

Annex B-12

**Proposed Amendments to
National Instrument 81-106 *Investment Fund Continuous Disclosure***

- 1. *National Instrument 81-106 Investment Fund Continuous Disclosure is amended by this Instrument.***
- 2. *Section 1.1 is amended***
 - (a) *by adding the following definition:***

“annual fund report” means a document prepared in accordance with Part A of Form 81-106A
Contents of Annual and Interim Fund Report;
 - (b) *by repealing the definition of “annual management report of fund performance”*;**
 - (c) *by adding the following definition:***

“fund report” means an annual fund report or an interim fund report, as applicable;
 - (d) *by adding the following definition:***

“interim fund report” means a document prepared in accordance with Part B of Form 81-106A
Contents of Annual and Interim Fund Report;
 - (e) *by repealing the definition of “interim management report of fund performance”*, and**
 - (f) *by repealing the definition of “management report of fund performance”*.**
- 3. *Section 3.2 is amended***
 - (a) *in Item 18 by deleting “, and, if applicable, for each class or series”, and***
 - (b) *by repealing Item 19.***
- 4. *Section 3.3 is amended by deleting “for each class or series,”.***
- 5. *Subsection 3.6(1) is amended in Item 2 by repealing paragraph (c).***
- 6. *Subsection 3.6(2) is amended by replacing “management report of fund performance pertain” with “fund report pertain”.***
- 7. *Part 4 is amended in the title by replacing “Management Reports of Fund Performance” with “Fund Reports”.***
- 8. *Section 4.2 is amended in the heading by replacing “Management Reports of Fund Performance” with “Fund Reports”.***
- 9. *Section 4.2 is amended by replacing “management report of fund performance” wherever it occurs with “fund report”.***
- 10. *Section 4.3 is amended in the heading by replacing “Management Report of Fund Performance” with “Fund Report”.***
- 11. *Section 4.3 is amended by replacing “management report of fund performance” with “fund report”.***

- 12. Section 4.4 is amended in the heading by replacing “Management Reports of Fund Performance” with “Fund Reports”.**
- 13. Section 4.4 is amended by replacing “management report of fund performance” wherever it occurs with “fund report”.**
- 14. Section 4.5 is amended in the heading by replacing “Management Reports of Fund Performance” with “Fund Reports”.**
- 15. Section 4.5 is amended**
- (a) in subsection (1) by replacing “management report of fund performance” with “fund report”, and**
 - (b) in subsection (2) by replacing “management report of fund performance” with “fund report”.**
- 16. Part 5 is amended in the title by replacing “Management Reports of Fund Performance” with “Fund Reports”.**
- 17. Subsection 5.1(2) is amended by replacing “management report of fund performance” wherever it occurs with “fund report”.**
- 18. Subsection 5.4(4) is amended by replacing “management report of fund performance” wherever it occurs with “fund report”.**
- 19. Subsection 6.2(1) is replaced with the following:**
- (1) An investment fund must prepare quarterly portfolio disclosure in accordance with Form 81-106B *Contents of Quarterly Portfolio Disclosure*, for each of the following:
 - (a) in the case of a financial year that is not a transition year, each period of at least three months that ends three, six, nine or twelve months before the end of a financial year of the investment fund;
 - (b) in the case of a financial year that is a transition year, each period commencing on the first day of the transition year and ending on the last day of the following periods after the end of its old financial year, as applicable:
 - (i) three months;
 - (ii) six months;
 - (iii) nine months;
 - (iv) twelve months;
 - (v) if a transition year does not end on the last day of a period referred to in subparagraphs (i) to (iv), the transition year..
- 20. Section 7.1 is amended in the heading by replacing “Management Reports of Fund Performance” with “Fund Reports”.**
- 21. Subsection 7.1(3) is amended by replacing “management report of fund performance” wherever it occurs with “fund report”.**
- 22. Section 7.2 is amended by replacing “management reports of fund performance” wherever it occurs with “fund reports”.**
- 23. Subsection 9.4(2.2) is amended in paragraph (f) by replacing**

- (a) "Fund[s]" *wherever it occurs with* "fund[s]",
- (b) "Fund['s/s]" *with* "fund['s/s]", *and*
- (c) "management reports of fund performance" *with* "fund reports".

24. Form 81-106F1 Contents of Annual and Interim Management Report of Fund Performance is replaced with:

**FORM 81-106A
CONTENTS OF ANNUAL AND INTERIM FUND REPORT**

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GENERAL INSTRUCTIONS

Form

- (1) *An annual or interim fund report for an investment fund must include the disclosure required in this Form. Instructions for providing this disclosure are in italic type.*
- (2) *Terms used and not defined in this Form that are defined in National Instrument 81-101 Mutual Fund Prospectus Disclosure, National Instrument 81-102 Investment Funds, National Instrument 81-105 Mutual Fund Sales Practices and National Instrument 81-106 Investment Fund Continuous Disclosure have the same meanings as in those Instruments.*

Responses

- (3) *An annual and interim fund report must state the required information concisely and in plain language.*
- (4) *Responses must be as simple and direct as is reasonably possible and include only as much information as is necessary for readers to understand the matters for which disclosure is being provided.*
- (5) *An annual or interim fund report must contain only the disclosure that is required or permitted under this Form.*
- (6) *All applicable items in this Form must be responded to.*
- (7) *Omit from Items answers that are not applicable or respond to them with the words “not applicable”, unless otherwise required under this Form.*
- (8) *An annual or interim fund report must only include material information which, for greater certainty, includes information that would likely influence or change a reasonable investor's decision to buy, sell or hold securities of an investment fund if the information was omitted or misstated.*

Presentation

- (9) *An annual or interim fund report must be prepared in a font that is legible and on letter-size paper. If a prepared annual or interim fund report is made available online, the information in the report must be presented in a way that enables that information to be printed in a readable format.*
- (10) *Each Item in an annual or interim fund report must be presented in the order and under the heading or sub-heading stipulated in this Form, with adjustments made in the case of scholarship plans with respect to headings specific to those types of investment funds. Except as set out under Part B of this Form, the headings for an interim fund report must be the same as the headings for an annual fund report.*
- (11) *If an annual or interim fund report contains design elements including, for greater certainty, graphics, photos or artwork, the elements must not detract from the information disclosed in the document.*

Forward-looking Information

- (12) *Any forward-looking information must contain all of the following:*
 - (a) *a statement that the information is forward-looking;*
 - (b) *a description of the factors that may cause actual results to differ materially from the forward-looking information;*
 - (c) *material assumptions;*
 - (d) *appropriate risk disclosure; and*
 - (e) *appropriate cautionary language.*

(13) Any forward-looking information that is disclosed for a prior period that, in light of intervening events and absent further explanations, may be misleading, must be discussed in the same section as the information that was disclosed for that prior period.

PART A – CONTENT REQUIREMENTS FOR AN ANNUAL FUND REPORT

Item 1 – Heading

Include all of the following in a heading at the top of the first page:

- (a) the title “Annual Fund Report (for the 12-month period ended [insert date of end of financial year])”;
- (b) the name of the manager of the investment fund;
- (c) the name of the investment fund to which the fund report pertains;
- (d) the designated website address of the investment fund;
- (e) the text “Preparation Date: [insert date of preparation of the fund report]”.

