

**AMENDMENTS TO POLICY STATEMENT TO REGULATION 81-104
RESPECTING COMMODITY POOLS**

Securities Act
(R.S.Q., c.V-1.1, s. 274)

1. *Policy Statement to Regulation 81-104 respecting Commodity Pools* is amended :

(1) in subparagraph (4) of paragraph (2) of section 2.1 :

(a) by deleting the words “in all jurisdictions, other than British Columbia. Dealers registered to sell securities (including mutual funds) in British Columbia should look to local British Columbia securities regulations for guidance.”;

(b) by adding a period after the last reference to “commodity pools”.

(2) by repealing Part 3;

(3) by repealing paragraph (4) of section 4.1 and substituting the following subsection:

“(4) Mutual funds structured as limited partnerships may raise some concerns about the loss of limited liability if limited partners are viewed as participating in the management or control of the partnership. The statute and case law concerning when limited partners can lose their limited partner status, including the Quebec Civil Code, varies from province to province. The risks associated with this type of structure in the jurisdictions where the prospectus is filed should be disclosed.”; and

(4) by repealing paragraph (5) of section 4.1 and substituting the following subsection:

“(5) Mutual funds structured as trusts are subject to their constitution and the common and civil law of trusts. A commodity pool operator should consider this law, together with the factual circumstances surrounding the establishment of the commodity pool, including the ability of the investors in the commodity pool to influence the administration and management of the commodity pool, to ensure that investors’ liability is limited to the amount they have invested in the commodity pool. If applicable, a commodity pool should disclose in the prospectus the risks associated with the structuring of a commodity pool as a trust in relation to the possibility that purchasers of securities of the commodity pool may become liable to make an additional contribution beyond the price of the securities.”.

2. The Policy Statement is amended by deleting, wherever they appear, the words “or company”.

3. The Policy Statement is amended by replacing, wherever it appears in the French text, the word “gérant” with the word “gestionnaire”, and making the necessary changes.