

AMENDMENTS TO POLICY STATEMENT TO REGULATION 81-106 RESPECTING INVESTMENT FUND CONTINUOUS DISCLOSURE

1. *Policy Statement to Regulation 81-106 respecting Investment Fund Continuous Disclosure* is amended by inserting, after section 8.1, the following:

“8.2. Notice-and-access

(1) In the Regulation and this Policy Statement, references to registered holders and beneficial owners should be read to correspond with references to forms of proxy or voting instruction forms, as appropriate.

We expect that persons that solicit proxies will only use notice-and-access for a particular meeting where they have no reason to believe it is inappropriate or inconsistent with the purposes of notice-and-access to do so, taking into account factors such as

- the purpose of the meeting,
- whether a better participation rate would be obtained by sending the information circular with the other proxy-related materials, and
- whether notice-and-access resulted in material declines in beneficial owner voting rates in prior meetings where notice-and-access was used.

(2) With respect to matters to be voted on at the meeting, the notice must only contain a description of each matter or group of related matters identified in the form of proxy, unless that information is already included in the form of proxy or voting instruction form. We expect that persons who use notice-and-access will state each matter or group of related matters in the form of proxy or voting instruction form in a reasonably clear and user-friendly manner. For example, it would be inappropriate to identify the matter to be voted on solely by referring to disclosure contained in the information circular as follows: “To vote For or Against the resolution in Schedule A of the management information circular”.

The plain-language explanation of notice-and-access required in the notice can also address other aspects of the proxy voting process. However, there should not be any substantive discussion of the matters to be considered at the meeting.

(3) Paragraph 12.2.1(h) requires establishment of a toll-free telephone number for the registered holder or beneficial owner to request a paper copy of the information circular. A person soliciting proxies may choose, but is not required, to provide additional methods for requesting a paper copy of the information circular. If persons soliciting proxies do so, they must still comply with the fulfillment timelines in paragraph 12.2.1(i).

(4) Section 12.2.2 is intended to restrict intentional information gathering about registered holders or beneficial owners who make requests for paper copies of information circulars or access the non-SEDAR website.

(5) Section 12.2.3 is intended to enable registered holders and beneficial owners to access the posted proxy-related materials in a user-friendly manner. For example, requiring the registered holder or beneficial owner to navigate through several web pages to access the proxy-related materials, even within the same website, would not be user-friendly. Providing the registered holder or beneficial owner with the specific URL where the documents are posted would be more user-friendly. We encourage persons soliciting proxies and their service providers to develop best practices in this regard.

(6) We expect that where stratification is used for purposes other than complying with registered holder or beneficial owner instructions, it is used to enhance effective communication, and not used if it would potentially disenfranchise registered holders or beneficial owners.

(7) Section 12.2.5 permits other delivery methods, such as electronic means, to be used to send proxy-related materials if the consent of the registered holder or beneficial owner has been obtained.

(8) *Policy Statement 11-201 respecting Electronic Delivery of Documents* (Decision 2011-PDG-0183, 2011-11-17) discusses the sending of materials by electronic means. The guidelines set out in *Policy Statement 11-201 respecting Electronic Delivery of Documents*, particularly the suggestion that consent be obtained to an electronic transmission of a document, are applicable to documents sent under the Regulation.

(9) Whether persons soliciting proxies may do so in compliance with foreign notice-and-access rules is not contemplated.

(10) A single investor may hold securities of the same class or series in two or more accounts with the same address. Delivering a single set of securityholder materials to that person would satisfy the delivery requirements under the Regulation. We encourage this practice as a way to help reduce the costs of securityholder communications.

(11) “Notice-and-access”, as used in all of the following provisions of *Policy Statement 54-101 respecting Communication with Beneficial Owners of Securities of a Reporting Issuer* (Decision 2012-PDG-0235), have the same meaning as in the Regulation, in addition to any other required adaptations:

- subsection 3.1(1);
- subsection 3.4.1(2);
- section 5.1.”.