Item 2 – Purpose and Content

Include the heading “Purpose and Content” and under that heading, include a statement substantially similar to the following:

“This Annual Fund Report contains important information about your fund. Use this report and speak with your representative to assess whether your fund continues to be right for you. This document is intended for investors of all backgrounds and levels of investment experience. It includes the following information about your fund:

1. Investment Objectives and Strategies
2. Portfolio Holdings
3. Costs
4. Performance
5. Statistics
6. Risk Profile
7. Liquidity Profile
8. Borrowing and Leverage
9. Other Material Information
10. Additional Resources.”

INSTRUCTIONS

- (1) *State the second sentence in the statement above in bold type.*
- (2) *Modify the numbering of the list of information referred to in this Item to reflect information that is included or omitted from the fund report.*

Item 3 – Forward Looking Information

Include the heading “Important” and beside or under that heading, include a statement substantially similar to the following:

“This Annual Fund Report may contain forward-looking statements that reflect current forecasts of future events. Due to many factors, such as [insert examples applicable in the case of the investment fund], actual events may differ materially from those expressed in, or implied by, these forward-looking statements. Do not overly rely on forward-looking statements to make investment decisions.”

INSTRUCTIONS

Include additional general risk disclosure and cautionary language under Item 13 if the disclosure and language are not included under this Item and provide in this Item a cross-reference to that disclosure and language.

Item 4 – Investment Objectives and Investment Strategies

Include the heading “Investment Objectives and Investment Strategies” and beside or under that heading, provide the disclosure in the form of the following table:

Summary of fund’s investment objectives and investment strategies	Fund’s satisfaction of its investment objectives and use of investment strategies during the last 12 months	Factors that may impact the fund’s satisfaction of its investment objectives and use of investment strategies going forward
(see Instruction (1))	(see Instruction (2))	(see Instruction (3))

INSTRUCTIONS

- (1) Include a brief description of the fundamental nature or fundamental features of the investment fund that distinguish the investment fund from other investment funds.
- (2) Include a brief summary of the investment fund manager’s assessment of the investment fund’s success in respect of achieving its investment objectives and using its investment strategies to achieve those investment objectives during the 12-month period covered by the annual fund report. For greater certainty, include a discussion of any of the following that apply:
 - (a) key quantitative or qualitative metrics identified in the investment objectives or investment strategies of the investment fund;
 - (b) key quantitative metrics used by the investment fund manager to assess whether the investment fund has satisfied the stated ESG-related aspects of the investment objectives of the investment fund;
 - (c) key quantitative metrics used by the investment fund manager to assess whether the investment fund has satisfied the stated ESG-related criteria for the investment strategies of the investment fund;
 - (d) how the investment fund’s use of proxy voting, shareholder engagement and issuer engagement, as applicable, as principal investment strategies satisfied the stated ESG-related aspects of the investment fund’s investment objectives or the stated ESG-related criteria for the investment strategies;
 - (e) how significant changes made to the composition of the investment portfolio of the investment fund align with the stated ESG-related aspects of the investment fund’s investment objectives or the stated ESG-related criteria for the investment strategies.
- (3) Include a brief description of any of the following factors that the investment fund manager considers reasonably likely to materially impact the ability of the investment fund to satisfy its investment objectives and investment strategies going forward:
 - (a) events;
 - (b) decisions;
 - (c) circumstances;

(d) opportunities;

(e) risks.

Item 5 – Portfolio Holdings

Include the heading “Portfolio Holdings” and under that heading,

(a) include disclosure in the form of the following table:

Increased exposure	Decreased exposure
(see Instruction (1))	(see Instruction (2))

(b) include the sub-heading “More Information:”, and

(c) include under the sub-heading referred to in paragraph (b) a statement substantially similar to the following:

“See the designated website for the fund’s Quarterly Portfolio Disclosure.

More detailed portfolio holdings information is available in the financial statements for the fund, in particular the Statement of Investment Portfolio.”

INSTRUCTIONS

(1) Include a brief description of issuers, geographic locations or industry segments that the investment fund materially increased its investment portfolio exposure to during the period covered by the annual fund report using examples if necessary. If the investment fund did not materially increase its investment portfolio exposure to any issuers, geographic locations or industry segments during the period, include a statement substantially similar to the following:

“The investment fund did not materially increase its exposure to any issuers, geographic locations or industry segments.”

(2) Include a brief description of issuers, geographic locations or industry segments that the investment fund materially decreased its investment portfolio exposure to during the period covered by the annual fund report using examples if necessary. If the investment fund did not materially decrease its investment portfolio exposure to any issuers, geographic locations or industry segments during the period, include a statement substantially similar to the following:

“The investment fund did not materially decrease its exposure to any issuers, geographic locations or industry segments.”

Item 6 – Costs

Include the heading “Costs (information is provided as of [insert date of the end of the financial year for which the report was prepared])” and under that heading,

(a) if the summary is significantly shorter than the disclosure referred to in paragraph (c), include in a text box all of the following:

(i) the sub-heading “Summary:”;

(ii) under the sub-heading referred to in subparagraph (i), a brief summary of the information required to be presented in paragraph (c) and if the FER of any class or series of the investment fund increased from the previous financial year, the amount of the increase,

(b) include in a text box all of the following:

- (i) the sub-heading “Did you know...”;
- (ii) under the sub-heading in subparagraph (i), a statement substantially similar to the following:

“A fund’s management expense ratio (“MER”) is the total of the fund’s management fee (which includes the trailing commission) and operating expenses.

A fund’s trading expense ratio (“TER”) represents the fund’s trading costs.

Fund expenses reduce the return on your investment.

A fund expense ratio (“FER”) is the total of the fund’s MER and TER.

Each investment fund can have different classes or series of securities and each class or series can have different costs and therefore different returns — make sure you know which class or series you hold.”, and

;

- (c) include disclosure in the form of the following table:

For the year ended [insert date of end of financial year]	Management expense ratio (%)	Trading expense ratio (%)	Fund expense ratio (%)	Fund expenses (\$) per \$1000 invested
[Class or series]	(see Instructions (9) to (11))	(see Instruction (12))	(see Instruction (13))	(see Instruction (14))

INSTRUCTIONS

- (1) Modify the table as necessary if the investment fund is a corporate investment fund.
- (2) Show costs individually for each class or series of securities if the fund has more than one class or more than one series of securities.
- (3) Round percentage amounts to 2 decimal places.
- (4) Round dollar amounts to the nearest dollar.
- (5) Calculate per unit or share values on the basis of the weighted average number of units or shares outstanding during the financial year.
- (6) Provide the information required under this Item for the most recently completed financial year of the investment fund for which audited financial statements have been filed.
- (7) Derive the costs from the investment fund’s financial statements prepared in accordance with subsection 2.6(2) of National Instrument 81-106 Investment Fund Continuous Disclosure.
- (8) If the investment fund has merged with another investment fund during the financial year for which the report was prepared, include in the table only the financial information of the continuing investment fund.
- (9) Calculate the management expense ratio of the investment fund as required under Part 15 of National Instrument 81-106 Investment Fund Continuous Disclosure.
- (10) If the investment fund manager or portfolio adviser waived or absorbed any fees and expenses otherwise payable by the investment fund, calculate the management expense ratio of the investment fund without any waivers or absorptions, as required under Part 15 of National Instrument 81-106 Investment Fund Continuous

Disclosure. Provide the management expense ratio without waivers or absorptions under Item 13 of this Part. Insert a footnote in the table referred to in this Item cross-referencing the disclosure of the management expense ratio without any waiver or absorption in the Other Material Information section. The disclosure under Item 13 of this Part must include a statement that the investment fund manager or portfolio adviser waived or absorbed some of the fund's expenses and that the management expense ratio would have been higher had the manager not done so.

