

APPENDIX B

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FORM 41-101F2
INFORMATION REQUIRED IN AN INVESTMENT FUND PROSPECTUS

GENERAL INSTRUCTIONS

- (1) *The objective of the prospectus is to provide information concerning the investment fund that an investor needs in order to make an informed investment decision. Form 41-101F2 sets out specific disclosure requirements that are in addition to the general requirement under securities legislation to provide full, true and plain disclosure of all material facts relating to the securities to be distributed. Certain rules of specific application impose prospectus disclosure obligations in addition to those described in this Form 41-101F2.*
- (2) *Terms used and not defined in Form 41-101F2 that are defined or interpreted in the Instrument must bear that definition or interpretation. Other definitions are set out in National Instrument 14-101 Definitions.*
- (3) *In determining the degree of detail required a standard of materiality should be applied. Materiality is a matter of judgment in the particular circumstance, and should generally be determined in relation to an item's significance to investors, analysts and other users of the information. An item of information, or an aggregate of items, is considered material if it is probable that its omission or misstatement would influence or change an investment decision with respect to the investment fund's securities. In determining whether information is material, take into account both quantitative and qualitative factors. The potential significance of items should be considered individually rather than on a net basis, if the items have an offsetting effect. This concept of materiality is consistent with the financial reporting notion of materiality contained in the Handbook.*
- (4) *Unless an item specifically requires disclosure only in the preliminary prospectus, the disclosure requirements set out in this Form apply to both the preliminary prospectus and the prospectus. Details concerning the price and other matters dependent upon or relating to price, such as the number of securities being distributed, may be left out of the preliminary prospectus, along with specifics concerning the plan of distribution, to the extent that these matters have not been decided.*
- (5) *The disclosure must be understandable to readers and presented in an easy to read format. The presentation of information should comply with the plain language principles listed in section 4.1 of Companion Policy 41-101CP General Prospectus Requirements. If technical terms are required, clear and concise explanations should be included.*
- (6) *No reference need be made to inapplicable items and, unless otherwise required*

in this Form, negative answers to items may be omitted.

- (7) *Where the term “investment fund” is used, it may be necessary, in order to meet the requirement for full, true and plain disclosure of all material facts, to also include disclosure with respect to the investment fund’s subsidiaries and investees. If it is more likely than not that a person or company will become a subsidiary or investee, it may be necessary to also include disclosure with respect to the person or company. For this purpose, “investees” is defined to mean any entity that the Handbook recommends that the investment fund account for by the equity method or the proportionate consolidation method.*
- (8) *An investment fund that is a special purpose vehicle may have to modify the disclosure items to reflect the special purpose nature of its business.*
- (9) *If disclosure is required as of a specific date and there has been a material change or change that is otherwise significant in the required information subsequent to that date, present the information as of the date of the change or a date subsequent to the change instead.*
- (10) *If the term “class” is used in any item to describe securities, the term includes a series of a class.*
- (11) *The prospectus must be presented in the order specified in this form.*
- (12) *Where performance data is used in the prospectus, such performance data must be annualized and must be stated for standard applicable performance periods of 1, 3, 5, 10 year periods and since inception unless otherwise specified by the requirements of this form. Performance data must not be used for periods of less than one year. Also, hypothetical or back-tested performance data must not be used.*
- (13) *An investment fund that has more than one class or series that are referable to the same portfolio may treat each class or series as a separate investment fund for the purposes of this Form, or may combine disclosure of one or more of the classes or series in one prospectus. If disclosure pertaining to more than one class or series is combined in one prospectus, separate disclosure in response to each item in this Form must be provided for each class or series unless the responses would be identical for each class or series.*
- (14) *A section, part, class or series of a class of securities of an investment fund that is referable to a separate portfolio is considered to be a separate investment fund for the purposes of this Form.*

PROSPECTUS FORM

Item 1: Cover Page Disclosure

Required Statement

1.1 State in *italics* at the top of the cover page the following:

“No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.”

Preliminary Prospectus Disclosure

1.2 Every preliminary prospectus shall have printed in red ink and in italics at the top of the cover page immediately above the disclosure required under item 1.1 the following, with the bracketed information completed:

“A copy of this preliminary prospectus has been filed with the securities regulatory authority(ies) in [each of/certain of the provinces/provinces and territories of Canada] but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the prospectus is obtained from the securities regulatory authority(ies).”

INSTRUCTION

Investment funds shall complete the bracketed information by

- (a) inserting the names of each jurisdiction in which the investment fund intends to offer securities under the prospectus;*
- (b) stating that the filing has been made in each of the provinces of Canada or each of the provinces and territories of Canada; or*
- (c) identifying the filing jurisdictions by exception (i.e., every province of Canada or every province and territory of Canada, except [excluded jurisdictions]).*

Basic Disclosure about the Distribution

- 1.3** State the following immediately below the disclosure required under Items 1.1 and 1.2 with the bracketed information completed:

[PRELIMINARY OR PRO FORMA] PROSPECTUS

[INITIAL PUBLIC OFFERING OR NEW ISSUE AND/OR SECONDARY OFFERING OR CONTINUOUS OFFERING]

Date

Name of Investment fund

[number and type of securities qualified for distribution under the prospectus, including any options or warrants, and the price per security]
[type of fund – state the following: “This investment fund is a (labour sponsored investment fund or commodity pool or non-redeemable investment fund or scholarship plan).” If the investment fund is intended to be an exchange-traded investment fund and has received conditional listing approval, state the following: “This investment fund is intended to be an exchange-traded investment fund and has received conditional listing approval.”]

Distribution

- 1.4 (1)** If the securities are being distributed for cash, provide the information called for below, in substantially the following tabular form or in a note to the table:

	Price to public (a)	Underwriting discounts or commission (b)	Proceeds to issuer or selling security holders (c)
Per Security			
Total			

- (2) If there is an over-allotment option or an option to increase the size of the distribution before closing,
- (a) disclose that a purchaser who acquires securities forming part of the underwriters' over-allocation position acquires those securities under this prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the over-allotment option or secondary market purchases, and
 - (b) describe the terms of the option.
- (3) If the distribution of the securities is to be on a best efforts basis, provide totals for both the minimum and maximum offering amount, if applicable.
- (4) If a minimum subscription amount is required from each subscriber, provide details of the minimum subscription requirements in the table required under subsection (1).
- (5) If debt securities are being distributed at a premium or a discount, state in bold type the effective yield if held to maturity.
- (6) Disclose separately those securities that are underwritten, those under option and those to be sold on a best efforts basis, and, in the case of a best efforts distribution, the latest date that the distribution is to remain open.
- (7) In column (b) of the table, disclose only commissions paid or payable in cash by the issuer or selling security holder and discounts granted. Set out in a note to the table
- (a) commissions or other consideration paid or payable by persons or

companies other than the issuer or selling security holder,

- (b) consideration other than discounts granted and cash paid or payable by the issuer or selling security holder, including warrants and options, and
 - (c) any finder's fees or similar required payment.
- (8) If a security is being distributed for the account of a selling security holder, state the name of the security holder and a cross-reference to the applicable section in the prospectus where further information about the selling security holder is provided. State the portion of the expenses of the distribution to be borne by the selling security holder and, if none of the expenses of the distribution are being borne by the selling security holder, include a statement to that effect and discuss the reason why this is the case.

INSTRUCTIONS

- (1) *Estimate amounts, if necessary. For non-fixed price distributions that are being made on a best efforts basis, disclosure of the information called for by the table may be set forth as a percentage or a range of percentages and need not be set forth in tabular form.*
- (2) *If debt securities are being distributed, also express the information in the table as a percentage.*

Offering price in currency other than Canadian dollar

- 1.5** If the offering price of the securities being distributed is disclosed in a currency other than the Canadian dollar, disclose in bold face type the reporting currency.

Non-Fixed Price Distributions

- 1.6** If the securities are being distributed at non-fixed prices, disclose
- (a) the discount allowed or commission payable to the underwriter;
 - (b) any other compensation payable to the underwriter and, if applicable, that the underwriter's compensation will be increased or decreased by the amount by which the aggregate price paid for the securities by the purchasers exceeds or is less than the gross proceeds paid by the underwriter to the investment fund or selling security holder;

- (c) that the securities to be distributed under the prospectus will be distributed, as applicable, at
 - (i) prices determined by reference to the prevailing price of a specified security in a specified market,
 - (ii) market prices prevailing at the time of sale, or
 - (iii) prices to be negotiated with purchasers;
- (d) that prices may vary as between purchasers and during the period of distribution;
- (e) if the price of the securities is to be determined by reference to the prevailing price of a specified security in a specified market, the price of the specified security in the specified market at the latest practicable date;
- (f) if the price of the securities will be the market price prevailing at the time of the sale, the market price at the latest practicable date,
- (g) the net proceeds or, if the distribution is to be made on a best efforts basis, the minimum amount of net proceeds, if any, to be received by the investment fund or selling security holder and

Pricing Range

- 1.7** If the offering price or the number of securities being distributed has not been determined at the date of the preliminary prospectus, disclose a bona fide estimate of the range in which the offering price or the number of securities being distributed is expected to be set.

Reduced Price Distributions

- 1.8** If an underwriter wishes to be able to decrease the price at which securities are distributed for cash from the initial offering price fixed in the prospectus, include in **bold type** a cross-reference to the section in the prospectus where disclosure concerning the possible price decrease is provided.

