

REGULATION TO AMEND REGULATION 81-106 RESPECTING INVESTMENT FUND CONTINUOUS DISCLOSURE.

Securities Act

(chapter V-1.1, s. 331.1, par. (1), (2), (3), (8), (11), (20) and (34))

1. Section 2.11 of Regulation 81-106 respecting Investment Fund Continuous Disclosure (chapter V-1.1, r. 42) is amended by replacing, in paragraph (b), “Part 5” with “Part 5A”.

2. Part 5 of the Regulation, including sections 5.1 to 5.5, is replaced with the following:

“PART 5 ACCESS TO AND DELIVERY OF FINANCIAL STATEMENTS AND MANAGEMENT REPORTS OF FUND PERFORMANCE – REPORTING ISSUERS

5.1. Interpretation and Application

(1) In this Part, “designated document” means any of the following documents an investment fund is required to file on SEDAR:

- (a) financial statements;
- (b) annual management reports of fund performance; and
- (c) interim management reports of fund performance.

(2) This Part does not apply to an investment fund that is not a reporting issuer.

5.2. Posting on Designated Website

(1) An investment fund must post a designated document on its designated website no later than the date that the designated document is filed.

(2) An investment fund referred to in subsection (1) must include, on its designated website, a statement that

(a) explains the choices a registered holder or beneficial owner of securities issued by the investment fund has to receive designated documents;

(b) describes how the registered holder or beneficial owner may provide the investment fund with standing instructions to receive either electronic or paper copies of all of the investment fund’s designated documents commencing with the next designated document filed after the registered holder or beneficial owner provides the instructions; and

(c) explains that the investment fund will continue to follow the instructions provided by the registered holder or beneficial owner until they are changed by the registered holder or beneficial owner.

(3) An investment fund must display a designated document posted under subsection (1) and the statement included under subsection (2) in a manner that would be considered prominent to a reasonable person.

5.3. Sending Paper and Electronic Copies of Designated Documents

(1) An investment fund must send a paper copy of a designated document to a registered holder or beneficial owner of securities issued by the investment fund if the registered holder or beneficial owner requests a paper copy of the designated document.

(2) If a registered holder or beneficial owner of securities issued by an investment fund provides the investment fund with standing instructions to receive paper copies of a designated document, the investment fund must send paper copies of the designated document to the registered holder or beneficial owner, commencing with the next designated document filed after the registered holder or beneficial owner provides the investment fund with those standing instructions.

(3) An investment fund must send an electronic copy of a designated document to a registered holder or beneficial owner of securities issued by an investment fund if the registered holder or beneficial owner requests an electronic copy of the designated document.

(4) If a registered holder or beneficial owner of securities issued by an investment fund provides the investment fund with standing instructions to receive electronic copies of a designated document, the investment fund must send electronic copies of the designated document to the registered holder or beneficial owner, commencing with the next designated document filed after the registered holder or beneficial owner provides the investment fund with those standing instructions.

(5) If a registered holder or beneficial owner of securities issued by the investment fund makes a request under subsection (1) or provides standing instructions under subsection (2), the investment fund must send a copy of the designated document by the later of

(a) the filing deadline for the designated document; and

(b) 10 calendar days after the investment fund receives the request or instructions.

(6) If a registered holder or beneficial owner of securities issued by the investment fund makes a request under subsection (3) or provides standing instructions under subsection (4), the investment fund must send a copy of the designated document by the later of

(a) the filing deadline for the designated document; and

(b) five calendar days after the investment fund receives the request or instructions.

(7) An investment fund must not charge a fee for sending a designated document under this section.

5.4. News Release

(1) On the date that a designated document is filed, an investment fund must

(a) issue a news release stating that the investment fund has filed the designated document;

(b) file the news release on SEDAR; and

(c) post the news release on the investment fund's designated website.

(2) A news release under subsection (1), must

(a) state in the title that the designated document is available,

(b) state that the designated document is available at www.sedar.com and on the investment fund's designated website,

(c) provide the investment fund’s designated website address,

(d) state the following:

(i) “A paper copy of the [*insert name of the designated document*] may be obtained by a registered holder or beneficial owner of securities issued [*insert name of the investment fund*], without charge, from [*insert name of the manager of the investment fund*].”

