

**AMENDMENT TO
COMPANIONS POLICY 81-102CP
MUTUAL FUNDS**

PART 1 AMENDMENTS

1.1 Amendments

(1) Companion Policy 81-102CP is amended by this Amendment.

(2) Section 6.3 is amended by the deletion of section 6.3 and the substitution of the following:

“6.3 Calculation of Fees - Subparagraph 5.1(a)(i) of the Instrument requires securityholder approval before the basis of the calculation of a fee or expense that is charged to a mutual fund or directly to its securityholders in connection with the holding of securities of the mutual fund is changed in a way that could result in an increase in charges to the mutual fund or to its securityholders. The Canadian securities regulatory authorities note that the phrase “basis of calculation” includes any increase in the rate at which a particular fee is charged to the mutual fund or to its securityholders.”.

(3) Section 16.2 is amended by the addition of the following as subsection (3):

“(3) The CSA are of the view that the new provisions of the Instrument relating to mutual funds investing in other mutual funds introduced on [effective date of the amending Instrument] are not “substantially similar” to those of the Instrument which they replace.”

(4) Section 16.3 is amended by the addition of the following as subsection (2):

“(2) For greater certainty, note that the coming into force of National Instrument 81-102 did not trigger the “sunset” of those waivers and orders. The coming into force of section 19.3 of the Instrument, however, will effectively cause those waivers and orders to expire one year after its coming into force.”

PART 2 EFFECTIVE DATE

2.1 Effective Date

This Amendment comes into force on ●, 2002.