Market for Securities

- 1.9** (1) Identify the exchange(s) and quotation system(s), if any, on which securities of the investment fund of the same class as the securities being distributed are traded or quoted and the market price of those securities as of the latest practicable date.
- (2) Disclose any intention to stabilize the market. Provide a cross-reference to the section in the prospectus where further information about market stabilization is provided.
- (3) If no market for the securities being distributed under the prospectus is expected to exist upon completion of the distribution, state the following in **bold type**:

“There is no market through which these securities may be sold. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of investment fund regulation. A purchaser may not be able to resell securities purchased under this prospectus. See ‘Risk Factors’”.

Risk Factors

- 1.10** Include a cross-reference to sections in the prospectus where information about the risks of an investment in the securities being distributed is provided. State any significant risks including leverage.

No Underwriter

- 1.11** If there is no underwriter involved in the distribution, provide a statement in **bold type** to the effect that no underwriter has been involved in the preparation of the prospectus or performed any review of the contents of the prospectus or independent due diligence of the contents of the prospectus.

Commodity Pool

1.12 (1) For a commodity pool, state in substantially the following words:

“You should carefully consider whether your financial condition permits you to participate in this investment. The securities of this investment fund are highly speculative and involve a high degree of risk. You may lose a substantial portion or even all of the money you place in the investment fund.

The risk of loss in trading [nature of instruments to be traded by the commodity pool] can be substantial. In considering whether to participate in the [commodity pool], you should be aware that trading [nature of instruments] can quickly lead to large losses as well as gains. Such trading losses can sharply reduce the net asset value of the [commodity pool] and consequently the value of your interest in the [commodity pool]. Also, market conditions may make it difficult or impossible for the [commodity pool] to liquidate a position.

The [commodity pool] is subject to certain conflicts of interest. The [commodity pool] will be subject to the charges payable by it as described in this prospectus that must be offset by revenues and trading gains before an investor is entitled to a return on his or her investment. It may be necessary for the [commodity pool] to make substantial trading profits to avoid depletion or exhaustion of its assets before an investor is entitled to a return on his or her investment.”

(2) For the initial prospectus, state in substantially the following words:

“The [commodity pool] is newly organized. The success of the [commodity pool] will depend upon a number of conditions that are beyond the control of the [commodity pool]. There is substantial risk that the goals of the [commodity pool] will not be met.”

(3) If the promoter, manager, or a portfolio adviser of the commodity pool has not had a similar involvement with any other publicly offered commodity pool, state in substantially the following words:

“The [promoter], [manager] [and/or] [portfolio adviser] of the [commodity pool] has not previously operated any other publicly offered commodity pools [or traded other accounts].”

(4) If the commodity pool will execute trades outside of Canada, state in substantially the following words:

“Participation in transactions in [nature of instrument to be traded by the commodity pool] involves the execution and clearing of trades on or subject to the rules of a foreign market.

None of the Canadian securities regulatory authorities or Canadian exchanges regulates activities of any foreign markets, including the execution, delivery and clearing transactions, or has the power to compel enforcement of the rule of a foreign market or any applicable foreign law. This is true even if the foreign market is formally linked to a Canadian market so that a position taken on the market may be liquidated by a transaction on another market. Moreover, such laws or regulations will vary depending on the foreign country in which the transaction occurs.

For these reasons, entities such as the commodity pool that trade [nature of instrument to be traded by the commodity pool] may not be afforded certain of the protective measures provided by Canadian legislation and the rules of Canadian exchanges. In particular, funds received from customers for transactions may not be provided the same protection as funds received in respect of transactions on Canadian exchanges.”

(5) Immediately after the statements required by subsections (1), (2), (3) and (4), state in substantially the following words:

“These brief statements do not disclose all the risks and other significant aspects of investing in the [commodity pool]. You should therefore carefully study this prospectus, including a description of the principal risk factors at page [page number], before you decide to invest in the [commodity pool].”

(6) State that the commodity pool is a mutual fund but that certain provisions of securities legislation designed to protect investors who purchase securities of mutual funds do not apply.

Restricted securities

- 1.13(1)** Describe the number and class or classes of restricted securities being distributed using the appropriate restricted security term in the same type face and type size as the rest of the description.
- (2) If the securities being distributed are restricted securities and the holders of the securities do not have the right to participate in a takeover bid made for other equity securities of the issuer, disclose that fact.

Non-Canadian Manager

- 1.14** If the investment fund manager is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, state with bracketed information completed:

“The manager is incorporated, continued or otherwise governed under the laws of a foreign jurisdiction or resides outside Canada. Although the manager has appointed [name and address of agent for service] as its agent for service of process in Canada it may not be possible for investors to collect from the manager judgments obtained in courts in Canada.”

Documents Incorporated by Reference

- 1.15** For investment funds in continuous distribution, except for scholarship plans, state in substantially the following words:

“Additional information about the Fund is available in the following documents:

- the Annual Information Form [if applicable]
- the most recently filed annual financial statements
- any interim financial statements filed after those annual financial statements;
- the most recently filed annual management report of fund performance;
- any interim management report of fund performance filed after that annual management report of fund performance.

These documents are incorporated by reference into this prospectus which means that they legally form part of this prospectus. Please see the “Documents Incorporated by Reference” section for further details.”

Item 2: Table of Contents

Table of Contents

2.1 Include a table of contents.

Item 3: Summary of Prospectus

Prospectus Summary

3.1 Under the heading “Prospectus Summary” include the information listed in items 3.2 to 3.5 after the cover page.

Cautionary Language

3.2 At the beginning of the summary, include a statement in *italics* in substantially the following form:

“The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this prospectus.”

General

3.3 (1) Briefly summarize, near the beginning of the prospectus, information appearing elsewhere in the prospectus that, in the opinion of the investment fund or selling security holder, would be most likely to influence the investor’s decision to purchase the securities being distributed. Include a description of

- (a) how the investment fund has been organized (corporation, trust, etc.);
- (b) the securities to be distributed, including the offering price and expected net proceeds;
- (c) use of proceeds;
- (d) the investment objective;
- (e) the investment strategy;
- (f) the use of leverage including any restrictions and the maximum amount of leverage the fund could use expressed as a ratio as follows: (total long

positions including leveraged positions plus total short positions) divided by the net assets of the investment fund;

- (g) risk factors including a cross-reference to sections in the prospectus where information about the risks of an investment in the securities being distributed is provided;
 - (h) income tax considerations;
 - (i) describe all available purchase options and state, if applicable, that the choice of different purchase options requires the investor to pay different fees and expenses and if applicable, that the choice of different purchase options affects the amount of compensation paid by a member of the organization of the investment fund to a dealer.
 - (j) the redemption policy;
 - (k) distribution policy,
 - (l) the termination policy;
 - (m) if restricted securities, subject securities or securities that directly or indirectly convertible into or exercisable or exchangeable for restricted securities or subject securities, are to be distributed under the prospectus
 - (i) include as summary of the information required by section 21.6; and
 - (ii) include, in bold-face type, a statement of the rights the holders do not have if the holders of restricted securities do not have all of the rights referred to in subsection 21.6.
 - (n) disclose whether the investment fund is eligible as an investment for registered retirement savings plans, registered retirement income plans, registered education savings plans or deferred profit sharing plans.
- (2) For each item summarized under subsection (1), provide a cross-references to the information in the prospectus.

Organization and Management Details for the Investment Fund

- 3.4**
- (1) Provide, under the heading "Organization and Management of the [name of investment fund]", information about the manager, trustee, portfolio adviser, promoter, custodian, and auditor of the investment fund to which the document relates in the form of a diagram or table.
 - (2) For each entity listed in the diagram or table, briefly describe the services provided by that entity and the relationship of that entity to the manager.
 - (3) For each entity listed in the diagram or table, other than the manager of the investment fund, provide the municipality and the province or country where it principally provides its services to the investment fund. Provide the complete municipal address for the manager of the investment fund.

INSTRUCTIONS:

(1) The information required to be disclosed in this Item shall be presented prominently, using enough space so that it is easy to read.

(2) The descriptions of the services provided by the listed entities should be brief. For instance, the manager may be described as "manages the overall business and operations of the fund", and a portfolio adviser may be described as "provides investment advice to the manager about the investment portfolio of the fund" or "manages the investment portfolio of the fund."

Underwriter(s)

- 3.5**
- (1) Under the heading "Underwriters or Agents", state the name of each underwriter or agent.
 - (2) If applicable, comply with the requirements of National Instrument 33-105 *Underwriting Conflicts* for cover page prospectus disclosure.
 - (3) If an underwriter has agreed to purchase all of the securities being distributed at a specified price and the underwriter's obligations are subject to conditions, state the following, with bracketed information completed:

"We, as principals, conditionally offer these securities, subject to prior sale, if, as and when issued by [name of investment fund] and accepted by us in accordance with the conditions contained in the underwriting agreement referred to under Plan of Distribution".
 - (4) If an underwriter has agreed to purchase a specified number or principal amount of the securities at a specified price, state that the securities are to be taken up by

the underwriter, if at all, on or before a date not later than 42 days after the date of the receipt for the prospectus.

(5) Provide the following tabular information

Underwriters' Position	Maximum size or number of securities held	Exercise period/ Acquisition date	Exercise price or average acquisition price
Over-allotment option			
Compensation option			
Any other option granted by investment fund or insider of investment fund			
Total securities under option			
Other compensation securities			

Fees and Expenses

- 3.6** (1) Set out information about the fees and expenses payable by the investment fund and by investors in the investment fund under the heading "Fees and Expenses".
- (2) The information required by this Item shall be a summary of the fees, charges and expenses of the investment fund and investors presented in the form of the following table, appropriately completed, and introduced using substantially the following words:

"This table lists the fees and expenses that you may have to pay if you invest in the [insert the name of the investment fund]. You may have to pay some of these fees and expenses directly. The Fund may have to pay some of these fees and expenses, which will therefore reduce the value of your investment in the Fund."