- (11) If all of the following apply, disclose any impact on the investment fund's management expense ratio in a note to the table referred to in this Item:
- (a) the investment fund
 - (i) changed, or proposed to change, the basis of the calculation of the management fees or other fees, charges or expenses that are charged to the investment fund, or;
 - (ii) introduced or proposed to introduce a new fee;
 - (b) the change or proposed change referred to in paragraph (a) would have had an effect on the management expense ratio for the last completed financial year of the investment fund if the change had been in effect throughout that financial year.
- (12) Calculate the trading expense ratio by dividing the total commissions and other portfolio transaction costs disclosed in the statement of operations by the same denominator used to calculate the management expense ratio. If an investment fund invests in securities of other investment funds, calculate the trading expense ratio using the methodology for the calculation of the management expense ratio under section 15.2 of National Instrument 81-106 Investment Fund Continuous Disclosure, making reasonable assumptions or estimates when necessary.
- (13) The amount disclosed for the fund expense ratio must be the total of the management expense ratio and the trading expense ratio. State in bold type that the fund expense ratio represents the total of all ongoing expenses set out in the table referred to in this Item and does not represent a separate expense charged to the investment fund.
- (14) Provide the dollar amount of the ongoing expenses of the fund for each \$1000 investment by multiplying the fund expense ratio for each class or series of security of the investment fund by \$1000.

Item 7 – Performance

Include the heading "Performance" and under that heading,

- (a) if the summary is significantly shorter than the disclosure referred to in paragraphs (d), (e) and (f), include in a text box all of the following:
 - (i) the sub-heading "Summary:";
 - (ii) under the sub-heading referred to in subparagraph (i), a brief summary of the information required to be presented in paragraphs (d), (e) and (f),
- (b) include in a text box all of the following:
 - (i) the sub-heading "Did you know...";
 - (ii) under the sub-heading referred to in subparagraph (i), a statement substantially similar to the following:

"A benchmark is typically a market or sector index against which the performance of an investment fund can be measured. By comparing a fund to an appropriate benchmark,

you can see how the investments held by the fund performed compared to the market or sector in general.”,

(c) include in a text box all of the following:

- (i) the sub-heading “Important:”;
- (ii) under the sub-heading referred to in subparagraph (i), if applicable in each case, statements substantially similar to the following:

“Performance of the [class/series] of securities that you hold may not be presented in this Fund Report. Information is only presented in respect of [insert disclosure required under instruction (3)].

Returns provided are after expenses have been deducted. These expenses reduce the fund’s returns and they negatively compound over time since the money used to pay expenses is not able to grow.

Past performance of the fund does not necessarily indicate how the fund will perform in the future. For example, strong past performance may not be repeated.

The benchmark[s] of the fund [is/are] the [insert disclosure required under instruction (5)]. The [insert the name of each benchmark of the investment fund and a brief description of each benchmark of the investment fund].”,

(d) include disclosure in the form of the following table:

Performance against benchmark[s]	Contributors to performance	Detractors from performance
<i>(see Instruction (6))</i>	<i>(see Instruction (7))</i>	<i>(see Instruction (8))</i>

(e) under the sub-heading “Year-by-Year Returns”

(i) include in a text box all of the following:

- (A) the sub-heading “How to Read This Information:”;
- (B) under the sub-heading referred to in clause (A), a statement substantially similar to the following:

“The following bar chart shows the fund’s annual performance for each of the financial years shown.”,

(ii) if an investment fund has completed at least one financial year, include a bar chart that shows the annual total return of the following classes or series of securities of the investment fund:

- (A) the class or series of securities of the investment fund that has the highest management fee;
- (B) if applicable, any class or series of securities of the investment fund that is not referred to in clause (A) and for which annual total return would vary based on an aspect other than management fees,

(iii) for the purposes of preparing the disclosure required under subparagraph (ii), include the annual total returns of the investment fund in chronological order by financial year with the most recent financial year on the right of the bar chart, for the lesser of the following:

- (A) each of the 10 most recently completed financial years;

- (B) each of the completed financial years for which the investment fund was in existence and was a reporting issuer,
- (iv) if an investment fund has not completed a financial year, state the following:

“This section tells you how [insert name of class/series of securities described in the Fund Report] [units/shares] of the fund have performed in past financial years. However, this information is not available because the fund has not yet completed a financial year.”,
- (f) if the investment fund is not a money market fund, under the sub-heading “Annual Compound Returns”,
 - (i) include in a text box all of the following:
 - (A) the sub-heading “How to Read This Information.”;
 - (B) under the sub-heading referred to in clause (A), a statement substantially similar to the following:

“This table shows the fund's annual compound total returns for the periods indicated compared with its benchmark[s].

All benchmark returns are calculated [insert brief description of how returns are calculated for the benchmark[s] of the investment fund].

Benchmarks are not investable, and benchmark returns do not reflect transaction costs associated with making actual investments.”,
 - (ii) disclose, in the form of a table, the investment fund's annual compound returns for the following classes or series of securities of the investment fund:
 - (A) the class or series that has the highest management fee;
 - (B) if applicable, any class or series that is not referred to in clause (A) and for which annual compound returns would vary based on an aspect of the investment fund other than management fees,
 - (iii) for the purposes of preparing the disclosure required under subparagraph (ii), include the investment fund's annual compound returns for the one, 3, 5 and 10 -year periods ended on the last day of the investment fund's financial year,
 - (iv) for the purposes of preparing the disclosure required under subparagraph (ii), if the investment fund was a reporting issuer for more than one and less than 10 years, include the investment fund's annual compound returns since the inception of the investment fund,
 - (v) for the purposes of preparing the disclosure required under subparagraph (ii), for the same periods for which the annual compound returns of the investment fund are provided, include the historical annual compound total returns and changes to any benchmark of the investment fund,
 - (vi) in a footnote to the table referred to in subparagraph (ii), provide all of the following:
 - (A) if applicable, a brief discussion of why the annual compound return for each class or series of securities of the investment fund differs;
 - (B) if applicable, a statement that a return for a class or series of the investment fund since the date that the class or series was first issued by the fund is only provided if that date

was during the last 10 years since the fund's inception, and that the return since that date may differ from the return of another class or series of securities issued by the investment fund if the other class or series was first issued by the fund on a different date.

