

## Regulation to amend Regulation 81-102 Mutual Funds<sup>3</sup>

Securities Act

(R.S.Q., c. V-1.1, s. 331.1, par. (1), (6), (12), (13),  
(16) and (34); 2004, c. 37)

**1.** Section 1.1 of Regulation 81-102 Mutual Funds is amended:

(a) by replacing, wherever they appear, the words “this Instrument” by “this Regulation”, and making the necessary changes;

(b) by replacing the definition of “management expense ratio” by the following:

““management expense ratio”: the ratio, expressed as a percentage, of the expenses of a mutual fund to its average net asset value, calculated in accordance with Part 15 of Regulation 81-106 respecting Investment Fund Continuous Disclosure approved by Ministerial Order 2005-05 dated 19 May 2005;”.

(c) by adding “, including the mutual fund manager,” in the definition of “manager” and after the word “company,”;

(d) by adding the following after the definition of “manager”:

““material change”: any material change within the meaning of Regulation 81-106 respecting Investment Fund Continuous Disclosure;”;

(e) by replacing the definition of “report to securityholders” by the following:

“ “report to securityholders”: any report that includes annual or interim financial statements, or any annual or interim management report of fund performance that is delivered to securityholders of a mutual fund;”;

(f) by adding the following after subparagraph b5. of the definition of “sales communication”:

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<sup>3</sup> Regulation 81-102 Mutual Funds adopted on May 22, 2001 pursuant to decision No. 2001-C-0209 and published in the weekly Bulletin of the *Commission des valeurs mobilières du Québec*, volume 32, No. 22, dated June 1, 2001, was amended by the policy adopted on May 22, 2001 pursuant to decision No. 2001-C-0211 and published in the weekly Bulletin of the *Commission des valeurs mobilières du Québec*, volume 32, No. 22, dated June 1, 2001 and the regulation approved pursuant to Ministerial Order No. V-1.1-2004-02 dated February 19, 2004 (2004, *G.O.* 2, 1064).

“6. An annual or interim management report of fund performance;”;

(g) by deleting the definition of “significant change”;

(h) by deleting the definition of “timely disclosure requirements”.

**2.** The Regulation is amended by replacing the word “significant” in subparagraph 5.1(g)(iii) by the word “material”.

**3.** Subsection 5.6(1) of the Regulation is amended:

(a) by replacing the words “this Instrument” in paragraph *a* by the words “this Regulation”;

(b) by replacing the words “this Instrument” in subparagraph (d)(i) by the words “this Regulation”;

(c) by replacing “section 5.10” in paragraph *g* by “Part 11 of Regulation 81-106 respecting Investment Fund Continuous Disclosure”.

**4.** The Regulation is amended by replacing the word “significant” in paragraph 5.7(1)d by the word “material”.

**5.** Section 5.10 is repealed.

**6.** Section 10.1 of the Regulation is amended:

(a) by replacing the words “this Instrument” in subsection (2) by the words “this Regulation”;

(b) by replacing subsection (4) by the following:

“(4) The statement referred to in subsection (3) is not required to be separately provided, in any year, if the requirements are described in a document that is sent to all securityholders.”

**7.** The title of Part 13 and sections 13.1 to 13.5 of the Regulation are repealed.

**8.** The Regulation is amended by replacing the words “significant” and “this Instrument” in subsection 15.9(2) by the words “material” and “this Regulation” respectively.

**9.** The title of Parts 16 and 17 and sections 16.1 to 17.3 of the Regulation are repealed.

**10.** Section 20.1 of the Regulation is repealed.

**11.** The Regulation is amended by replacing, wherever they appear, the words “this Instrument” by the words “this Regulation”, and making the necessary changes.

**12.** The Regulation is amended by replacing, wherever they appear, “National Instrument 81-101 Mutual Fund Prospectus Disclosure” and “National Instrument” by “Regulation 81-101 Mutual Fund Prospectus Disclosure” adopted by the *Commission des valeurs mobilières du Québec* pursuant to decision No. 2001-C-0283 dated June 12, 2001” and “Regulation”, and making the necessary changes.

**13.** This Regulation comes into force on June 1, 2005.