Type of Fee and Amount	Description

- (3) The information set out in the table should have two subheadings “Fees and Expenses Payable by the Fund” and “Fees and Expenses Payable by You”.
- (4) The fees and expenses listed in the table should include, where applicable, but is not limited to the following:

Fees and Expenses Payable by the Fund or by Subscribers’ deposits (for scholarship plans)

- (a) Fees payable to the Agents for selling the securities
- (b) Expenses of issue
- (c) Management Fees *[See Instruction (1)]*
- (d) Incentive or Performance Fees
- (e) Portfolio Adviser Fees
- (f) Counterparty Fees (if any)
- (g) Operating Expenses *[See Instructions (2) and (3)]*
Fund pay[s] all operating expenses, including _____
- (h) Other Fees and Expenses *[specify type] [specify amount]*

Fees and Expenses Payable Directly by You

- (i) Sales Charges *[specify percentage, as a percentage of _____]*
- (j) Service Fees *[specify percentage, as a percentage of _____]*
- (k) Redemption Fees *[specify percentage, as a percentage of _____ , or specify amount]*
- (l) Registered Tax Plan Fees *[include this disclosure and specify the type of fees if the registered tax plan is sponsored by the investment fund and is described in the prospectus][specify amount]*
- (m) Other Fees and Expenses *[specify type] [specify amount]*

- (5) if applicable, after the above fees and expenses table, include summary financial information in the following table including annual returns for each of the past five years and the management expense ratio for each of the past five years :

Item	[specify year]	[specify year]	[specify year]	[specify year]	[specify year]
Annual Returns					
MER					

MER means management expense ratio

INSTRUCTIONS:

- (1) list the amount of the management fee, including any performance or incentive fee, for each investment fund separately.

- (2) *Under "Operating Expenses", state whether the investment fund pays all of its operating expenses and list the main components of those expenses. If the investment fund pays only certain operating expenses and is not responsible for payment of all such expenses, adjust the statement in the table to reflect the proper contractual responsibility of the investment fund and indicate who is responsible for the payment of these expenses.*
- (3) *Show all fees or expenses payable by the investment fund.*

Investment Details

Item 4: Overview of the Investment

Overview of the Corporate/Trust Structure

- 4.1** (1) Under the heading “Investment Details” and under the sub-heading “Overview of the [*Corporate/Trust*] Structure”, state the full corporate name of the investment fund or, if the investment fund is an unincorporated entity, the full name under which the entity exists and carries on business and the address(es) of the investment fund’s head and registered office.
- (2) State the statute under which the investment fund is incorporated or continued or organized or, if the investment fund is an unincorporated entity, the laws of the jurisdiction or foreign jurisdiction under which the investment fund is established and exists. If material, state whether the articles or other constating or establishing documents of the investment fund have been amended and describe the substance of the material amendments.
- (3) State whether the investment fund would be considered a mutual fund under securities legislation.

Overview of the Investment Structure

- 4.2** (1) Under the sub-heading, “Overview of the Investment Structure”, describe, including a diagram for complex structures, the overall structure of the underlying investment or investments made or to be made by the investment fund including any direct or indirect investment exposure. Include in the description and the diagram any counterparties under a forward or swap agreement entered into with the investment fund or its manager, the nature of the portfolio of securities being purchased by the investment fund, any indirect investment exposure that is related to the return of the investment fund and any collateral or guarantees given as part of the overall structure of the underlying investment or investments made by the investment fund.
- (2) If the securities distributed under the prospectus are being issued in connection with an acquisition, amalgamation, merger, reorganization or arrangement, describe by way of a diagram or otherwise the intercorporate relationships both before and after the completion of the proposed transaction.

Overview of the Industry/Industries that the Fund Invests In

- 4.3** (1) Under the sub-heading “Overview of the Industry/Industries that the Fund Invests In”, if the investment fund invests or intends to invest in a specific industry or specific industries, briefly describe the industry or industries that the investment fund has been or will be investing in.
- (2) Include in the description known material trends, events or uncertainties that might reasonably be expected to affect the investment fund.

Item 5: Investment Objective and Strategy

Investment Objective

- 5.1** (1) Set out under the sub-heading "Investment Objectives" the fundamental investment objectives of the investment fund, including information that describes the fundamental nature of the investment fund, or the fundamental features of the investment fund, that distinguish it from other investment funds.
- (2) Describe any restrictions on investments adopted by the investment fund, beyond what is required under securities legislation, that pertain to the fundamental nature of the investment fund.
- (3) If the investment fund purports to arrange a guarantee or insurance in order to protect all or some of the principal amount of an investment in the investment fund, include this fact as a fundamental investment objective of the investment fund and
- (a) identify the person or company providing the guarantee or insurance;
 - (b) provide the material terms of the guarantee or insurance, including the maturity date of the guarantee or insurance;
 - (c) if applicable, state that the guarantee or insurance does not apply to the amount of any redemptions before the maturity date of the guarantee or before the death of the securityholder and that redemptions before that date would be based on the net asset value of the investment fund at the time; and
 - (d) modify any other disclosure required by this section appropriately.

INSTRUCTIONS:

- (1) *State the type or types of securities, such as money market instruments, bonds or equity securities, in which the investment fund will primarily invest under normal market conditions.*

- (2) *If the investment fund primarily invests, or intends to primarily invest, or if its name implies that it will primarily invest*
 - (a) *in a particular type of investment fund, such as foreign investment funds, small capitalization investment funds or investment funds located in emerging market countries;*
 - (b) *in a particular geographic location or industry segment; or*
 - (c) *in portfolio assets other than securities, the investment fund's fundamental investment objectives should so indicate.*

- (3) *If a particular investment strategy is an essential aspect of the investment fund, as evidenced by the name of the investment fund or the manner in which the investment fund is marketed, disclose this strategy as an investment objective. This instruction would be applicable, for example, to a investment fund that described itself as an "asset allocation fund" or a "investment fund that invests primarily through the use of derivatives".*

Investment Strategies

- 5.2**
- (1) Describe under the sub-heading "Investment Strategies"
 - (a) the principal investment strategies that the investment fund intends to use in achieving its investment objectives; and
 - (b) the process by which the investment fund's portfolio adviser selects securities for the fund's portfolio, including any investment approach, philosophy, practices or techniques used by the portfolio adviser or any particular style of portfolio management that the portfolio adviser intends to follow.

 - (2) Indicate what types of securities, other than those held by the investment fund in accordance with its fundamental investment objectives, may form part of the investment fund's portfolio assets under normal market conditions.

 - (3) If the investment fund intends to use derivatives,
 - (a) for hedging purposes only, state that the investment fund may use derivatives for hedging purposes only;

- (b) for non-hedging purposes, or for hedging and non-hedging purposes, briefly describe
 - (i) how derivatives are or will be used in conjunction with other securities to achieve the investment fund's investment objectives;
 - (ii) the types of derivatives expected to be used and give a brief description of the nature of each type; and
 - (iii) the limits of the investment fund's use of derivatives.

- (4) If the investment fund may depart temporarily from its fundamental investment objectives as a result of adverse market, economic, political or other considerations, disclose any temporary defensive tactics the investment fund's portfolio adviser may use or intends to use in response to such conditions.

- (5) If the investment fund intends to enter into securities lending, repurchase or reverse repurchase transactions, briefly describe
 - (i) how those transactions are or will be entered into in conjunction with other strategies an investments of the investment fund to achieve the investment fund's objectives;
 - (ii) the types of those transactions to be entered into and give a brief description of the nature of each type; and
 - (iii) the limits of the investment fund's entering into those transactions.

Restrictions on Investments

- 5.3**
- (1) Describe any restrictions on investments adopted by the investment fund, beyond what is required under securities legislation.

 - (2) If the investment fund has received the approval of the securities regulatory authorities to vary any of the investment restrictions and practices contained in securities legislation, provide details of the permitted variations.

 - (3) Describe the nature of any securityholder or other approval that may be required in order to change the fundamental investment objectives and any of the material investment strategies to be used to achieve the investment objectives.

Significant Holdings in Other Entities

- 5.4** For labour sponsored investment funds, include in substantially the tabular form below, the following information as at a date within thirty days of the date of the prospectus with respect to each entity, 5 percent or more of whose securities of any class are beneficially owned directly or indirectly by the fund.

Name and Address of Entity	Nature of Entities' Principal Business	Percentage of Securities of each Class Owned by Fund	Percentage of Value of Fund's Assets Invested
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Item 6: Management Discussion of Fund Performance

Management Discussion of Fund Performance

- 6.1** Unless the investment fund's most recently filed management report of fund performance is incorporated by reference under Item 40 or attached to the prospectus under Item 41, provide, under the sub-heading "Management Discussion of Fund Performance", management's discussion of fund performance in accordance with Items 2.3, 2.4, 2.5, 3, 4, 5 and 6 of Part B of Form 81-106F1 for the period covered by the financial statements required under Item 41.

Item 7: Fees, Expenses and Returns

Fees and Expenses

- 7.1** Set out information about all of the fees and expenses payable by the investment fund and by investors in the investment fund under the sub-heading "Fees, Expenses and Returns". Each fee paid by the investment fund and by the investor should be separately described. This information shall also include information about sales and trailing commissions whether paid by the investment fund or the investor.