- (g) include the sub-heading "More Information" and under that sub-heading, statements substantially similar to each of the following, if applicable:

"If performance information for your [class/series] of securities is not included here, refer to the performance information in the [ETF/Fund] Facts for that [class/series] and on the designated website of the investment fund.

If performance information for your [class/series] of securities is not included here, refer to the performance information in the [ETF/Fund] Facts for that [class/series].

If performance information for your [class/series] of securities is not included here, refer to the performance information on the designated website of the investment fund.

Find more information about the expenses associated with your fund in its [ETF/Fund] Facts."

INSTRUCTIONS

- (1) *In responding to this Item, a mutual fund must comply with the applicable sections of Part 15 of National Instrument 81-102 Investment Funds, other than section 15.14, as if those sections applied to a fund report.*
- (2) *Despite any requirement under this Item, do not provide performance data under this Item for a period if the investment fund was not a reporting issuer for all of the period.*
- (3) *Include a brief description of the class or series of securities of the investment fund, for which performance information is provided under Items 7(e) and 7(f).*
- (4) *For the purposes of this Item, an "appropriate broad-based securities market index" is a market index to which each of the following applies:*
 - (a) *the index is administered by a person or company that is not affiliated with the investment fund, the manager of the investment fund, the portfolio adviser to the investment fund or the principal distributor of the investment fund, unless the index is widely recognized and used;*
 - (b) *the index has been adjusted by the administrator of the index to reflect the reinvestment of dividends on securities in the index or interest on debt.*
- (5) *Include the following, each of which constitutes a benchmark for the purposes of this Item:*
 - (a) *the name of an appropriate broad-based securities market index;*
 - (b) *at the option of an investment fund that invests in more than one type of security, the name of a second applicable appropriate broad-based securities market index;*
 - (c) *at the option of an investment fund, the names of not more than 2 financial or narrowly-based securities indices or blends of indices that reflect the market sectors in which the investment fund invests or that provide useful comparatives to the performance of the investment fund.*
- (6) *Insert a brief description of the performance of each class or series of securities of the investment fund, for which performance information is provided under Items 7(e) and 7(f), measured against each benchmark of the investment fund, including, for greater certainty, the net percentage amount by which performance of the class or series outperformed or underperformed each benchmark of the investment fund.*

- (7) *Insert a brief description of the aspects of the investment fund that contributed to its performance in the performance summary table required under this Item.*
- (8) *Insert a brief description of the aspects of the investment fund that detracted from its performance in the performance summary table required under this Item.*
- (9) *Use a linear scale for each axis of the bar chart required under this Item.*
- (10) *The x-axis and y-axis for the bar chart required under this Item must intersect at zero.*
- (11) *If the investment fund includes, in the annual compound returns table required under this Item, an index that is different from the one included in the most recently filed fund report, explain the reason or reasons for the difference and include the disclosure required under this Item for each of the indices.*
- (12) *Calculate the annual compound return referred to in this Item in accordance with Part 15 of National Instrument 81-102 Investment Funds.*
- (13) *If the investment fund holds short positions in its investment portfolio, present the annual compound returns for the short positions in the portfolio separately from the annual compound returns for the long positions in the portfolio, in addition to the overall annual compound returns, in the annual compound returns table required under this Item.*
- (14) *If an investment fund is a scholarship plan, the investment fund must calculate its year-by-year returns and annual compound returns under this Item based on the investment fund's total portfolio adjusted for cash flows.*

Item 8 – Statistics

If the investment fund is not a scholarship plan, include the heading “Statistics (information is provided as of [insert date of the end of the financial year for which the report was prepared])” and under that heading,

- (a) if the summary is significantly shorter than the disclosure referred to in paragraph (c), include in a text box all of the following:
 - (i) the sub-heading “Summary:”;
 - (ii) under the sub-heading referred to in subparagraph (i), a brief summary of the information required to be presented under paragraph (c),
- (b) include in a text box all of the following:
 - (i) the sub-heading “Did you know...”;
 - (ii) under the sub-heading referred to in subparagraph (i), a statement substantially similar to the following:

“A fund's portfolio turnover rate represents how frequently the portfolio manager buys and sells securities.

A fund's distributions can consist of dividends, interest, capital gains, return of capital or other income the fund earns on its investments.

A fund's distribution rate represents its distributions as a percentage of its net asset value per unit.”,
- (c) include disclosure in the form of the following tables:

Portfolio turnover rate (%)	<i>(see Instructions (8) to (11))</i>
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for the year ended [insert the date of the end of the financial year]	
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For the year ended [insert the date of end of the financial year]	Total distributions (\$)	Portion of distributions that is return of capital (\$)	Distribution rate (%)
[Class or series of securities of the investment fund]			(see Instruction (12))

INSTRUCTIONS

- (1) If the investment fund is a corporate investment fund, modify the table as applicable.
- (2) If the investment fund has more than one class or series of securities, present the information individually for each class or series.
- (3) Round dollar amounts shown under this Item to the nearest cent.
- (4) Round percentage amounts shown under this Item to 2 decimal places.
- (5) Except for the dollar value of distributions, calculate per security values, as applicable, on the basis of the weighted average number of units or shares outstanding, as applicable, for the most recently completed financial year of the investment fund for which audited financial statements have been filed.
- (6) Provide the information required under this Item for the most recently completed financial year of the investment fund for which audited financial statements have been filed.
- (7) If the investment fund merged with another investment fund during the most recently completed financial year, include in the table only the information of the continuing investment fund.
- (8) Calculate the investment fund's portfolio turnover rate by dividing, by the monthly average of the value of the portfolio securities owned by the investment fund in a financial year, the lesser of the following:
 - (a) the cost of purchases of portfolio securities by the investment fund in the financial year;
 - (b) the proceeds of sales of portfolio securities in the financial year.
- (9) For the purposes of calculating an investment fund's portfolio turnover rate under subsection (8)
 - (a) include each of the following to calculate the cost of purchases of portfolio securities for the financial year:
 - (i) the cost of covering a short sale;
 - (ii) premiums paid to purchase options,
 - (b) include each of the following to calculate the proceeds of sales of portfolio securities for the financial year:
 - (i) proceeds from a short sale;
 - (ii) premiums received from a sale of options,
 - (c) calculate the monthly average value of the portfolio securities referred to in paragraph (a) by adding the values of portfolio securities, as at the beginning and end of the first month of a financial year and as at the end of each of the next 11 months of the year, and dividing the total of those values by 13, and

(d) exclude from the numerator and denominator the value of any portfolio security that has a remaining term to maturity that is one year or less from the date that the security was acquired by the investment fund.

(10) If in a financial year an investment fund purchased the assets of another investment fund by issuing its securities to the other fund in exchange for those assets, exclude, from the calculation of portfolio turnover rate, the value of securities purchased and sold after the asset purchase to realign the fund's portfolio. For greater certainty, adjust the denominator in the calculation of the portfolio turnover rate to exclude the value of those securities and disclose that value in a footnote to the first table referred to under paragraph (c).

(11) Do not include portfolio turnover rate disclosure for a money market fund.

