

PROVINCE OF BRITISH COLUMBIA

RULE OF THE BRITISH COLUMBIA SECURITIES COMMISSION

Securities Act

The British Columbia Securities Commission orders that, effective March 3, 2025,

- (a) *National Instrument 41-101 General Prospectus Requirements, B.C. Reg. 59/2008, is amended as set out in the attached Schedule A,*
- (b) *National Instrument 81-101 Mutual Fund Prospectus Disclosure, B.C. Reg. 1/2000, is amended as set out in the attached Schedule B, and*
- (c) *National Instrument 81-106 Investment Fund Continuous Disclosure, B.C. Reg. 218/2005, is amended as set out in the attached Schedule C.*

DEPOSITED

February 26, 2025

B.C. REG. 22/2025

February 26, 2025

Date

British Columbia Securities Commission

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section: Securities Act, R.S.B.C. 1996, c. 418, s. 184

Other: _____

R20876805

SCHEDULE A

- 1** *National Instrument 41-101 General Prospectus Requirements, B.C. Reg. 59/2008, is amended as set out in this Schedule.*
- 2** *Section 2.3 (1) is amended by adding “, other than an investment fund,” after “An issuer”.*
- 3** *Section 2.3 (1.1) is amended by adding “, other than an investment fund,” after “An issuer”.*
- 4** *Section 2.3 (1.2) is amended by adding “, other than an investment fund,” after “If an issuer”.*
- 5** *The following Part is added:*

PART 3D – FILING OF ETF FACTS DOCUMENTS WITHOUT A PROSPECTUS

Required documents for filing an ETF facts document

- 3D.1** An ETF that files an ETF facts document without a preliminary, pro forma or final prospectus must
- (a) file, with that ETF facts document, the following documents if there has been a material change to the ETF and if that material change relates to information disclosed in the most recently filed ETF facts document:
 - (i) an amendment to the corresponding prospectus, certified in accordance with Part 5;
 - (ii) a copy of any material contract, and any amendment to a material contract, that have not previously been filed, and
 - (b) at the time that ETF facts document is filed, deliver or send to the securities regulatory authority
 - (i) a copy of that ETF facts document, blacklined to show changes, including the text of deletions, from the most recently filed ETF facts document, and
 - (ii) if there has been a material change to the ETF and if that material change relates to information disclosed in the most recently filed ETF facts document, the following documents:
 - (A) if an amendment to the prospectus is filed, a copy of the prospectus blacklined to show changes, including the text of deletions, from the most recently filed prospectus, and

- (B) details of any changes to the personal information required to be delivered under subparagraph 9.1 (1) (b) (ii), in the form of the personal information form, since the delivery of that information in connection with the filing of the prospectus of the ETF or another ETF managed by the manager.

6 ***Section 10.1 (2) (a) is amended by deleting “or the amendment to the final prospectus is filed or,” and replacing it with “is filed, the amendment to the final prospectus is filed, or for the purposes of any ETF facts document referred to in section 3D.1 that has been filed, no later than the time the ETF facts document is filed or,”.***

7 ***Section 17.2 is amended by adding the following subsection:***

- (1.1) This section does not apply to an ETF.

8 ***The following sections are added:***

Lapse date of an ETF

17.3 (1) This section applies only to an ETF.

- (2) In this section, “**lapse date**” means, with reference to the distribution of a security that has been qualified under a prospectus, the date that is 24 months after the date of the previous prospectus relating to the security.
- (3) An ETF must not continue the distribution of a security to which the prospectus requirement applies after the lapse date unless the ETF files a new prospectus that complies with securities legislation and a receipt for that new prospectus is issued by the regulator or, in Québec, the securities regulatory authority.
- (4) Despite subsection (3), a distribution may be continued for a further 24 months after a lapse date if
 - (a) the ETF files an ETF facts document for each class or series of securities of the ETF no earlier than 13 months and no later than 11 months before the lapse date of the previous prospectus,
 - (b) the ETF delivers a pro forma prospectus not less than 30 days before the lapse date of the previous prospectus,
 - (c) the ETF files a new prospectus not later than 10 days after the lapse date of the previous prospectus, and
 - (d) a receipt for the new prospectus is issued by the regulator or, in Québec, the securities regulatory authority within 20 days after the lapse date of the previous prospectus.