Returns and Management Expense Ratio

7.2 In the following table include the annual returns of the investment fund for each of the past five years and the management expense ratio for each of the past five years:

Item	[specify year]	[specify year]	[specify year]	[specify year]	[specify year]
Annual Returns					
MER					

MER means management expense ratio

Item 8: Risk Factors

Risk Factors

- 8.1
- (1) Under the sub-heading “Risk Factors”, describe the risk factors material to the investment fund that a reasonable investor would consider relevant to an investment in the securities being distributed, such as the risks associated with any particular aspect of those fundamental investment objectives and investment strategies.
 - (2) Include a discussion of general market, political, market sector, liquidity, interest rate, foreign currency, diversification, credit, legal and operational risks, as appropriate.
 - (3) Include a brief discussion of general investment risks, such as specific company developments, stock market conditions, general economic and financial conditions in those countries where the investments of the investment fund are listed for trading, applicable to the particular investment fund.
 - (4) If derivatives are to be used by the investment fund for non-hedging purposes, describe the risks associated with any use or intended use by the mutual fund of derivatives.
 - (5) Risks should be disclosed in the order of their seriousness in the opinion of the investment fund or selling security holder.
 - (6) If there is a risk that purchasers of the securities distributed may become liable to make an additional contribution beyond the price of the security, disclose the risk.

Item 9: Distribution Policy

Distribution Policy

9.1 Under the sub-heading “Distribution Policy” describe the distribution policy including,

- (a) whether distributions are made by the investment fund in cash or reinvested in securities of the investment fund;
- (b) the targeted amount of any distributions;
- (c) whether the distributions are guaranteed or not; and
- (d) when the distributions are made.

Item 10: Purchases of Securities

Purchase Price

- 10.1** (1) Under the sub-heading “Purchases of Securities”, describe the procedure followed or to be followed by investors who desire to purchase securities of the investment fund or switch them for securities of other investment funds.
- (2) If applicable, state that the issue price of securities is based on the net asset value of a security of that class, or series of a class next determined after the receipt by the investment fund of the purchase order.
- (3) Describe how the securities of the investment fund are distributed. If sales are effected through a principal distributor, give brief details of any arrangements with the principal distributor.
- (4) Describe all available purchase options and state, if applicable, that the choice of different purchase options requires the investor to pay different fees and expenses and if applicable, that the choice of different purchase options affects the amount of compensation paid by a member of the organization of the investment fund to a dealer.
- (5) If applicable, disclose that a dealer may make provision in arrangements that it has with an investor that will require the investor to compensate the dealer for any losses suffered by the dealer in connection with a failed settlement of a purchase of securities of the investment fund caused by the investor.

- (6) If applicable, for an investment fund that is being sold on a best efforts basis, state whether the issue price will be fixed during the initial distribution period, and state when the investment fund will begin issuing securities at the net asset value per security of the investment fund.

Item 11: Redemption of Securities

Redemption of Securities

- 11.1** Under the sub-heading “Redemption of Securities” describe how investors may redeem securities of the investment fund including,
- (a) the procedures followed, or to be followed, by an investor who desires to redeem securities of the investment fund, specifying the procedures to be followed and documents to be delivered before a redemption order pertaining to securities of the investment fund is accepted by the investment fund for processing and before payment of the proceeds of redemption is made by the investment fund;
 - (b) how the redemption price of the securities is determined and if applicable, state that the redemption price of the securities is based on the net asset value of a security of that class, or series of a class, next determined after the receipt by the investment fund of the redemption order;
 - (c) the circumstances under which the investment fund may suspend redemptions of the securities of the investment fund.

Short-term Trading

- 11.2** For investment funds in continuous distribution, under the sub-heading “Short-term Trading”
- (a) describe the adverse effects, if any, that short-term trades in securities of the investment fund by an investor may have on other investors in the investment fund;
 - (b) describe the restrictions, if any, that may be imposed by the investment fund to deter short-term trades, including the circumstances, if any, under which such restrictions may not apply or may otherwise be waived;
 - (c) where the investment fund does not impose restrictions on short-term

trades, state the specific basis for the view of the manager that it is appropriate for the investment fund not to do so; and

- (d) describe any arrangements, whether formal or informal, with any person or company, to permit short-term trades in securities of the investment fund, including the name of such person or company and the terms of such arrangements, including any restrictions imposed on the short-term trades and any compensation or other consideration received by the manager, the investment fund or any other party pursuant to such arrangements.

INSTRUCTION

In responding to the disclosure required by section 11.2 above, include a brief description of the short-term trading activities in the investment fund that are considered by the manager to be inappropriate or excessive. And, where the manager imposes a short-term trading fee, include a cross-reference to the disclosure provided under Item 7 of this Form.

Item 12: Consolidated Capitalization

Consolidated Capitalization

- 12.1** Describe any material change in, and the effect of the material change on, the share and loan capital of the investment fund, on a consolidated basis, since the date of the investment fund's financial statements for its most recently completed financial period included in the prospectus, including any material change that will result from the issuance of the securities being distributed under the prospectus.

Item 13: Prior Sales

Prior Sales

- 13.1** For an investment fund other than a labour sponsored investment fund or a commodity pool, under the heading "Prior Sales", for each class of securities of the investment fund distributed under the prospectus and securities that are convertible into those classes of securities, state, for the 12-month period before the date of the prospectus,
 - (a) the price at which the securities have been sold, and
 - (b) the number of securities sold.

Trading Price and Volume

- 13.2** (1) For each class of securities of the investment fund that is traded or quoted on a Canadian marketplace, identify the marketplace and the price ranges and volume traded or quoted on the Canadian marketplace on which the greatest volume of trading or quotation generally occurs.
- (2) If a class of securities of the investment fund is not traded or quoted on a Canadian marketplace but is traded or quoted on a foreign marketplace, identify the foreign marketplace and the price ranges and volume traded or quoted on the foreign marketplace on which the greatest volume or quotation generally occurs.
- (3) Provide the information required under subsections (1) and (2) on a monthly basis for each month or, if applicable, partial months of the 12-month period before the date of the prospectus.

Item 14: Income Tax Considerations

Status of the Investment Fund

- 14.1** Under the heading “Income Tax Considerations” and under the sub-heading “Status of the Investment Fund”, briefly describe the status of the investment fund for income tax purposes. Also disclose whether the investment fund is eligible as an investment for registered retirement savings plans, registered retirement income plans, registered education savings plans or deferred profit sharing plans.

Taxation of the Investment Fund

- 14.2** Under the sub-heading “Taxation of the Investment Fund”, state in general terms the bases upon which the income and capital receipts of the investment fund are taxed.

Taxation of Securityholders

- 14.3** Under the sub-heading “Taxation of Securityholders”, state in general terms the income tax consequences to the holders of the securities offered of
- (a) any distribution to the securityholders in the form of income, capital, dividends or otherwise, including amounts reinvested in securities of the investment fund;
 - (b) the redemption of securities; and
 - (c) the issue of securities.

Taxation of Registered Plans

- 14.4** Under the sub-heading “Taxation of Registered Plans”, explain the tax treatment applicable to investment fund securities held in a registered tax plan.

Tax Implications of the Investment Fund’s Distribution Policy

- 14.5** Under the sub-heading “Tax Implications of the Investment Fund’s Distribution Policy”, describe the impact of the investment fund’s distribution policy on a taxable investor who acquires securities of the investment fund late in a calendar year.

Organization and Management Details of the Investment Fund

Item 15: Manager and Portfolio Adviser

Manager of the Investment Fund

- 15.1** (1) Under a heading, “Organization and Management Details of the Investment Fund” and under a separate sub-heading, “Manager of the Investment Fund”, provide details of the manager of the investment fund, including the history and background of the manager and any overall investment strategy or approach used by the manager in connection with the investment fund.

Duties and Services to be Provided by the Manager

- (2) Under a separate sub-heading “Duties and Services to be Provided by the Manager”, provide a description of the duties and services that the manager will be providing to the investment fund.

Details of the Management Agreement

- (3) Under a separate sub-heading “Details of the Management Agreement”, provide a brief description of the essential details of any management agreement that the manager has entered or will be entering into with the investment fund including any termination rights.

Officers and Directors of the Investment Fund

- (4) Under a separate sub-heading “Officers and Directors of the Investment Fund”, provide the following:
 - (a) List the name and municipality of residence of each director and executive officer of the investment fund and indicate their respective positions and offices held with the investment fund and their respective principal occupations within the five preceding years.
 - (b) State the period or periods during which each director has served as a director and when his or her term of office will expire.
 - (c) State the number and percentage of securities of each class of voting securities of the investment fund or any of its subsidiaries beneficially owned, directly or indirectly, or over which control or direction is exercised by all directors and executive officers of the investment fund as a group.
 - (d) Disclose the board committees of the investment fund and identify the members of each committee.
 - (e) If the principal occupation of a director or executive officer of the investment fund is acting as an executive officer of a person or company other than the investment fund, disclose the fact and state the principal business of the person or company.
 - (f) For an investment fund that is a limited partnership, provide the information required by this Item for the general partner of the investment fund, modified as appropriate.