(12) Calculate the investment fund's distribution rate by dividing the distributions made by the investment fund during a financial year by the value of the portfolio securities owned by the investment fund at the end of the financial year.

Item 9 – Scholarship Plan Financial and Operating Highlights

If the investment fund is a scholarship plan, including the heading “Financial and Operating Highlights” and under that heading,

(a) if the summary referred to in subparagraph (ii) is significantly shorter than the information disclosed under paragraph (b), include in a text box all of the following:

(i) the sub-heading “Summary:”;

(ii) under the sub-heading referred to in subparagraph (i), a brief summary of the information required to be presented under paragraph (b);

(b) provide selected financial and operating highlights for the fund in the form of the following table:

	<i>[insert the date of the end of the financial year]</i>	<i>[insert the date of the end of the financial year]</i>	<i>[insert the date of the end of the financial year]</i>	<i>[insert the date of the end of the financial year]</i>	<i>[insert the date of the end of the financial year]</i>
Statement of Financial Position					
Total Assets (\$)					
Net Assets (\$)					
Change in Net Assets (%)					
Statement of Comprehensive Income					
Scholarship Awards (\$)					
Canadian Education Savings Grant (\$)					
Net investment income (\$)					
Other					
Total number of [agreements/units] in plans					
Change in the total number of agreements (%)					

INSTRUCTIONS

- (1) *If a scholarship plan is organized as a corporation, modify the table as applicable.*
- (2) *If a scholarship plan is a multi-class or multi-series plan, present the financial highlights individually for each class or series.*
- (3) *Provide per security amounts to the nearest cent and provide percentage amounts to 2 decimal places.*
- (4) *Provide the selected financial information under this Item in chronological order for each of the 5 most recently completed financial years of the scholarship plan for which audited financial statements have been filed. If the period for which audited financial statements of the scholarship plan have been filed is less than 5 years, provide the information for each of the most recently completed financial years for which audited financial statements have been filed. In bold type, place information for the most recent financial year in the second column from the left of the table.*
- (5) *Derive the financial highlights from the scholarship plan's financial statements prepared in accordance with subsection 2.6(2) of National Instrument 81-106 Investment Fund Continuous Disclosure.*
- (6) *If the scholarship plan merged with another scholarship plan during the most recently completed financial year, include in the table only the financial information of the continuing scholarship plan.*

Item 10 – Risk Profile

Include the heading “Risk Profile” and under that heading,

- (a) if the summary referred to in subparagraph (ii) is significantly shorter than the information disclosed in paragraphs (b) and (d), include in a text box all of the following:
 - (i) the sub-heading “Summary:”;
 - (ii) under the sub-heading referred to in subparagraph (i), a brief summary of the information required to be presented under paragraphs (b) and (d),
- (b) discuss how changes to the investment fund for the financial year affected the level of risk associated with an investment in the investment fund,
- (c) if the investment fund is a mutual fund, include in a text box all of the following:
 - (i) the sub-heading “Did you know...”;
 - (ii) under the sub-heading in subparagraph (i), a statement substantially similar to the following:

“A mutual fund’s risk rating is based on how much the fund’s returns have changed from year to year. If the fund’s returns vary a lot, the fund may be considered higher risk because its performance can change quickly up or down. The rating can change over time. Monitoring the rating can help you make decisions about whether this fund continues to be appropriate for you.”,
- (d) include disclosure in the form of the following table:

Risk rating change (since the last Fund Report dated [insert the date of the last Fund Report])	Added or removed risks (since the last Fund Report dated [insert the date of the last Fund Report])
(see <i>Instruction (2)</i>)	(see <i>Instruction (3)</i>)

- (e) Include the sub-heading “More Information” and under that heading, if applicable in each case, include a statement substantially similar to the following:

“Find your fund’s current risk rating in its most recent [ETF/Fund] Facts document.

Find a discussion of the risks applicable to your fund in the most recent simplified prospectus.”.

INSTRUCTIONS

- (1) *Ensure that the disclosure under paragraph (b) is not only a repetition of the risk-related information contained in the prospectus of the investment fund. For greater certainty, the discussion under paragraph (b) must include any changes in the risk level of the investment fund for the financial year. If applicable, discuss how the changes in the risk level associated with an investment in the investment fund affect the suitability or investor risk tolerance stated in the prospectus or offering document.*
- (2) *If the investment fund is a mutual fund, identify any changes to the risk rating of the investment fund since the most recently filed fund report. If there has been no change, include a statement to that effect. If the investment fund to which the fund report pertains is not a mutual fund for which a risk rating is available, state that this Item is not applicable.*
- (3) *Identify any risks that have been added or removed from the prospectus of the investment fund since the most recently filed fund report. If no risks have been added or removed, include a statement to that effect.*

Item 11 – Liquidity Profile

- (1) Include the heading “Liquidity Profile (information is provided as of [insert the date of the end of the financial year])” and under that heading,
 - (a) if the summary referred to in subparagraph (ii) is significantly shorter than the information disclosed under paragraphs (b), (c) and (d), include in a text box all of the following:
 - (i) the sub-heading “Summary:”;
 - (ii) under the sub-heading referred to in subparagraph (i), a brief summary of the information required to be presented under paragraphs (b), (c) and (d),
 - (b) if the investment fund faced any material liquidity issues during the 12-month period covered by the annual report, discuss the investment fund’s liquidity profile including, for greater certainty, the fund’s ability to satisfy redemptions on a timely basis,
 - (c) if there are no material liquidity issues to report under paragraph (b) include a statement to that effect,
 - (d) include in a text box all of the following:
 - (i) the sub-heading “How to Read This Information:”;
 - (ii) under the sub-heading in subparagraph (i), a statement substantially similar to the following:

“The following pie chart illustrates the number of days needed to convert the fund’s portfolio holdings into cash under normal market conditions. The more of a fund’s portfolio holdings that can be converted into cash within a short timeframe, the more liquid it is and the easier it will be to sell your holdings at a fair price. This can be particularly important during periods of greater than usual market volatility. Decide whether you are comfortable with the liquidity of your fund’s portfolio holdings.”,
 - (e) include the sub-heading “Liquidity of the Investment Portfolio of Your Investment Fund as at [insert the date of the end of the financial year]” and under that sub-heading, include in the form of a pie chart and for each of the following periods, disclosure that presents the percentage of the investment fund’s investment portfolio, which for greater certainty includes long positions and short positions, that can be sold for cash in:
 - (i) one day;

- (ii) 2 to 7 days;
- (iii) 8 to 30 days;
- (iv) 31 to 90 days;
- (v) subject to subsection (2), 91 to 180 days;
- (vi) subject to subsection (2), 181 to 365 days;
- (vii) subject to subsection (2), more than one year.

(2) Subparagraphs (1)(e)(v) to (vii) do not apply if

- (a) the investment fund substitutes the periods referred to in those subparagraphs for a period of more than 90 days, and
- (b) the investment fund reasonably believes that the disclosure for the period referred to in paragraph (a) provides better disclosure for an investor than the disclosure that would be required under subparagraphs (e)(v) to (vii).