(ii) “If a registered holder or beneficial owner of securities issued by [*insert name of the investment fund*] wants to receive paper copies of any of [*insert list designated documents the investment fund is required to file*] filed by [*insert name of investment fund*] in the future, please provide standing instructions to [*insert name of the manager of the investment fund*]. The standing instructions will continue to be followed by [*insert name of investment fund*] until they are changed by the registered holder or beneficial owner.”

(iii) “An electronic copy of the [*insert name of the designated document*] may be obtained by a registered holder or beneficial owner of securities issued by [*insert name of the investment fund*], without charge, from [*insert name of the manager of the investment fund*].”

(iv) “If a registered holder or beneficial owner of securities issued by [*insert name of the investment fund*] wants to receive electronic copies of any of [*insert list designated documents the investment fund is required to file*] filed by [*insert name of investment fund*] in the future, please provide standing instructions to [*insert name of the manager of the investment fund*]. The standing instructions will continue to be followed by [*insert name of investment fund*] until they are changed by the registered holder or beneficial owner.” and

(v) the name, address, toll-free telephone number, e-mail address, and website of the manager of the investment fund.”

3. The Regulation is amended by inserting, after section 5.5, the following part :

**“PART 5A
DELIVERY OF FINANCIAL STATEMENTS – NON-REPORTING
MUTUAL FUNDS**

5A.1. Application

This Part does not apply to a mutual fund that is a reporting issuer.

5A.2. Delivery of Financial Statements

Subject to sections 5A.3 and 5A.4, a mutual fund must send financial statements to a registered holder or beneficial owner of securities issued by the mutual fund by the filing deadline for the financial statements.

5A.3. Sending According to Standing Instructions

(1) Section 5A.2 does not apply to a mutual fund that requests standing instructions from a registered holder or beneficial owner of securities issued by the mutual fund in accordance with this section and sends financial statements according to those instructions.

(2) A mutual fund relying on subsection (1) must send, to each registered holder or beneficial owner of securities issued by the mutual fund, a document that

(a) explains the choices a registered holder or beneficial owner of securities issued by the mutual fund has to receive financial statements;

(b) requests instructions from the registered holder or beneficial owner of securities issued by the mutual fund about delivery of financial statements; and

(c) explains that the mutual fund will continue to follow the instructions provided by the registered holder or beneficial owner of securities issued by the mutual fund until they are changed by the registered holder or beneficial owner.

(3) If a person becomes a registered holder or beneficial owner of securities issued by a mutual fund, the mutual fund must request instructions in accordance with subsection (2) from the registered holder or beneficial owner as soon as reasonably practicable after the mutual fund accepts a purchase order from the registered holder or beneficial owner.

(4) A mutual fund must rely on instructions given under this section until a registered holder or beneficial owner of securities issued by the mutual fund changes them.

(5) At least once a year, a mutual fund must send each registered holder or beneficial owner of securities issued by the mutual fund a reminder that

(a) the registered holder or beneficial owner is entitled to receive financial statements;

(b) the mutual fund is relying on delivery instructions provided by the registered holder or beneficial owner;

(c) explains how a registered holder or beneficial owner of securities issued by the mutual fund can change the instructions it has given; and

(d) the registered holder or beneficial owner can obtain the financial statements by contacting the mutual fund, or, if applicable, on www.sedar.com or on the mutual fund's website.

5A.4. Sending According to Annual Instructions

(1) Section 5A.2 does not apply to a mutual fund that requests annual instructions from a registered holder or beneficial owner of securities issued by the mutual fund in accordance with this section and sends financial statements according to those instructions.

(2) Subsection (1) does not apply to a mutual fund that has previously requested standing instructions in accordance with section 5A.3.

(3) A mutual fund relying on subsection (1) must send annually to each registered holder or beneficial owner of securities issued by the mutual fund a request form the registered holder or beneficial owner may use to instruct the mutual fund as to which financial statements the registered holder or beneficial owner wishes to receive.