- (5) For greater certainty, the continued distribution of securities after the lapse date does not contravene subsection (3) unless and until any of the conditions of subsection (4) are not complied with.
- (6) Subject to any applicable extension granted under subsection (7), if a condition in subsection (4) is not complied with, a purchaser may cancel a purchase made in a distribution after the lapse date, in reliance on subsection (4), within 90 days after the purchaser first became aware of the failure to comply with the condition.
- (7) The regulator or, in Québec, the securities regulatory authority may, on an application of an ETF, extend, subject to such terms and conditions as it may impose, the times provided by subsection (4) where in its opinion it would not be prejudicial to the public interest to do so.

Lapse date of an ETF – Ontario

17.4 In Ontario, the lapse date prescribed by securities legislation for a prospectus for an ETF is extended to the date that is 24 months after the date of the previous prospectus relating to the ETF in accordance with section 17.3.

9 Form 41-101F2 Information Required in an Investment Fund Prospectus is amended

(a) in Item 17.2 by adding the following subsection:

(0.1) This section does not apply to an investment fund in continuous distribution. , *and*

(b) in subsections (12) and (13) of Item 19.1 by replacing “during the most recently completed financial year” with “during each of the two most recently completed financial years”.

10 Form 41-101F4 Information Required in an ETF Facts Document is amended in subsection (1) of the Instructions to Item 1 of Part 1 by adding the following at the end of the paragraph:

The date for an ETF facts document filed in accordance with paragraph 3D.1 (b) (i) of National Instrument 41-101 General Prospectus Requirements must be the date within 3 business days of filing. The date for an ETF facts document filed in accordance with paragraph 3D.1 (b) (ii) of National Instrument 41-101 General Prospectus Requirements must be the date on which it is filed.

Transition

- 11 (1) Except in Ontario, if an ETF has filed a prospectus and a receipt for that prospectus was issued before March 3, 2025,
- (a) sections 17.2 (1.1) and 17.3 of National Instrument 41-101 *General Prospectus Requirements*, as enacted by this Instrument, do not apply, and
 - (b) for greater certainty, section 17.2 of National Instrument 41-101 *General Prospectus Requirements*, as it was in force on March 2, 2025, applies.
- (2) In Ontario, if an ETF has filed a prospectus and a receipt for that prospectus was issued before March 3, 2025,
- (a) sections 17.3 and 17.4 of National Instrument 41-101 *General Prospectus Requirements*, as enacted by this Instrument, do not apply, and
 - (b) for greater certainty, the lapse date prescribed by securities legislation in Ontario for a prospectus for an ETF, as that legislation was in force on March 2, 2025, applies.

SCHEDULE B

1 *National Instrument 81-101 Mutual Fund Prospectus Disclosure, B.C. Reg.1/2000, is amended as set out in this Schedule.*

2 *Section 2.1 (1) is amended*

(a) in subparagraph (d)(iii) by deleting “and”,

(b) in paragraph (e) by adding “and”, and

(c) by adding the following paragraph:

- (f) that files a fund facts document without a simplified prospectus must file the fund facts document, for each class or series of securities of the mutual fund, prepared in accordance with Form 81-101F3.***

3 *Section 2.1 (2) is repealed.*

4 *Section 2.3 is amended by adding the following subsection:*

(5.2) A mutual fund that files a fund facts document without a preliminary, pro forma or simplified prospectus must

(a) file, with that fund facts document, the following documents if there has been a material change to the mutual fund and if that material change relates to information disclosed in the most recently filed fund facts document:

(i) an amendment to the corresponding simplified prospectus, certified in accordance with Part 5.1;

(ii) a copy of any material contract, and any amendment to a material contract, that have not previously been filed, and

(b) at the time that fund facts document is filed, deliver or send to the securities regulatory authority

(i) a copy of the fund facts document for each class or series of securities of the mutual fund, blacklined to show changes, including the text of deletions, from the most recently filed fund facts document, and

(ii) if there has been a material change to the mutual fund and if that material change relates to information disclosed in the most recently filed fund facts document, the following documents:

- (A) if an amendment to the simplified prospectus is filed, a copy of the simplified prospectus blacklined to show changes, including the text of deletions, from the most recently filed simplified prospectus, and
- (B) details of any changes to the personal information required to be delivered under subparagraph (1) (b) (ii), (2) (b) (iv) or (3) (b) (iii), in the form of the Personal Information Form and Authorization, since the delivery of that information in connection with the filing of the simplified prospectus of the mutual fund or another mutual fund managed by the manager.