Cease Trade Orders and Bankruptcies of the Investment Fund

- (5) Under the sub-heading “Cease Trade Orders and Bankruptcies of the Investment Fund”, if a director or executive officer of the investment fund or a shareholder holding a sufficient number of securities of the investment fund to affect materially the control of the investment fund
 - (a) is, or within ten years before the date of the prospectus or *pro forma* prospectus, as applicable, has been, a director or executive officer of any other investment fund that, while that person was acting in that capacity,

- (i) was the subject of a cease trade or similar order, or an order that denied the other investment fund access to any exemptions under securities legislation, for a period of more than 30 consecutive days, state the fact and describe the basis on which the order was made and whether the order is still in effect; or
 - (ii) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the investment fund being the subject of a cease trade or similar order or an order that denied the relevant investment fund access to any exemption under securities legislation, for a period of more than 30 consecutive days, state the fact and describe the basis on which the order was made and whether the order is still in effect; or
 - (iii) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, state the fact; or
- (b) has, within the 10 years before the date of the prospectus or *pro forma* prospectus, as applicable, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder, state the fact.

Conflicts of Interest of the Investment Fund

- (6) Under the sub-heading “Conflicts of Interest of the Investment Fund”, disclose particulars of existing or potential material conflicts of interest between the investment fund and a director or executive officer of the investment fund.

Officers and Directors of the Manager of the Investment Fund

- (7) provide, under a separate sub-heading “Officers and Directors of the Manager of the Investment Fund”, the following:
- (a) List the name and municipality of residence of each partner, director and executive officer of the manager of the investment fund and indicate their respective positions and offices held with the manager and their respective

principal occupations within the five preceding years.

- (b) If a partner, director or executive officer of the manager has held more than one office with the manager within the past five years, state only the current office held.
- (c) If the principal occupation of a partner, director or executive officer of the manager is with an organization other than the manager of the investment fund, state the principal business in which the organization is engaged.

Cease Trade Orders and Bankruptcies of the Manager

- (8) provide under a separate sub-heading “Cease Trade Orders and Bankruptcies of the Manager” the information required under subsection (5) for the directors and executive officers of the manager of the investment fund, as modified where appropriate.

Conflicts of Interest of the Manager

- (9) Under the sub-heading “Conflicts of Interest”, disclose particulars of existing or potential material conflicts of interest between the investment fund and the manager or any director or executive officer of the manager of the investment fund.

15.2 Portfolio Adviser

- (1) Under a separate sub-heading, “Portfolio Adviser”, provide details of the portfolio adviser of the investment fund, including the history and background of the portfolio adviser.

Decision-making

- (2) State the extent to which investment decisions are made by certain individuals employed by the portfolio adviser and whether those decisions are subject to the oversight, approval or ratification of a committee.

Experience

- (3) State the name, title, and length of time of service of the person or persons employed by or associated with a portfolio adviser of the investment fund who is

or are principally responsible for the day-to-day management of a material portion of the portfolio of the investment fund, implementing a particular material strategy or managing a particular segment of the portfolio of the investment fund, and each person's business experience in the last five years.

Details of the Portfolio Advisory Agreement

- (4) Under a separate sub-heading "Details of the Portfolio Advisory Agreement", provide a brief description of the essential details of any portfolio advisory agreement that the portfolio adviser has entered or will be entering into with the investment fund or the manager of the investment fund including any termination rights.

Conflicts of Interest of the Portfolio Adviser

- (5) Under the sub-heading "Conflicts of Interest of the Portfolio Adviser", disclose particulars of existing or potential material conflicts of interest between the investment fund and the portfolio adviser or any director or executive officer of the portfolio adviser.

Item 16 : Independent Review Committee

Independent Review Committee

16.1 Under the sub-heading "Independent Review Committee", disclose a description of the independent review committee of the investment fund required by NI 81-107, including

- (a) an appropriate summary of its mandate and responsibilities;
- (b) its composition;
- (c) that it prepares a report at least annually of its activities for securityholders which is available on the [investment fund's/investment fund family's] website, or at your request, and at no cost, by contacting the [investment fund/investment fund family] at [investment fund's/investment fund family's email address] and if applicable, that additional information about the independent review committee, including the names of the members, is available in the investment fund's annual information form;
- (d) that additional information about the independent review committee, including the names of the members, is available in the investment fund's annual information form (if applicable); and
- (e) the fees payable to the independent review committee, including whether the investment fund pays all of the fees payable to the independent review

committee and listing the main components of the fees.

Item 17: Custodian

Custodian

17.1 Under the sub-heading “Custodian”, state the name, municipality of the principal or head office, and nature of business of the custodian and any principal sub-custodian of the investment fund.

Sub-custodian

17.2 Describe generally the sub-custodian arrangements of the investment fund.

INSTRUCTION:

A "principal sub-custodian" is a sub-custodian to whom custodial authority has been delegated in respect of a material portion or segment of the portfolio assets of the investment fund.

Item 18: Auditor, Transfer Agent and Registrar

Auditors

18.1 Under the sub-heading “Auditor”, state the name and address of the auditor of the investment fund.

Transfer Agent and Registrar

18.2 Under the sub-heading, “Transfer Agent and Registrar”, for each class of securities, state the name of the investment fund’s transfer agent(s), registrar(s), trustee, or other agent appointed by the investment fund to maintain the securities register and the register of transfers for such securities and indicate the location (by municipalities) of each of the offices of the investment fund or transfer agent, registrar, trustee or other agent where the securities, register and register of transfers are maintained or transfers of securities are recorded.

Item 19: Promoters

Promoters

- 19.1** (1) For a person or company that is, or has been within the 3 years immediately preceding the date of the prospectus or *pro forma* prospectus, a promoter of the investment fund or of a subsidiary of the investment fund, state under the sub-heading “Promoter”
- (a) the person or company’s name;
 - (b) the number and percentage of each class of voting securities and equity securities of the investment fund or any of its subsidiaries beneficially owned, directly or indirectly, or over which control is exercised by the person or company;
 - (c) the nature and amount of anything of value, including money, property, contracts, options or rights of any kind received or to be received by the promoter directly or indirectly from the investment fund or from a subsidiary of the investment fund, and the nature and amount of any assets, services or other consideration received or to be received by the investment fund or a subsidiary of the investment fund in return; and
 - (d) for an asset acquired within the 3 years before the date of the preliminary prospectus or *pro forma* prospectus, or to be acquired, by the investment fund or by a subsidiary of the investment fund from a promoter
 - (i) the consideration paid or to be paid for the asset and the method by which the consideration has been or will be determined,
 - (ii) the person or company making the determination referred to in subparagraph (i) and the person or company’s relationship with the investment fund, the promoter, or affiliate of the investment fund or of the promoter, and
 - (iii) the date that the asset was acquired by the promoter and the cost of the asset to the promoter.
- (2) If a promoter of the investment fund has been a director, executive officer or promoter of any person or company during the 10 years ending on the date of the preliminary prospectus or *pro forma* prospectus, as applicable, that while that person was acting in that capacity,

- (a) was the subject of a cease trade or similar order, or an order that denied the person or company access to any exemptions under provincial or territorial securities legislation, for a period of more than 30 consecutive days, state the fact and describe the basis on which the order was made and whether the order is still in effect;
 - (b) was subject to an event that resulted, after the director, executive officer or promoter ceased to be a director, executive officer or promoter, in the company or person being subject to a cease trade or similar order or an order that denied the relevant company or person access to any exemption under securities legislation, for a period of more than 30 consecutive days, state the fact and describe the basis on which the order was made and whether the order is still in effect, or
 - (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, state the fact.
- (3) Describe the penalties or sanctions imposed and the grounds on which they were imposed or the terms of the settlement agreement and the circumstances that gave rise to the settlement agreement, if a promoter has been subject to
- (a) any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a provincial or territorial securities regulatory authority or has entered into a settlement agreement with a provincial or territorial securities regulatory authority; or
 - (b) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.
- (4) Despite paragraph (3), no disclosure is required of a settlement agreement entered into before December 31, 2000 unless the disclosure would likely be considered to be important to a reasonable investor in making an investment decision.
- (5) If a promoter of the investment fund has within the ten years before the date of the prospectus or *pro forma* prospectus, as applicable, become bankrupt or made a

proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the promoter, state the fact.

Item 20: Trustee and Declaration of Trust

Trustee

20.1 Under the sub-heading “Trustee”, provide details of the trustee of the investment fund.

Declaration of Trust

20.2 Under the sub-heading “Declaration of Trust”, provide details of the declaration of trust including any termination rights and matters requiring securityholder approval.

Amendments to the Declaration of Trust

20.3 Under the sub-heading “Amendments to the Declaration of Trust”, describe the circumstances, processes and procedures required to amend the declaration of trust.

Attributes of the Securities

Item 21: Description of the Securities Distributed

Equity Securities or Investment Fund Units

21.1 If equity securities or units of the investment fund are being distributed, under the heading “Attributes of the Securities” and under the sub-heading “Description of the Securities Distributed” state the description or the designation of the class of equity securities or units distributed and describe all material attributes and characteristics, including

- (a) dividend or distribution rights;
- (b) voting rights;

- (c) rights upon dissolution, termination or winding-up;
- (d) pre-emptive rights;
- (e) conversion or exchange rights;
- (f) redemption, retraction, purchase for cancellation or surrender provisions;
- (g) sinking or purchase fund provisions;
- (h) provisions permitting or restricting the issuance of additional securities and any other material restrictions;
- (i) provisions as to amendment of any of these rights or provisions; and
- (j) provisions requiring a shareholder to contribute additional capital.

