain a certificate of the issuer is set out in section 58 of the *Securities Act* (Ontario).]

(2) A mutual fund must certify its simplified prospectus in the form of the mutual fund certificate form.

6.5. Certificate of principal distributor

A simplified prospectus of a mutual fund must be certified by each principal distributor in the form of the principal distributor certificate form.

6.6. Certificate of the manager

A simplified prospectus of a mutual fund must be certified by the manager of the mutual fund in the form of the manager certificate form.

6.7. Certificate of promoter

(1) A simplified prospectus of a mutual fund must be certified by each promoter in the form of the promoter certificate form.

(2) The regulator may require any person or company who was a promoter of the mutual fund within the two preceding years to sign a certificate, in the applicable promoter certificate form.

(3) With the consent of the regulator, a certificate for a simplified prospectus may be signed by an agent duly authorized in writing by the person or company required to provide the certificate.

6.8. Certificates of corporate mutual funds

(1) Except in Ontario, if the mutual fund is a company, the certificate of the mutual fund required under section 6.4 must be signed

fund; and; (a) by the chief executive officer and the chief financial officer of the mutual

(b) on behalf of the board of directors of the mutual fund, by

(i) any two directors of the mutual fund, other than the persons referred to in paragraph (a) above, or

(ii) if the mutual fund has only three directors, two of whom are the persons referred to in paragraph (a) above, all the directors of the mutual fund.

(2) Except in Ontario, if the regulator is satisfied that either or both of the chief executive officer or chief financial officer is cannot sign a certificate in a simplified prospectus, the regulator may accept a certificate signed by another officer.”.

[Note: In Ontario, similar requirements regarding who must sign the issuer certificate are set out in section 58 of the *Securities Act* (Ontario).]

7. The heading of Part 6 of the Regulation is replaced by the following:

“Part 7 Exemption”

8. Section 6.1 of the Regulation is amended by replacing “6.1” with “7.1”.

9. Section 6.2 of the Regulation is amended by replacing “6.2” with “7.2”.

10. The heading of Part 7 of the Regulation is replaced by the following:

“Part 8 Transitional”

11. Section 7.1 of the Regulation is amended by replacing “7.1” with “8.1”.

12. Section 7.2 of the Regulation is amended by replacing “7.2” with “8.2”.

13. Section 7.3 of the Regulation is amended by replacing “7.3” with “8.3”.

14. Section 7.4 of the Regulation is amended by replacing “7.4” with “8.4” and by deleting the words “approved by Ministerial Order 2005-05 dated 19 May 2005”.

15. Form 81-101F1, Contents of Simplified Prospectus, of the Regulation is amended:

(1) in Part A:

(a) by adding the following text after subsection (4) of Item 6:

“(5) Under the sub-heading “Short-term Trading”

(a) describe the adverse effects, if any, that short-term trades in securities of the mutual fund by an investor may have on other investors in the mutual fund;

(b) describe the restrictions, if any, that may be imposed by the mutual fund to deter short-term trades, including the circumstances, if any, under which such restrictions may not apply or may otherwise be waived;

(c) where the mutual fund does not impose restrictions on short-term trades, state the specific basis for the view of the manager that it is appropriate for the mutual fund not to do so; and

(d) if applicable, state that the annual information form includes a description of all arrangements, whether formal or informal, with any person or company, to permit short-term trades of securities of the mutual fund.

INSTRUCTION

In responding to the disclosure required by subsection (5) above, include a brief description of the short-term trading activities in the mutual fund that are considered by the manager to be inappropriate or excessive. And, where the manager imposes a short-term trading fee, include a cross-reference to the disclosure provided under Item 8 of Part A of this Form.”;

(b) by inserting the following line item in the table of Item 8, after “Redemption fees” under the heading “Fees and Expenses Payable Directly by You”:

"Short-Term Trading Fee	[specify percentage, as a percentage of];
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(2) in Part B:

(a) by replacing subsection (2) of Item 1 of the French text with the following:

"2) Si la section Partie B est une version modifiée, ajouter à la mention de bas de page prévue au paragraphe 1 une mention précisant qu'il s'agit d'une version modifiée du document et indiquant la date de cette version modifiée.";

(b) by replacing subsection (4) of Item 6 of the French text with the following:

"4) Si l'OPC est censé détenir une garantie ou une assurance afin de protéger tout ou partie du capital d'un placement dans l'OPC, indiquer ce fait comme objectif de placement fondamental de l'OPC et faire ce qui suit :

a) donner l'identité de la personne qui fournit la garantie ou l'assurance;

b) préciser les conditions importantes de la garantie ou de l'assurance, y compris son échéance;

c) le cas échéant, indiquer si la garantie ou l'assurance ne s'applique pas au montant des rachats effectués avant l'échéance de la garantie ou avant le décès du porteur et si ces rachats seraient calculés en fonction de la valeur liquidative de l'OPC à ce moment;

d) modifier toute autre information requise par la présente rubrique de manière appropriée.";

(c) in the French text of instruction 4 under Item 9, by replacing the words "affichés aux fins de négociation" with the words "inscrits à la cote d'une bourse".