(4) The request form referred to in subsection (3) must be accompanied by a notice explaining that

(a) the registered holder or beneficial owner is providing delivery instructions for the current year only; and

(b) the registered holder or beneficial owner can obtain financial statements by contacting the mutual fund, or, if applicable, on www.sedar.com or on the mutual fund's website.

5A.5. General

(1) If a registered holder or beneficial owner of securities issued by a mutual fund requests financial statements, the mutual fund must send a copy of the requested financial statements by the later of

- (a) the filing deadline for the requested financial statements; and
- (b) 10 calendar days after the mutual fund receives the request.

(2) A mutual fund must not charge a fee for sending the financial statements referred to in this Part and must ensure that registered holders or beneficial owners of securities issued by the mutual fund can respond without cost to the requests for instructions required by this Part.

(3) For the purposes of this section, mutual funds under common management may send one request form to serve as a standing instruction or an annual instruction, as applicable, from a registered holder or beneficial owner of securities issued by the mutual funds that will apply to all of the mutual funds under common management held by that registered holder or beneficial owner.”.

4. Transition

(1) For the purposes of paragraph (2) of section 5.3, a registered holder or beneficial owner of securities issued by an investment fund is considered to have provided standing instructions to receive paper copies of designated documents immediately after this Regulation comes into force if:

- (a) the investment fund is a reporting issuer;
- (b) immediately before this Regulation comes into force, the investment fund has standing or annual instructions from the registered holder or beneficial owner to deliver annual financial statements, interim financial reports, or annual or interim management reports of fund performance to the registered holder or beneficial owner; and
- (c) immediately before this Regulation comes into force, the investment fund does not have the consent of the registered holder or beneficial owner to electronic delivery of the annual financial statements, the interim financial reports, or the annual or interim management reports of fund performance.

(2) For the purposes of paragraph (4) of section 5.3, a registered holder or beneficial owner of securities issued by an investment fund is considered to have provided standing instructions to receive electronic copies of designated documents immediately after this Regulation comes into force if:

- (a) the investment fund is a reporting issuer;
- (b) immediately before this Regulation comes into force, the investment fund has standing or annual instructions from the registered holder or beneficial owner to deliver annual financial statements, interim financial reports, or annual or interim management reports of fund performance to the registered holder or beneficial owner; and
- (c) immediately before this Regulation comes into force, the investment fund has the consent of the registered holder or beneficial owner to electronic delivery of the annual financial statements, the interim financial reports, or the annual or interim management reports of fund performance.

(3) A mutual fund may rely on paragraph (1) of section 5A.3 in connection with standing instructions from a registered holder or beneficial owner of securities issued by the mutual fund if:

(a) immediately before this Regulation comes into force, the mutual fund had requested standing instructions from the registered holder or beneficial owner under paragraph (1) of section 5.2 of Regulation 81-106 respecting Investment Fund Continuous Disclosure as it read on (*indicate here the date immediately before the date of coming into force of this Regulation*);

(b) the mutual fund sends annual financial statements or interim financial reports according to those instructions; and

(c) the mutual fund otherwise complies with section 5A.3.

(4) A mutual fund may rely on paragraph (1) of section 5A.4 in connection with annual instructions from a registered holder or beneficial owner of securities issued by the mutual fund if:

(a) immediately before this Regulation comes into force, the mutual fund had requested annual instructions from the registered holder or beneficial owner under paragraph (1) of section 5.3 of Regulation 81-106 respecting Investment Fund Continuous Disclosure as it read on (*indicate here the date immediately before the date of coming into force of this Regulation*);

(b) the mutual fund sends annual financial statements or interim financial reports according to those instructions; and

(c) the mutual fund otherwise complies with section 5A.4.

5. Effective Date

(1) This Regulation comes into force on (*indicate here the date of coming into force of this Regulation*).

(2) In Saskatchewan, despite paragraph (1), if this Regulation is filed with the Registrar of Regulations after (*indicate here the date of coming into force of this Regulation*), this Regulation comes into force on the day on which it is filed with the Registrar of Regulations.