

ANNEX E
AMENDMENTS TO
NATIONAL INSTRUMENT 81-101 MUTUAL FUND PROSPECTUS DISCLOSURE

9. National Instrument 81-101 Mutual Fund Prospectus Disclosure is amended by this Instrument.

10. Section 3.2.01 is amended

- (a) by deleting “or” in subparagraph (4)(a)(ii),**
- (b) by replacing “.” with “, or” in paragraph (4)(b), and**
- (c) by adding the following after paragraph (4)(b):**
 - (c) section 3.2.04.1 applies..

11. The following section is added:

3.2.04.1 Delivery of Fund Facts Documents for No-Trailing-Commission Switches

(1) In this section,

“**no-trailing-commission switch**” means, in respect of a client of a participating dealer, a purchase of securities of a class or series of a mutual fund in respect of which an investment fund manager does not pay the participating dealer a trailing commission immediately following a redemption of securities of another class or series of the mutual fund in respect of which the investment fund manager pays the participating dealer a trailing commission, if all of the following apply:

- (a) the aggregate value of the securities purchased is the same as the aggregate value of the securities redeemed;
- (b) there are no material differences between the class or series of securities purchased and the class or series of securities redeemed other than the rate of management fees charged in respect of the two classes or series;
- (c) the participating dealer, who executed the purchase and redemption of the securities, was not required by securities legislation or the rules of an SRO applicable to the dealer to make a suitability determination in respect of the client in connection with those securities;

“**suitability determination**” has the same meaning as in section 1.1 of National Instrument 81-105 *Mutual Fund Sales Practices*.

(2) Despite subsection 3.2.01(1), a dealer is not required to deliver to the purchaser of a security of a mutual fund the most recently filed fund facts document for the applicable class or series of securities of the mutual fund in connection with a no-trailing-commission switch..

Effective date

- 4. (1) This Instrument comes into force on December 31, 2020.
- (2) In Saskatchewan, despite subsection (1), if these regulations are filed with the Registrar of Regulations after December 31, 2020, these regulations come into force on the day on which they are filed with the Registrar of Regulations.