INSTRUCTIONS

(1) *Provide in the disclosure required under paragraph (1)(b) of this Item a discussion of all of the following:*

- (a) significant liquidity challenges faced by the investment fund;*
- (b) changes in market conditions faced by the investment fund;*
- (c) significant redemptions by investors.*

(2) *Provide the disclosure required under paragraph (1)(e) of this Item in accordance with all of the following:*

- (a) prepare the disclosure as at the end of the financial year for which the fund report was prepared;*
- (b) express the disclosure as a percentage of the net assets of the investment fund;*
- (c) the sum of the percentages for all of the periods must equal 100%,*
- (d) determine the time required for the sale for cash of a given portfolio asset in accordance with all of the following:*
 - (i) the sale of the asset is for cash, under normal market conditions and excluding any forced sale;*
 - (ii) the date on which the asset is sold for cash for the purposes of this paragraph is the settlement date;*
 - (iii) the settlement date referred to in subparagraph (ii) is determined after analyzing the effect of the size of a position relative to its average daily traded value;*
 - (iv) the time is adjusted for any difference between the time zone in which the sale is settled and the time zone of the jurisdiction in which the investment fund is domiciled;*
 - (v) the time is adjusted for any additional time resulting from an applicable currency conversion.*

Item 12 – Borrowing and Leverage

Include the heading “Borrowing and Leverage” and under that heading,

- (a) if the summary referred to in subparagraph (ii) is significantly shorter than the information disclosed under paragraphs (b) and (c), include in a text box all of the following:
 - (i) the sub-heading “Summary:”;
 - (ii) under the sub-heading identified in subparagraph (i), a brief summary of the information required to be presented under paragraphs (b) and (c),
- (b) include the sub-heading “Borrowing” and under that sub-heading, include all of the following:
 - (i) if an investment fund borrowed money and did not use the money only for purpose of funding operating overdrafts that are not material, the following disclosure:
 - (A) the minimum and maximum amounts of money borrowed by the investment fund in the financial year;
 - (B) the percentage of net assets of the investment fund represented by the amounts borrowed as at the end of the financial year;
 - (C) how borrowed money was used by the investment fund;
 - (D) the terms under which the money was borrowed by the investment fund,
 - (ii) if paragraph (d) does not apply and an investment fund did not borrow money, or borrowed money only for the purpose of funding operating overdrafts that are not material, a statement substantially similar to the following:

“This fund does not engage in borrowing [aside from borrowing to fund operating overdrafts that are not material].”,
- (c) include the sub-heading “Leverage” and under that sub-heading, include all of the following:
 - (i) if an investment fund uses leverage, disclosure of the following:
 - (A) a brief explanation of the sources of leverage used, including cash borrowing, short selling and specified derivatives in the financial year;
 - (B) the lowest and highest levels of aggregate exposure to those sources of leverage in the financial year;
 - (C) a brief explanation of the significance of the lowest and highest levels of aggregate exposure to those sources of leverage, including the impact of the use of specified derivatives for hedging purposes;
 - (ii) if paragraph (d) does not apply and an investment fund does not use leverage, a statement substantially similar to the following:

“This fund does not use leverage.”,
- (d) if an investment fund does not borrow money, other than money borrowed only for the purposes of funding operating overdrafts that are not material, and does not use leverage, include a statement substantially similar to the following:

"This fund does not engage in any borrowing [aside from borrowing to fund operating overdrafts that are not material]" or use leverage."

INSTRUCTIONS

- (1) *For the purposes of the disclosure required under clause (c)(i)(B), an investment fund must calculate its aggregate exposure to sources of leverage in accordance with section 2.9.1 of National Instrument 81-102 Investment Funds.*
- (2) *For the purposes of the disclosure required under clause (c)(i)(C) and the explanation of the impact of the use of specified derivatives for hedging purposes on an investment fund's calculation of its aggregate exposure to sources of leverage, the fund must include in the explanation a discussion of the amount by which the fund's aggregate exposure was reduced by subtracting the notional value of the fund's specified derivatives positions that are hedging transactions in accordance with paragraph 2.9.1(2)(c) of National Instrument 81-102 Investment Funds.*

Item 13 – Other Material Information

Include the heading "Other Material Information" and under that heading, provide any material information relating to the investment fund not otherwise required to be disclosed under this Form, including, for greater certainty, information required to be disclosed pursuant to any provision in securities legislation or any order made under securities legislation received by the investment fund.

Item 14 – Additional Resources

Include the heading "Additional Resources" and under that heading,

- (a) include a statement substantially similar to the following:

"Contact [insert name of manager] for a copy of this Fund Report, questions about this Fund Report or a copy of the financial statements for this fund:

[insert the manager's mailing address, the manager's telephone number(s), the manager's e-mail address, the designated website address of the investment fund and a QR code for the designated website address of the investment fund].",

- (b) if an investment fund is a mutual fund, include a statement substantially similar to the following:

"To learn more about investing in mutual funds, see the brochure "Understanding mutual funds", which is available on the website of the Canadian Securities Administrators at [insert website address of the Canadian Securities Administrators and a QR code for the website address of the Canadian Securities Administrators].", and

- (c) include in a text box a statement substantially similar to the following:

"Your next Fund Report will be prepared for the interim period ended [insert the end date of the next interim period in bold text]. Like this Fund Report, it will assist you in making decisions about your investment in this fund."

PART B – CONTENT REQUIREMENTS FOR AN INTERIM FUND REPORT

Item 1 – Heading

Include the disclosure required under Item 1 of Part A and replace the title referenced in paragraph (a) of that Item with a reference in Item 1 under this Part to “Interim Fund Report (for the interim period ended [insert date of end of interim period])”.

Item 2 – Purpose and Content

Include the disclosure required under Item 2 of Part A, replace the reference to “Annual Fund Report” in that Item with a reference in Item 2 under this Part to “Interim Fund Report” and exclude from the disclosure in this Item the heading “Scholarship Plan Financial and Operating Highlights”.

Item 3 – Forward Looking Information

Include the disclosure required under Item 3 of Part A and replace the reference to “Annual Fund Report” in that Item with a reference in Item 3 under this Part to “Interim Fund Report”.

Item 4 – Investment Objectives and Investment Strategies

Include the disclosure required under Item 4 of Part A and

- (a) with respect to the table required under that Item replace the reference to “the last 12 months” in that table with a reference in the table required in Item 4 under this Part to “the interim period”, and
- (b) with respect to subsection (2) of the Instructions under that Item replace the reference to “during the 12-month period covered by the annual fund report” in that subsection with a reference in subsection (2) of the Instructions in Item 4 under this Part to “during the interim period covered by the interim fund report”.

Item 5 – Portfolio Holdings

Include the disclosure required under Item 5 of Part A and

- (a) with respect to subsection (1) of the Instructions under that Item replace the reference to “annual fund report” with a reference in Item 5 under this Part to “interim fund report”, and
- (b) with respect to subsection (2) of the Instructions under that Item replace the reference to “annual fund report” in that subsection with a reference in subsection (2) of the Instructions in Item 5 under this Part to “interim fund report”.