Debt Securities

21.2 If debt securities are being distributed, under the heading “Attributes of the Securities” and under the sub-heading “Description of the Securities Distributed”, describe all material attributes and characteristics of the indebtedness and the security, if any, for the debt, including

- (a) provisions for interest rate, maturity and premium, if any;
- (b) conversion or exchange rights;
- (c) redemption, retraction, purchase for cancellation or surrender provisions;
- (d) sinking or purchase fund provisions;
- (e) the nature and priority of any security for the debt securities, briefly identifying the principal properties subject to lien or charge;
- (f) provisions permitting or restricting the issuance of additional securities, the incurring of additional indebtedness and other material negative covenants, including restrictions against payment of dividends and restrictions against giving security on the assets of the investment fund or its subsidiaries, and provisions as to the release or substitution of assets securing the debt securities;
- (g) the name of the trustee under any indenture relating to the debt securities and the nature of any material relationship between the trustee or any of

its affiliates and the investment fund or any of its affiliates; and

- (h) any financial arrangements between the investment fund and any of its affiliates or among its affiliates that could affect the security for the indebtedness.

Derivatives

21.3 If derivatives are being distributed, under the heading “Attributes of the Securities” and under the sub-heading “Description of the Securities Distributed”, describe fully the material attributes and characteristics of the derivatives, including

- (a) the calculation of the value or payment obligations under the derivatives;
- (b) the exercise of the derivatives;
- (c) the settlement of exercises of the derivatives;
- (d) the underlying interest of the derivatives;
- (e) the role of a calculation expert in connection with the derivatives;
- (f) the role of any credit supporter of the derivatives; and
- (g) the risk factors associated with the derivatives.

Other securities

21.4 If securities other the securities mentioned above are being distributed, under the heading “Attributes of the Securities” and under the sub-heading “Description of the Securities Distributed”, describe fully the material attributes and characteristics of those securities.

Special Warrants, etc.

21.5 If the prospectus is used to qualify the distribution of securities issued upon the exercise of special warrants or other securities acquired on a prospectus-exempt basis, disclose that holders of such securities have been provided with a contractual right of rescission and provide the following disclosure in the prospectus:

“In the event that a holder of a special warrant, who acquires a [identify underlying security] of the investment fund upon the exercise of the special warrant as provided for in this prospectus, is or becomes entitled under applicable securities legislation to the remedy of rescission by reason of this prospectus or any amendment thereto containing a misrepresentation, such holder shall be entitled to rescission not only of the holder’s exercise of its special warrant(s) but also of the private placement transaction pursuant to which the special warrant was initially acquired, and shall be entitled in connection with such rescission to a full refund of all consideration paid to the [underwriter or investment fund, as the case may be] on the acquisition of the special warrant. In the event such holder is a permitted assignee of the interest of the original special warrant subscriber, such permitted assignee shall be entitled to exercise the rights of rescission and refund granted hereunder as if such permitted assignee was such original subscriber. The foregoing is in addition to any other right or remedy available to a holder of the special warrant under applicable securities legislation or otherwise at law.”

INSTRUCTION

If the prospectus is qualifying the distribution of securities issued upon the exercise of securities other than special warrants, replace the term “special warrant” with the type of the security being distributed.

Restricted Securities

- 21.6** (1) If the investment fund has outstanding, or proposes to distribute under the prospectus, restricted securities, subject securities or securities that are, directly or indirectly, convertible into or exercisable or exchangeable for restricted securities or subject securities, provide a detailed description of:
- (a) the voting rights attached to the restricted securities that are the subject of the distribution or that will result from the distribution, either directly or following a conversion exchange or exercise, and the voting rights, if any, attached to the securities of any other class of securities of the investment fund that are the same or greater on a per security basis than those attached to the restricted securities,

- (b) any significant provisions under applicable corporate and securities law that do not apply to the holders of the restricted securities that are the subject of the distribution or that will result from the distribution, either directly or following a conversion exchange or exercise, but do apply to the holders of another class of equity securities, and the extent of any rights provided in the constating documents or otherwise for the protection of holders of the restricted securities,
 - (c) any rights under applicable corporate law, in the constating documents or otherwise, of holders of restricted securities that are the subject of the distribution or that will result from the distribution, either directly or following a conversion exchange or exercise, to attend, in person or by proxy, meetings of holders of equity securities of the investment fund and to speak at the meetings to the same extent that holders of equity securities are entitled, and
 - (d) how the investment fund complied with, or basis upon which it was exempt from, the requirements of Part 7 of this Instrument.
- (2) If holders of restricted securities do not have all of the rights referred to in subsection (1) the detailed description referred to in that subsection must include, in bold type, a statement of the rights the holders do not have.
 - (3) If the investment fund is required to include the disclosure referred to in subsection (1), state the percentage of the aggregate voting rights attached to the investment fund's securities that will be represented by restricted securities after giving effect to the issuance of the securities being offered.

Modification of Terms

- 21.7**
- (1) Describe provisions as to modification, amendment or variation of any rights attached to the securities being distributed.
 - (2) If the rights of holders of securities may be modified otherwise than in accordance with the provisions attached to the securities or the provisions of the governing statute relating to the securities, explain briefly.

Ratings

- 21.8** If one or more ratings, including provisional ratings or stability ratings, have been received from one or more approved rating organizations for the securities being distributed and the rating or ratings continue in effect, disclose
- (a) each security rating, including a provisional rating or stability rating, received from an approved rating organization,
 - (b) the name of each approved rating organization that has assigned a rating for the securities to be distributed,
 - (c) a definition or description of the category in which each approved rating organization rated the securities to be distributed and the relative rank of each rating within the organization's classification system,
 - (d) an explanation of what the rating addresses and what attributes, if any, of the securities to be distributed are not addressed by the rating,
 - (e) any factors or considerations identified by the approved rating organization as giving rise to unusual risks associated with the securities to be distributed,
 - (f) a statement that a security rating or a stability rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the rating organization, and
 - (g) any announcement made by, or any proposed announcement known to the investment fund to be made by, an approved rating organization that the organization is reviewing or intends to revise or withdraw a rating previously assigned and required to be disclosed under this paragraph.

Other attributes

- 21.9** (1) If the rights attaching to the securities being distributed are materially limited or qualified by the rights of any other class of securities, or if any other class of securities ranks ahead of or equally with the securities being distributed, include information about the other securities that will enable investors to understand the rights attaching to the securities being distributed.
- (2) If securities of the class being distributed may be partially redeemed or repurchased, state the manner of selecting the securities to be redeemed or repurchased.

INSTRUCTION

This Item requires only a brief summary of the provisions that are material from an investment standpoint. The provisions attaching to the securities being distributed or any other class of securities do not need to be set out in full. They may, in the investment fund's discretion, be attached as a schedule to the prospectus.

Item 22 Securityholder Matters

Meetings of Securityholders

- 22.1** Under the sub-heading "Meetings of Securityholders", describe the circumstances, processes and procedures for holding any securityholder meeting and for any extraordinary resolution.

Reporting to Securityholders

- 22.2** Under the sub-heading "Reporting to Securityholders" describe the information or reports that will be delivered or made available to securityholders and the frequency in which such information or reports will be delivered or made available to securityholders including any requirements from securities legislation.

Item 23: Valuation of Investment Fund Assets

Valuation Procedures

- 23.1** Under the sub-heading "Valuation Procedures for the Investment Fund Assets", describe the valuation policy for determining the value of the investment fund assets including,
- (a) the methods used to value the various types or classes of investment fund assets and its liabilities for the purpose of calculating net asset value; and
 - (b) if the manager has discretion to deviate from the investment fund's valuation practices described in subsection (a), disclose when and to what extent that discretion may be exercised and, if it has been exercised in the past three years, provide an example of how it has been exercised or, if it has not been exercised in the past three years, so state.

Calculation of Net Asset Value

- 23.2** Except for scholarship plans, Under the sub-heading “Calculation of Net Asset Value”, describe,
- (a) how the net asset value of the investment fund is determined; and
 - (b) the frequency at which the net asset value is determined and the date and time of day at which it is determined.

Reporting of Net Asset Value

- 23.3** Under the sub-heading “Reporting of Net Asset Value”, describe,
- (a) how the net asset value of the investment fund will be reported to securityholders at no cost, for example, website, toll-free telephone line, etc. and
 - (b) the frequency at which the net asset value is reported to securityholders.

Item 24 Termination of the Fund

Termination of the Fund

- 24.1** Under the sub-heading “Termination of the Fund”, describe the circumstances in which the investment fund will be terminated including:
- (a) the date of termination;
 - (b) how the value of the securities of the investment fund at termination will be determined;
 - (c) whether securityholders will receive cash or some other type of payment upon termination;
 - (d) the details of any rollover transaction, if securityholders will receive units of another investment fund as part of a rollover transaction upon termination;

- (e) how the assets of the investment fund will be distributed upon termination; and
- (f) disclose if the commodity pool will be wound up without the approval of securityholders if the net asset value per security falls below a certain predetermined level, and, if so, the net asset value per security at which this will occur.

Item 25: Escrowed Securities

Escrowed securities and securities subject to contractual restriction on transfer

25.1 (1) Under the sub-heading “Escrowed Securities”, state as of a specified date within 30 days before the date of the prospectus, in substantially the following tabular form, the number of securities of each class of securities of the investment fund held, to the knowledge of the investment fund, in escrow or that are subject to a contractual restriction on transfer and the percentage that number represents of the outstanding securities of that class.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

Designation of class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of class

- (2) In a note to the table disclose the name of the depository, if any, and the date of and conditions governing the release of the securities from escrow or the date the contractual restriction on transfer ends, as applicable.
- (3) Describe any material change to the information required to be included in the prospectus under subsection (1) to the date of the prospectus.

INSTRUCTION

For purposes of this item, escrow includes securities subject to a pooling agreement.