5 *Section 2.5 is repealed and the following substituted:*

Lapse Date

- 2.5** (1) In this section, “**lapse date**” means, with reference to the distribution of a security that has been qualified under a simplified prospectus, the date that is 24 months after the date of the previous simplified prospectus relating to the security.
- (2) A mutual fund must not continue the distribution of a security to which the prospectus requirement applies after the lapse date unless the mutual fund files a new simplified prospectus that complies with securities legislation and a receipt for that new simplified prospectus is issued by the regulator or, in Québec, the securities regulatory authority.
- (3) Despite subsection (2), a distribution may be continued for a further 24 months after a lapse date if
- (a) the mutual fund files a fund facts document for each class or series of securities of the mutual fund no earlier than 13 months and no later than 11 months before the lapse date of the previous simplified prospectus,
 - (b) the mutual fund delivers a *pro forma* simplified prospectus not less than 30 days before the lapse date of the previous simplified prospectus,
 - (c) the mutual fund files a new simplified prospectus not later than 10 days after the lapse date of the previous simplified prospectus, and
 - (d) a receipt for the new simplified prospectus is issued by the regulator or, in Québec, the securities regulatory authority within 20 days after the lapse date of the previous simplified prospectus.

- (4) For greater certainty, the continued distribution of securities after the lapse date does not contravene subsection (2) unless any of the conditions of subsection (3) are not complied with.
- (5) Subject to any applicable extension granted under subsection (6), if a condition in subsection (3) is not complied with, a purchaser may cancel a purchase made in a distribution after the lapse date, in reliance on subsection (3), within 90 days after the purchaser first became aware of the failure to comply with the condition.
- (6) The regulator or, in Québec, the securities regulatory authority may, on an application of a mutual fund, extend, subject to such terms and conditions as it may impose, the times provided by subsection (3) where in its opinion it would not be prejudicial to the public interest to do so.

6 *The following section is added:*

Lapse Date – Ontario

2.5.1 In Ontario, the lapse date prescribed by securities legislation for a simplified prospectus for a mutual fund is extended to the date that is 24 months after the date of the previous simplified prospectus relating to the mutual fund in accordance with section 2.5.

7 *Form 81-101F1 Contents of Simplified Prospectus is amended in subsections (2) and (3) of Item 4.16 of Part A by replacing “during the most recently completed financial year” with “during each of the two most recently completed financial years”.*

8 *Part B of Form 81-101F1 Contents of Simplified Prospectus is amended*

- (a) *in subsection (7) of Item 5 by replacing “12-month” with “24-month” wherever it occurs,***
- (b) *in subsection (7) of Item 6 by replacing “in the last year” with “in each of the last two years”, and***
- (c) *in subsection (8) of Item 9 by replacing “12-month” with “24-month” wherever it occurs.***

9 *Form 81-101F3 Contents of Fund Facts Document is amended in the Instruction to Item 1 of Part 1 by adding the following at the end of the paragraph:*

The date for a fund facts document filed in accordance with subparagraph 2.3 (5.2) (b) (i) of National Instrument 81-101 Mutual Fund Prospectus Disclosure must be the date within 3 business days of filing. The date for a fund facts document filed in accordance with subparagraph 2.3 (5.2) (b) (ii) of National Instrument 81-101 Mutual Fund Prospectus Disclosure must be the date of the certificate contained in the related amended simplified prospectus.

Transition

- 10 (1)** Except in Ontario, if a mutual fund has filed a simplified prospectus and a receipt for that simplified prospectus was issued before March 3, 2025,
- (a) section 2.5 of National Instrument 81-101 *Mutual Fund Prospectus Disclosure*, as enacted by section 5 of this Instrument, does not apply, and
- (b) for greater certainty, section 2.5 of National Instrument 81-101 *Mutual Fund Prospectus Disclosure*, as it was in force on March 2, 2025, applies.
- (2) In Ontario, if a mutual fund has filed a simplified prospectus and a receipt for that simplified prospectus was issued before March 3, 2025,
- (a) sections 2.5 and 2.5.1 of National Instrument 81-101 *Mutual Fund Prospectus Disclosure*, as enacted by this Instrument, do not apply, and
- (b) for greater certainty, the lapse date prescribed by securities legislation in Ontario for a simplified prospectus for a mutual fund, as that legislation was in force on March 2, 2025, applies.

SCHEDULE C

- 1 *National Instrument 81-106 Investment Fund Continuous Disclosure, B.C. Reg. 218/2005, is amended as set out in this Schedule.***

- 2 *Section 9.2 is amended by renumbering it as section 9.2 (1) and by adding the following subsection:***
 - (2) Subsection (1) does not apply to an investment fund in continuous distribution that, during the 12 months preceding its financial year end, filed
 - (a) an ETF facts document under section 3D.1 of National Instrument 41-101 *General Prospectus Requirements*, or
 - (b) a fund facts document under subsection 2.3 (5.2) of National Instrument 81-101 *Mutual Fund Prospectus Disclosure*.