

**AMENDMENTS TO POLICY STATEMENT TO REGULATION 81-101 RESPECTING
MUTUAL FUND PROSPECTUS DISCLOSURE**

1. Section 2.1.1 of *Policy Statement to Regulation 81-101 respecting Mutual Fund Prospectus Disclosure* is amended by replacing paragraph (4) with the following:

“(4) The CSA encourages the use and distribution of the fund facts document as a key part of the sales process in helping to inform investors about mutual funds they are considering for investment. The Regulation also requires delivery of the fund facts document, which may satisfy the prospectus delivery requirements under applicable securities legislation.”.

2. Section 2.2 of the Policy Statement is amended by replacing paragraph (1) with the following:

“(1) A simplified prospectus is the prospectus for the purposes of securities legislation. While the Regulation allows delivery of a fund facts document to an investor in connection with a purchase, an investor may also request delivery of the simplified prospectus, or any other documents incorporated by reference into the simplified prospectus.”.

3. Section 2.5 of the Policy Statement is amended by deleting, wherever it occurs in the French text of paragraph (1), “ou « envoyés »”.

4. Section 2.7 of the Policy Statement is amended by inserting, after paragraph (2), the following:

“(2.1) General Instruction (8.1) of Form 81-101F3 permits a mutual fund to disclose a material change and proposed fundamental change, such as a proposed merger, in an amended and restated fund facts document. We would permit flexibility in selecting the appropriate section of the amended and restated fund facts document to describe the material change or proposed fundamental change. However, we also expect that the variable sections of the fund facts document, such as the Top 10 investments and investment mix, to be updated within 45 days before the date of the fund facts document. In addition, if a mutual fund completes a calendar year or files a management report of fund performance prior to the filing of the amended and restated fund facts document, we expect the fund facts document to reflect the updated information.”.

5. Section 4.1.3 of the Policy Statement is amended by replacing, in paragraph (3), “section 2.3.2” with “section 2.3.1”.

6. Section 5.4 of the Policy Statement is amended by replacing, in the French text of paragraph (3), the word “joint” with the word “attaché”.

7. Section 7.1 of the Policy Statement is amended:

(1) by replacing the title with the following:

“7.1. Delivery of the Simplified prospectus and Annual Information Form”;

(2) by replacing paragraph (1) with the following:

“(1) The Regulation contemplates delivery to all investors of a fund facts document in accordance with the requirements in securities legislation. It does not require the delivery of the simplified prospectus, or any other documents incorporated by reference into the simplified prospectus, unless requested. Mutual funds or dealers may also provide investors with any of the other disclosure documents incorporated by reference into the simplified prospectus.”.

8. Section 7.1.1 of the Policy Statement is amended by replacing, in the French text of paragraph (1), the words “d’envoyer” with the words “de transmettre”.

9. Section 7.3 of the Policy Statement is amended, in the French text of paragraph (1), by replacing the words “une substitution de placements” with the words “un échange”.

10. Section 7.4 of the Policy Statement is replaced with the following:

“7.4. Delivery of Non-Educational Material

The Regulation and related forms contain no restrictions on the delivery of non-educational material such as promotional brochures with either of the simplified prospectus and the annual information form. This type of material may, therefore, be delivered with, but cannot be included within, wrapped around, or attached or bound to, the simplified prospectus and the annual information form. The Regulation does not permit the binding of educational and non-educational material with the Fund Facts Document. The intention of the Regulation is not to unreasonably encumber the Fund Facts with additional documents.”.