Item 6 – Costs

Include the disclosure required under Item 6 of Part A and

- (a) replace the reference to “[insert date of the end of the financial year]” under that Item with a reference in Item 6 under this Part to “[insert date of the end of the interim period]”,
- (b) with respect to the table referred to in paragraph (c) of that Item, replace the reference to “[insert date of end of financial year]” in the first column of that table with a reference in the first column of the table required under Item 6 under this Part to “[insert date of end of interim period]”,
- (c) with respect to subsection (5) of the Instructions under that Item, replace the reference to “the financial year” in that subsection with a reference in subsection (5) of the Instructions under Item 6 of this Part to “the interim period”,

- (d) with respect to subsection (6) of the Instructions under that Item, replace the reference to “financial year of the investment fund for which audited financial statements have been filed” in that subsection with a reference in subsection (6) of the Instructions under Item 6 of this Part to “interim period of the investment fund”,
- (e) with respect to subsection (8) of the Instructions under that Item, replace the reference to “during the financial year for which the report was prepared” in that subsection with a reference in subsection (8) of the Instructions under Item 6 of this Part to “during the interim period for which the report was prepared”, and
- (f) with respect to subsection (11) of the Instructions under that Item, replace the reference to “last completed financial year of the investment fund if the change had been in effect throughout that financial year” in that subsection with a reference in subsection (11) of the Instructions under Item 6 of this Part to “last completed interim period of the investment fund if the change had been in effect throughout that interim period”.

Item 7 – Performance

Other than the disclosure required under paragraph (f) of Item 7 of Part A, include the disclosure required under Item 7 of Part A and

- (a) with respect to the statement required under clause (B) of subparagraph (i) of paragraph (e) of that Item, replace the reference to “annual performance for each of the financial years shown” in that clause with a reference in clause (B) of subparagraph (i) of paragraph (e) under Item 7 of this Part to “annual performance for each of the financial years shown and interim performance for the interim period shown”, and
- (b) with respect to the bar chart required under subparagraph (ii) of paragraph (e) of Item 7 of Part A, replace the bar chart required under that subparagraph with a bar chart in subparagraph (ii) of paragraph (e) under Item 7 in this Part for which the total return is calculated for the applicable interim period.

Item 8 – Statistics

Include the disclosure required under Item 8 of Part A and

- (a) replace the reference to “[insert date of the end of the financial year for which the report was prepared]” under that Item with a reference under Item 8 of this Part to “[insert the date of the end of the interim period for which the report was prepared]”,
- (b) with respect to the first column of each table required under paragraph (c) of that Item, replace the reference to “for the year ended [insert the date of the end of the financial year]” in each table under that Item with a reference in the first column of each table required under Item 8 of this Part to “For the period ended [insert the date of the end of the interim period]”, do not include in the second table required under Item 8 of this Part the 4th column of the second table required under paragraph (c) of Item 8 of Part A,
- (c) with respect to subsection (5) of the Instructions under that Item, replace the reference to “most recently completed financial year of the investment fund for which audited financial statements have been filed” in that subsection with a reference in subsection (5) of the Instructions under Item 8 of this Part to “most recently completed interim period of the investment fund”,
- (d) with respect to subsection (6) of the Instructions under that Item, replace the reference to “most recently completed financial year of the investment fund for which audited financial statements have been filed” in that subsection with a reference in subsection (6) of the Instructions under Item 8 of this Part to “most recently completed interim period of the investment fund”,
- (e) with respect to subsection (8) of the Instructions under that Item, replace the reference to “a financial year” in that subsection with a reference in subsection (8) of the Instructions under Item 8 of this Part to “an interim period”,

- (f) with respect to subsection (8) of the Instructions under that Item, replace a reference to “the financial year” in that subsection with a reference in subsection (8) of the Instructions under Item 8 of this Part to “the interim period”,
- (g) with respect to paragraph (a) of subsection (9) of the Instructions under that Item, replace the reference to “financial year” in that subsection with a reference in subsection (9) of the Instructions under Item 8 of this Part to “interim period”,
- (h) with respect to paragraph (b) of subsection (9) of the Instructions under that Item, replace the reference to “financial year” in that paragraph with a reference in subsection (9) of the Instructions under Item 8 of this Part to “interim period”,
- (i) with respect to paragraph (c) of subsection (9) of the Instructions under that Item, replace the reference to “first month of a financial year and as at the end of each of the next 11 months of the year and dividing the total of those values by 13” in that paragraph with a reference in paragraph (c) of subsection (9) of the Instructions under Item 8 of this Part to “first month of an interim period and as at the end of each of the remaining months of the interim period and dividing the total of those values by the number of months in the interim period plus one month”, and
- (j) with respect to subsection (10) of the Instructions under that Item, replace the reference to “financial year” in that subsection with a reference in subsection (10) of the Instructions under Item 8 of this Part to “interim period”.

Item 9 – Risk Profile

Include the disclosure required under Item 10 of Part A and

- (a) replace the reference in paragraph (b) of that Item to “for the financial year” with a reference in paragraph (b) under Item 9 of this Part to “for the interim period”, and
- (b) replace the reference in subsection (1) of the Instructions under that Item to “for the financial year” with a reference in subsection (1) of the Instructions under Item 9 of this Part to “for the interim period”.

Item 10 – Liquidity Profile

Include the disclosure required under Item 11 of Part A and

- (a) replace the references in subsection (1) of that Item to “[insert the date of the end of the financial year]” with a reference under Item 10 of this Part to “[insert the date of the end of the interim period]”,
- (b) replace the reference in paragraph (b) of that Item to “during the 12-month period covered by the annual report” with a reference in paragraph (b) of Item 10 of this Part to “during the 6-month period covered by the interim report”,
- (c) replace the reference in paragraph (e) of that Item to “[insert the date of the end of the financial year]” with a reference in paragraph (e) of Item 10 of this Part to “[insert the date of date of the end of the interim period]”, and
- (d) replace the reference in paragraph (a) of subsection (2) of the Instructions under that Item to “end of the financial year” with a reference in paragraph (a) of subsection (2) of the Instructions under Item 10 of this Part to “end of the interim period”.

Item 11 – Borrowing and Leverage

Include the disclosure required under Item 12 of Part A and

- (a) replace the reference in clause (A) of subparagraph (i) of paragraph (b) of that Item to “financial year” with a reference in clause (A) of subparagraph (i) of paragraph (b) under Item to “interim period”,

- (b) replace the reference in clause (B) of subparagraph (i) of paragraph (b) of that Item to “financial year” with a reference in clause (B) of subparagraph (i) of paragraph (b) under Item 11 of this Part to “interim period”,
- (c) replace the reference in clause (A) of subparagraph (i) of paragraph (c) of that Item to “financial year” with a reference in clause (A) of subparagraph (i) of paragraph (c) under Item 11 of this Part to “interim period”, and
- (d) replace the reference in clause (B) of subparagraph (i) of paragraph (c) of that Item to “financial year” with a reference in clause (B) of subparagraph (i) of paragraph (c) under Item 11 of this Part to “interim period”.

Item 12 – Other Material Information

Include the disclosure required under Item 13 of Part A under Item 12 of this Part.