16. Form 81-101F2, Contents of Annual Information Form, of the Regulation is amended:

(1) by replacing the heading of Item 8 of the French text with the following:

"Rubrique 8 :

Souscriptions et substitutions";

(2) in Item 8:

(a) by deleting the words "pour chacun" in the French text of subsection (4);

(b) by replacing subsection (5) of the French text with the following:

"5) Indiquer qu'un courtier a la possibilité de prévoir, dans le cadre de son entente avec un épargnant, qu'il demandera à celui-ci de l'indemniser de toute perte qu'il subit en raison du règlement d'un achat de titres de l'OPC qui n'est pas effectué par la faute de l'épargnant.";

(3) by replacing section 11.1 of the French text with the following:

"11.1. Principaux porteurs de titres

1) L'information exigée en application de la présente rubrique doit être fournie à une date fixe qui se situe dans les 30 jours de la date de la notice annuelle.

2) Préciser le nombre et le pourcentage de titres de chaque catégorie ou série de titres comportant droit de vote de l'OPC et de sa société de gestion dont est porteur inscrit ou propriétaire chaque personne qui est porteur inscrit ou propriétaire, ou que l'OPC ou sa société de gestion sait être propriétaire, directement ou indirectement, de plus de 10 pour cent des titres comportant droit de vote de toute catégorie ou série, et indiquer si les titres sont détenus soit à la fois par un porteur inscrit et un propriétaire, soit par un porteur inscrit ou par un propriétaire uniquement.

3) Pour toute entité qui est nommée en application du paragraphe 2, indiquer le nom de toute personne dont cette entité est une « entité contrôlée ».

4) Si une personne nommée en application du paragraphe 2 est porteur inscrit ou propriétaire, directement ou indirectement, de plus de 10 pour cent de toute catégorie de titres comportant droit de vote de toute catégorie du placeur principal de l'OPC, préciser le nombre et le pourcentage de titres de la catégorie ainsi détenus.

5) Indiquer le pourcentage de titres de chaque catégorie ou série de titres comportant droit de vote ou de titres de participation qui sont la propriété, directement ou indirectement, de l'ensemble des administrateurs, des fiduciaires et des dirigeants :

- a) de l'OPC et détenus
- dépasse 10 pour cent,
- à la société de gestion,
- i) soit dans l'OPC si le pourcentage total de propriété
- ii) soit dans la société de gestion,
- iii) ou dans toute personne qui fournit des services à l'OPC ou
- b) de la société de gestion et détenus
- dépasse 10 pour cent,
- à la société de gestion.
- i) soit dans l'OPC si le pourcentage total de propriété
- ii) soit dans la société de gestion,
- iii) ou dans toute personne qui fournit des services à l'OPC ou

6) Indiquer le pourcentage de titres de chaque catégorie ou série de titres comportant droit de vote ou de titres de participation qui sont la propriété, directement ou indirectement, de l'ensemble des membres du comité d'examen indépendant de l'OPC et sont détenus

- a) soit dans l'OPC si le pourcentage total de propriété dépasse 10 pour cent,
- b) soit dans la société de gestion,
- c) ou dans toute personne qui fournit des services à l'OPC ou à la société de gestion.”;

(4) by adding the following subsections after subsection (8) of Item 12:

“(9) Describe the policies and procedures of the mutual fund relating to the monitoring, detection and deterrence of short-term trades of mutual fund securities by investors. If the mutual fund has no such policies and procedures, provide a statement to that effect.

(10) Describe any arrangements, whether formal or informal, with any person or company, to permit short-term trades in securities of the mutual fund, including

- (a) the name of such person or company; and
- (b) the terms of such arrangements, including
- (i) any restrictions imposed on the short-term trades, and
- (ii) any compensation or other consideration received by the manager, the mutual fund or any other party pursuant to such arrangements.”;

(5) in subsection (1) of Item 16:

(a) by replacing paragraph (a) with the following:

“(a) articles of incorporation, continuation or amalgamation, the declaration of trust or trust agreement of the mutual fund, limited partnership agreement or any other constating or establishing documents of the mutual fund.”;

(b) by replacing, in the French text of paragraph (d), the word “gardien” with the word “dépositaire”;

(6) by replacing subsection (1) of Item 19 with the following:

“(1) Include a certificate of the mutual fund that states:

(a) for a simplified prospectus and annual information form:

“This annual information form, together with the simplified prospectus required to be sent or delivered to a purchaser during the currency of this annual information form and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus and do not contain any misrepresentations.”;

(b) for an amendment to a prospectus or annual information form that does not restate the prospectus or annual information form:

“This amendment no. [specify], together with the annual information form dated [specify], [as amended by (specify prior amendments and dates)] and the simplified prospectus dated [specify], [as amended by (specify prior amendments and dates)], required to be sent or delivered to a purchaser during the currency of the annual information form and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus and do not contain any misrepresentations.”;

(c) for an amendment that amends and restates a prospectus or annual information form:

“This amended and restated annual information form, together with the amended and restated simplified prospectus required to be sent or delivered to a purchaser during the currency of this annual information form and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus and do not contain any misrepresentations.”.

(1.1) For a non-offering prospectus, omit the reference in the language in Item 19(1)(a) to “securities offered by the simplified prospectus” and replace it with “securities previously issued by the mutual fund”.”;

(7) by replacing, in the French text of subsection (1) of Item 22, the words “constitue un exposé complet, véridique et clair de tous les faits importants se rapportant aux titres offerts dans le prospectus simplifié” with the words “révèlent de façon complète, véridique et claire tout fait important relatif aux titres faisant l’objet du placement au moyen du prospectus simplifié”.

17. The French text of the Regulation is amended by replacing, wherever it appears, the word “gardien” with the word “dépositaire”.

18. This Regulation comes into force on •.