

Note: [06 Jan 2022] – Changes to 81-102CP arising from the Reducing Regulatory Burden for Investment Fund Issuers project, Phase 2, Stage 1. Refer to Annex C Schedules 1-D, 5-B, 6-B, and 7-B of the CSA Notice announcing amendments to NI -81-102 dated 07 Oct 2021.

SCHEDULE 1-D

CHANGES TO COMPANION POLICY 81-102 INVESTMENT FUNDS

- 1. Companion Policy 81-102 Investment Funds is changed by this Document.**
- 2. Subsection 7.5(3) is changed by replacing “, simplified prospectus or annual information form” with “or simplified prospectus”.**
- 3. Section 13.1(3) is replaced with the following:**

(3) An advertisement that presents information in a manner that distorts information contained in the preliminary prospectus or prospectus, or preliminary prospectus, preliminary fund facts document or prospectus, and fund facts document, as applicable, of an investment fund or that includes a visual image that provides a misleading impression will be considered to be misleading..
- 4. These changes become effective on January 6, 2022.**

SCHEDULE 5-B

CHANGES TO COMPANION POLICY 81-102 *INVESTMENT FUNDS*

- 1. *Companion Policy 81-102 Investment Funds is changed by this Document.***
- 2. *Section 3.4 is changed by adding the following subsection:***
 - (3) Section 2.5.1 of the Instrument provides that certain investment restrictions and reporting requirements do not apply to investments by investment funds that are not reporting issuers, including investments in other investment funds that are not reporting issuers, made in accordance with the conditions in section 2.5.1 of the Instrument. Paragraphs 2.5.1(2)(c) to (f) of the Instrument also specify the accounting preparation and auditing standards that apply to the preparation and auditing of financial statements of an underlying fund in which an investment fund that is not a reporting issuer, determines to invest in reliance on the exemption..
- 3. *Subsection 3.8(1) is changed by adding the following sentence at the end of the first paragraph: “For purchases of debt securities made during the 60-day period after distribution, commentary 7 to section 6.1 of NI 81-107 provides guidance to assist in determining if the ask price for a debt security is readily available.”.***
- 4. These changes become effective on January 5, 2022.**

SCHEDULE 6-B

CHANGE TO COMPANION POLICY 81-102 *INVESTMENT FUNDS*

- 1. *Companion Policy 81-102 Investment Funds is changed by this Document.***
- 2. *Section 7.2 is replaced with*** “Subsection 5.6(1) of the Instrument provides that mergers of investment funds may be carried out on the conditions described in that subsection without prior approval of the securities regulatory authority. The Canadian securities regulatory authorities consider that the types of transactions contemplated by subsection 5.6(1) of the Instrument when carried out in accordance with the conditions of that subsection address the fundamental regulatory concerns raised by mergers of investment funds. This includes circumstances where a transaction does not satisfy the pre-approval criteria in clause 5.6(1)(a)(ii)(A) or subparagraph 5.6(1)(b)(i) but certain conditions are satisfied. In particular, the manager must come to the determination that the transaction is in the best interests in the investment fund and explain that view in the materials sent to securityholders. In circumstances where portfolios of the consolidating investment funds will be required to be realigned before a merger, the Canadian securities regulatory authorities note that paragraph 5.6(1)(h) of the Instrument provides that none of the costs and expenses associated with the transaction may be borne by the investment fund. Brokerage commissions payable as a result of any portfolio realignment necessary to carry out the transaction would, in the view of the Canadian securities regulatory authorities, be costs and expenses associated with the transaction.”
- 3. This change becomes effective on January 5, 2022.**

SCHEDULE 7-B

CHANGE TO COMPANION POLICY 81-102 *INVESTMENT FUNDS*

- 1. Companion Policy 81-102 Investment Funds is changed by this Document.***
- 2. Section 7.1 is repealed.***
3. This change becomes effective on January 5, 2022.