Item 13 – Additional Resources

Include the disclosure required under Item 14 of Part A and replace the reference in paragraph (c) of that Item to “prepared for the interim period ended [insert the end date of the next interim period in bold text]” with a reference under Item 13 of this Part to “prepared for the financial year ended [insert the end date of the next financial year in bold text]”..

25. The following form is added after Form 81-106A Contents of Annual and Interim Fund Report:

FORM 81-106B CONTENTS OF QUARTERLY PORTFOLIO DISCLOSURE

GENERAL INSTRUCTIONS

Form

- (1) *Quarterly portfolio disclosure must include the disclosure required under this Form. Instructions for providing this disclosure are in italic type.*
- (2) *Terms used and not defined in this Form that are defined in National Instrument 81-101 Mutual Fund Prospectus Disclosure, National Instrument 81-102 Investment Funds, National Instrument 81-105 Mutual Fund Sales Practices and National Instrument 81-106 Investment Fund Continuous Disclosure have the same meanings as in those Instruments.*

Responses

- (3) *Quarterly portfolio disclosure must state the required information concisely and in plain language.*
- (4) *Responses must be as simple and direct as is reasonably possible and include only as much information as is necessary for readers to understand the matters for which disclosure is being provided.*
- (5) *Quarterly portfolio disclosure must contain only the information that is required or permitted under this Form.*
- (6) *All applicable Items in this Form must be responded to.*
- (7) *Omit from Items answers that are not applicable or respond to them with the words “not applicable”, unless otherwise required under this Form.*

Presentation

- (8) *Quarterly portfolio disclosure must be prepared in a font that is legible and on letter-size paper. If a prepared quarterly portfolio disclosure is made available online, the information in the report must be presented in a way that enables that information to be printed in a readable format.*
- (9) *Each Item in quarterly portfolio disclosure must be presented in the order and under the heading or sub-heading stipulated in this Form.*
- (10) *If quarterly portfolio disclosure contains design elements including, for greater certainty, graphics, photos or artwork, the elements must not detract from the information disclosed in the document.*

Item 1 – Fund Details

Include the heading “Quarterly Portfolio Disclosure” and under that heading, provide the following:

- (1) the name of the investment fund to which the quarterly portfolio disclosure pertains;
- (2) the name of the investment fund manager of the investment fund referred to in subsection (1).

Item 2 – Report Date and Period Covered

- (1) Provide the date on which the report was prepared.
- (2) Identify the period to which the report pertains.

Item 3 – Total Net Asset Value

Include the sub-heading “Total Net Asset Value” and under that sub-heading, provide the total net asset value of the investment fund as at the end of the period to which the quarterly portfolio disclosure pertains.

Item 4 – Summary of Investment Portfolio

- (1) Include the sub-heading “Summary of Investment Portfolio” and under that sub-heading, provide a summary of the investment fund’s portfolio as at the end of the period to which the quarterly portfolio disclosure pertains.
- (2) The summary of investment portfolio referred to in subsection (1) must include all of the following:
 - (a) in the form of a table or a pie chart, at least one breakdown of the portfolio of the investment fund into subgroups;
 - (b) in the form of a table or a pie chart, the percentage of the aggregate net asset value of the investment fund represented by each subgroup referred to in paragraph (a);
 - (c) the 25 largest positions, by asset size, in the portfolio of the investment fund, each expressed as a percentage of net asset value of the investment fund;
 - (d) the disclosure of long positions and short positions in the portfolio of the investment fund, and the disclosure of the long positions separately from the short positions;
 - (e) the disclosure of the total percentage of net asset value represented by the long positions and short positions referred to in paragraph (d);
 - (f) a statement that the summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund and that quarterly updates are available.

INSTRUCTIONS:

- (1) *Ensure that the information in the summary of investment portfolio is presented in an accessible and understandable way.*
- (2) *An investment fund must prepare a breakdown of its investment portfolio using subgroup category names that are relevant to the nature of the fund.*
- (3) *An investment fund that owns more than one class or series of securities of the same issuer must aggregate the classes or series of securities for the purposes of the disclosure required under this Item.*
- (4) *Despite subsection (3) of the Instructions, an investment fund must not aggregate debt and equity securities of the same issuer for the purposes of the disclosure required under this Item.*
- (5) *Portfolio assets other than securities must be aggregated if they have substantially similar investment risks and profiles including, for greater certainty, gold certificates that have been issued by different financial institutions.*
- (6) *Treat cash and cash equivalents as one category.*
- (7) *In determining its positions for purposes of the disclosure required under this Item, an investment fund must, for each long position in a derivative that is held by the investment fund for purposes other than hedging, treat the derivative as the directly held underlying interest of that derivative and for each index participation unit held by the investment fund, treat the index participation unit as the investment fund's proportionate share of the securities held by the issuer of the unit.*
- (8) *If an investment fund invests substantially all of its assets directly, or indirectly, in securities of one other investment fund, disclose the 25 largest positions, by asset size, held by the other investment fund, by percentage of net asset value of the other investment fund, as disclosed by the other investment fund as at the most recent quarter end.*
- (9) *If an investment fund invests in other investment funds, include a statement that the prospectus and other information about the other funds are available on the investment fund's designated website and at www.sedarplus.com.*
- (10) *A labour sponsored or venture capital fund must disclose the 25 largest positions, by asset size, held by the labour sponsored or venture capital fund.*
- (11) *Despite paragraph (2)(c) of Item 4, a labour sponsored or venture capital fund that complies with section 8.2 of National Instrument 81-106 Investment Fund Continuous Disclosure is not required to disclose a venture investment as a percentage of the net asset value of the fund..*

Transition

26. Before [●+6 months], if an investment fund is required to comply with sections 3.2 and 3.3 and subsection 3.6(1) of National Instrument 81-106 *Investment Fund Continuous Disclosure* as they were in force on [●-1], an investment fund is not required to comply with those provisions of National Instrument 81-106 *Investment Fund Continuous Disclosure* as amended by this Instrument.

27. Before [●+1 year], if an investment fund has not filed an annual fund report and an interim fund report, a reference to "fund report" in subsection 3.6(2) of National Instrument 81-106 *Investment Fund Continuous Disclosure* must be read as a reference to "fund report or management report of fund performance, as applicable".

28. Before [●+9 months], if an investment fund is required to comply with Parts 4, 5, 6, and 7 of National Instrument 81-106 *Investment Fund Continuous Disclosure* as they were in force on [●-1], the investment fund is not required to comply with those provisions of National Instrument 81-106 *Investment Fund Continuous Disclosure*, as amended by this Instrument.

29. Before [●+1 year], if an investment fund has not filed a fund report, a reference to "fund reports" in paragraph 9.4(2.2)(f) of National Instrument 81-106 *Investment Fund Continuous Disclosure* must be read as a reference to "management report of fund performance".

Effective Date

30. (1) This Instrument comes into force on [●].
- (2) In Saskatchewan, despite subsection (1), if this Instrument is filed with the Registrar of Regulations after [●], this Instrument comes into force on the day on which it is filed with the Registrar of Regulations.