Use of Proceeds and Distribution Plan

Item 26: Use of Proceeds

Proceeds

- 26.1** (1) Under the heading “Use of Proceeds and Distribution Plan” and under the sub-heading “Use of Proceeds”, state the estimated net proceeds to be received by the investment fund or selling security holder or, in the case of a non-fixed price distribution or a distribution to be made on a best efforts basis, the minimum amount, if any, of net proceeds to be received by the investment fund or selling security holder from the sale of the securities distributed.
- (2) State the particulars of any provisions or arrangements made for holding any part of the net proceeds of the distribution in trust or escrow subject to the fulfillment of conditions.
- (3) If the prospectus is used for a special warrant or similar transaction, state the amount that has been received by the issuer of the special warrants or similar securities on the sale of the special warrants or similar securities.

Principal Purposes – General

- 26.2** (1) Describe in reasonable detail and, if appropriate, using tabular form, each of the principal purposes, with approximate amounts, for which the net proceeds will be used by the investment fund.
- (2) If the closing of the distribution is subject to a minimum subscription, provide disclosure of the use of proceeds for the minimum and maximum subscriptions.

Principal purposes – indebtedness

- 26.3** (1) If more than 10% of the net proceeds will be used to reduce or retire indebtedness and the indebtedness was incurred within the 2 preceding years, describe the principal purposes for which the proceeds of the indebtedness were used.
- (2) If the creditor is an insider, associate or affiliate of the investment fund or manager, identify the creditor and the nature of the relationship to the investment fund and the outstanding amount owed.

Principal purposes – asset acquisition

- 26.4** (1) If more than 10% of the net proceeds are to be used to acquire assets, describe the assets.
- (2) If known, disclose the particulars of the purchase price being paid for or being allocated to the assets or categories of assets, including intangible assets.
- (3) If the vendor of the assets is an insider, associate or affiliate of the investment fund or manager, give the name of the vendor and the method used in determining the purchase price.
- (4) Describe the nature of the title to or interest in the assets to be acquired by the investment fund.
- (5) If part of the consideration for the acquisition of the assets consists of securities of the investment fund, give brief particulars of the class, number or amount, voting rights, if any, and other appropriate information relating to the securities, including particulars of the issuance of securities of the same class within the 2 preceding years.

Principal purposes – insiders, etc.

- 26.5** If an insider, associate or affiliate of the investment fund or manager will receive more than 10% of the net proceeds, identify the insider, associate or affiliate and disclose the amount of net proceeds to be received.

Unallocated Funds

- 26.6** (1) Disclose that unallocated funds will be placed in a trust or escrow account, invested or added to the working capital of the investment fund.
- (2) Give details of the arrangements made for, and the persons or companies responsible for,
- (a) the supervision of the trust or escrow account or the investment of unallocated funds, and
- (b) the investment policy to be followed.

Other Sources of Funding

26.7 If any material amounts of other funds are to be used in conjunction with the proceeds, state the amounts and sources of the other funds.

Financing by special warrants, etc.

26.8 (1) If the prospectus is used to qualify the distribution of securities issued upon the exercise of special warrants or the exercise of other securities acquired on a prospectus-exempt basis, describe the principal purposes for which the proceeds of the prospectus-exempt financing were used or are to be used.

(2) If all or a portion of the funds have been spent, explain how the funds were spent.

INSTRUCTION

For the purposes of the disclosure in section 26.7, the phrase “for general corporate purposes” will generally not be sufficient.

Item 27: Plan of Distribution

Plan of Distribution

27.1 Under the sub-heading “Plan of Distribution” briefly describe the plan of distribution including the following information.

Name of underwriters

27.2 (1) If the securities are being distributed by an underwriter, state the name of the underwriter and describe briefly the nature of the underwriter’s obligation to take up and pay for the securities.

(2) Disclose the date by which the underwriter is obligated to purchase the securities.

Disclosure of conditions to underwriters' obligations

- 27.3** If securities are distributed by an underwriter that has agreed to purchase all of the securities at a specified price and the underwriter's obligations are subject to conditions,
- (a) include a statement in substantially the following form, with the bracketed information completed and with modifications necessary to reflect the terms of the distribution:

“Under an agreement dated [insert date of agreement] between [insert name of investment fund or selling security holder] and [insert name(s) of underwriter(s)], as underwriter[s], [insert name of investment fund or selling security shareholder] has agreed to sell and the underwriter[s] [has/have] agreed to purchase on [insert closing date] the securities at a price of [insert offering price], payable in cash to [insert name of investment fund or selling security holder] against delivery. The obligations of the underwriter[s] under the agreement may be terminated at [its/their] discretion on the basis of [its/their] assessment of the state of the financial markets and may also be terminated upon the occurrence of certain stated events. The underwriter[s] [is/are], however, obligated to take up and pay for all of the securities if any of the securities are purchased under the agreement.”, and
 - (b) describe any other conditions and indicate any information known that is relevant to whether such conditions will be satisfied.

Best efforts offering

- 27.4** Outline briefly the plan of distribution of any securities being distributed other than on the basis described in item 27.3.

Minimum distribution

- 27.5** If securities are being distributed on a best efforts basis and minimum funds are to be raised, state
- (a) the minimum funds to be raised,
 - (b) that the investment fund must appoint a registered dealer authorized to make the distribution, a Canadian financial institution, or a lawyer, or in Québec a notary, who is a practicing member in good standing with a law society of a jurisdiction in which the securities are being distributed, to

hold in trust all funds received from subscriptions until the minimum amount of funds stipulated in paragraph (a) has been raised, and

- (c) that if the minimum amount of funds is not raised within the distribution period, the trustee must return the funds to the subscribers without any deductions.

Determination of price

- 27.6** Disclose the method by which the distribution price has been or will be determined and, if estimates have been provided, explain the process of determining the estimates.

Stabilization

- 27.7** If the investment fund, a selling security holder or an underwriter knows or has reason to believe that there is an intention to over-allot or that the price of any security may be stabilized to facilitate the distribution of the securities, describe the nature of these transactions, including the anticipated size of any over-allocation position, and explain how the transactions are expected to affect the price of the securities.

Approvals

- 27.8** If the purpose of the distribution is to fund in whole or in part a new business of the investment fund and the investment fund has not obtained all material licences, registrations and approvals necessary for the operation of the business, include a statement that
 - (a) the investment fund must appoint a registered dealer authorized to make the distribution, a Canadian financial institution, a lawyer, or in Québec a notary, who is a practicing member in good standing with a law society of a jurisdiction in which the securities are being distributed, to hold in trust all funds received from subscriptions until all material licences, registrations and approvals necessary for the operation of the business have been obtained, and
 - (b) if all material licences, registrations and approvals necessary for the operation of the business have not been obtained within 90 days from the date of receipt of the final prospectus, the trustee must return the funds to subscribers.

Reduced price distributions

- 27.9** If an underwriter may decrease the price at which securities are distributed for cash from the initial public offering price disclosed in the prospectus and thereafter change, from time to time, the price at which securities are distributed under the prospectus in accordance with the procedures permitted by the Instrument, disclose that, after the underwriter has made a reasonable effort to sell all of the securities at the initial offering price disclosed in the prospectus, the offering price may be decreased, and further changed from time to time, to an amount not greater than the initial offering price disclosed in the prospectus and that the compensation realized by the underwriter will be decreased by the amount that the aggregate price paid by purchasers for the securities is less than the gross proceeds paid by the underwriter to the investment fund or selling security holder.

Listing application

- 27.10** If application has been made to list or quote the securities being distributed, include a statement, in substantially the following form, with bracketed information completed:

“The investment fund has applied to [list/quote] the securities distributed under this prospectus on [name of exchange or other market]. [Listing/Quotation] will be subject to the investment fund fulfilling all the listing requirements of [name of exchange or other market].”

Conditional listing approval

- 27.11** If application has been made to list or quote the securities being distributed on an exchange or marketplace and conditional listing approval has been received, include a statement, in substantially the following form, with the bracketed information completed:

“[name of exchange or marketplace] has conditionally approved the [listing/quotation] of these securities. [Listing/Quotation] is subject to the [name of investment fund] fulfilling all of the requirements of the [name of exchange or marketplace] on or before [date], [including distribution of these securities to a minimum number of public security holders].”

Constraints

- 27.12** If there are constraints imposed on the ownership of securities of the investment fund to ensure that the investment fund has a required level of Canadian ownership, describe the mechanism, if any, by which the level of Canadian ownership of the securities of the investment fund will be monitored and maintained.

Special warrants acquired by underwriters or agents

- 27.13** Disclose the number and dollar value of any special warrants acquired by any underwriter or agent and the percentage of the distribution represented by those special warrants.

Conflicts of Interest and Proxy Voting Disclosure

Item 28: Relationship Between Investment Fund or Selling Security Holder and Underwriter

- 28.1 (1)** Under the heading “Conflicts of Interest” and under the sub-heading “Relationship between Investment Fund or Selling Security Holder and Underwriter”, if the investment fund or selling security holder is a connected issuer or related issuer of an underwriter of the distribution, or if the investment fund or selling security holder is also an underwriter, comply with the requirements of National Instrument 33-105.
- (2)** For the purposes of subsection (1), “connected issuer” and “related issuer” have the same meanings as in NI 33-105.

Item 29: Options to Purchase Securities

Options to Purchase Securities

- 29.1 (1)** Under the sub-heading “Options to Purchase Securities”, state, in tabular form, as at a specified date within 30 days before the date of the prospectus, information as to options to purchase securities of the investment fund that are held or will be held upon completion of the distribution by
- (a)** all executive officers and past executives officers of the investment fund as a group and all directors and past directors of the investment fund who are not also executive officers as a group, indicating the aggregate number of executive officers and the aggregate number of directors to whom the

information applies,

- (b) all executive officers and past executive officers of all subsidiaries of the investment fund as a group and all directors and past directors of those subsidiaries who are not also executive officers of the subsidiary as a group, in each case, and excluding individuals referred to in paragraph (a), indicating the aggregate number of executive officers and the aggregate number of directors to whom the information applies,
 - (c) all other employees and past employees of the investment fund as a group,
 - (d) all other employees and past employees of subsidiaries of the investment fund as a group,
 - (e) all consultants of the investment fund as a group, and
 - (f) any other person or company, other than the underwriter(s), naming each person or company.
- (2) Describe any material change to the information required to be included in the prospectus under subsection (1) to the date of the prospectus.

INSTRUCTIONS

- (1) *Describe the options, stating the material provisions of each class or type of option, including:*
- (a) *the designation and number of the securities under option;*
 - (b) *the purchase price of the securities under option or the formula by which the purchase price will be determined, and the expiration dates of the options;*
 - (c) *if reasonably ascertainable, the market value of the securities under option on the date of grant;*
 - (d) *if reasonably ascertainable, the market value of the securities under option on the specified date; and*
 - (e) *with respect to options referred to in paragraph (f) of Item 29.1, the particulars of the grant including the consideration for the grant.*

- (2) *For the purposes of item (f) of Item 29.1(1), provide the information required for all options except warrants and special warrants.*

Item 30 : Interest of Management and Others in Material Transactions

Interest of Management and Others in Material Transactions

30.1 Under the sub-heading “Interest of Management and Others in Material Transactions”, describe, and state the approximate amount of, any material interest, direct or indirect, of any of the following persons or companies in any transaction within the three years before the date of the prospectus or *pro forma* prospectus, or in any proposed transaction, that has materially affected or will materially affect the investment fund:

- (a) a director or executive officer of the investment fund or the investment fund manager;
- (b) a person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than 10 percent of any class or series of the outstanding voting securities;
- (c) an associate or affiliate of any of the persons or companies referred to in paragraphs (a) or (b).

Underwriting Discounts

30.2 Disclose any material underwriting discounts or commissions upon the sale of securities by the investment fund if any of the persons or companies listed under item 30.1 were or are to be an underwriter or are associates, affiliates or partners of a person or company that was or is to be an underwriter.

INSTRUCTIONS

- (1) *The materiality of an interest is to be determined on the basis of the significance of the information to investors in light of all the circumstances of the particular case. The importance of the interest to the person having the interest, the relationship of the parties to the transaction with each other and the amount involved are among the factors to be considered in determining the significance of the information to investors.*
- (2) *Give a brief description of the material transaction. Include the name of each*

person or company whose interest in any transaction is described and the nature of the relationship to the investment fund.

- (3) *For any transaction involving the purchase of assets by or sale of assets to the investment fund or a subsidiary of the investment fund, state the cost of the assets to the purchaser, and the cost of the assets to the seller if acquired by the seller within three years before the transaction.*
- (4) *This item does not apply to any interest arising from the ownership of securities of the investment fund if the security holder receives no extra or special benefit or advantage not shared on an equal basis by all other holders of the same class of securities or all other holders of the same class of securities who are resident in Canada.*
- (5) *Information must be included as to any material underwriting discounts or commissions upon the sale of securities by the investment fund if any of the specified persons or companies were or are to be an underwriter or are associates, affiliates or partners of a person or company that was or is to be an underwriter.*
- (6) *No information need be given in answer to this item as to a transaction, or an interest in a transaction, if*
 - (a) *the rates or charges involved in the transaction are fixed by law or determined by competitive bids;*
 - (b) *the interest of a specified person or company in the transaction is solely that of a director of another company that is a party to the transaction;*
 - (c) *the transaction involves services as a bank or other depository of funds, a transfer agent, registrar, trustee under a trust indenture or other similar services; or*
 - (d) *the transaction does not involve remuneration for services and the interest of the specified person or company arose from the beneficial ownership, direct or indirect, of less than ten per cent of any class of equity securities of another company that is party to the transaction and the transaction is in the ordinary course of business of the investment fund or its subsidiaries.*
- (7) *Describe all transactions not excluded above that involve remuneration (including an issuance of securities), directly or indirectly, to any of the specified persons or companies for services in any capacity unless the interest of the person or company arises solely from the beneficial ownership, direct or indirect,*

of less than ten per cent of any class of equity securities of another company furnishing the services to the investment fund or its subsidiaries.

Item 31: Principal Holders of Securities of the Investment Fund and Selling Security Holders

Principal Holders of Securities of the Investment Fund and Selling Security Holders

- 31.1 (1)** Under the sub-heading “Principal Holders of Securities of the Investment Fund and Selling Security Holders”, provide the following information for each principal holder of securities of the investment fund and, if any securities are being distributed for the account of a security holder, for each selling security holder, as of a specified date not more than 30 days before the date of the prospectus or *pro forma* prospectus, as applicable:
- (a) The name.
 - (b) The number or amount of securities owned of the class being distributed.
 - (c) The number or amount of securities of the class being distributed for the account of the security holder.
 - (d) The number or amount of securities of the investment fund of any class to be owned after the distribution.
 - (e) Whether the securities referred to in paragraphs (c) or (d) are owned both of record and beneficially, of record only, or beneficially only.
 - (f) The percentages of each class of securities known by the investment fund to be owned before and after the distribution.
- (2)** If securities are being distributed in connection with an acquisition, amalgamation, merger, reorganization or arrangement, indicate, to the extent known, the holdings of each person or company described in subsection (1) that will exist after giving effect to the transaction.
- (3)** If any of the securities being distributed are being distributed for the account of a security holder and those securities were purchased by the selling security holder within the 2 years preceding the date of the prospectus or *pro forma* prospectus, as applicable, state the date the selling security holder acquired the securities and, if the securities were acquired in the 12 months preceding the date of the

prospectus or *pro forma* prospectus, as applicable, the cost to the security holder in the aggregate and on an average cost per security basis.

- (4) If, to the knowledge of the investment fund or the underwriter of the securities being distributed, more than 10% of any class of voting securities of the investment fund is held, or is to be held, subject to any voting trust or other similar agreement, disclose, to the extent known, the designation of the securities, the number or amount of the securities held or to be held subject to the agreement and the duration of the agreement. State the names and addresses of the voting trustees and outline briefly their voting rights and other powers under the agreement.
- (5) If, to the knowledge of the investment fund or the underwriter of the securities being distributed, any principal holder of securities or selling security holder is an associate or affiliate of another person or company named as a principal holder, disclose, to the extent known, the material facts of the relationship, including any basis for influence over the investment fund held by the person or company other than the holding of voting securities of the investment fund.
- (6) In addition to the above, include in a footnote to the table, the required calculation(s) on a fully-diluted basis.

INSTRUCTION

If a company, partnership, trust or other unincorporated entity is a principal holder of securities of an investment fund, disclose, to the extent known, the name of each individual who, through ownership of or control or direction over the securities of the company or membership in the partnership, as the case may be, is a principal shareholder of the company or partnership.

Item 32 : Proxy Voting Disclosure For Portfolio Securities Held

Proxy Voting Disclosure

- 32.1** Under the sub-heading “Proxy Voting Disclosure For Portfolio Securities Held”, include the disclosure required by subsection 10.2(3) of NI 81-106.

Other Legal Matters

Item 33: Material Contracts

Material Contracts

- 33.1 (1)** Under the heading “Other Legal Matters” and under the sub-heading “Material Contracts”, list and provide particulars of
- (a) the articles of incorporation, the declaration of trust or trust agreement of the investment fund or any other constating document, if any;
 - (b) any agreement of the investment fund or trustee with the manager of the investment fund;
 - (c) any agreement of the investment fund, the manager or trustee with the portfolio adviser of the investment fund;
 - (d) any agreement of the investment fund, the manager or trustee with the custodian of the investment fund;
 - (e) any agreement of the investment fund or trustee or manager with the underwriters or agents of the investment fund;
 - (f) any swap or forward agreement of the investment fund or trustee or manager with a counterparty that is material to the investment fund fulfilling its investment objective;
 - (g) any agreement of the investment fund, the manager or trustee with the principal distributor of the investment fund; and
 - (h) any other contract or agreement that can reasonably be regarded as material to an investor in the securities of the investment fund.
- (2)** State a reasonable time and place in [the local jurisdiction] at which the executed contracts, or copies of them, may be inspected during distribution of the securities being distributed.

INSTRUCTIONS

- (1) *Set out a complete list of all material contracts, indicating those that are disclosed elsewhere in the prospectus and provide particulars about those material contracts for which particulars are not given elsewhere in the prospectus.*
- (2) *Particulars of contracts should include the dates of, parties to, consideration*

provided for in, termination provisions and general nature of, the contracts.

- (3) *This Item does not require disclosure of contracts entered into in the ordinary course of business of the investment fund.*

Item 34: Legal and Administrative Proceedings

Legal and Administrative Proceedings

- 34.1** Under the sub-heading “Legal and Administrative Proceedings”, describe briefly any ongoing legal and administrative proceedings material to the investment fund, to which the investment fund, its manager or principal distributor is a party.

Particulars of the Proceedings

- 34.2** For all matters disclosed under subsection 34.1, disclose
- (a) the name of the court or agency having jurisdiction;
 - (b) the date on which the proceeding was instituted;
 - (c) the principal parties to the proceeding;
 - (d) the nature of the proceeding and, if applicable, the amount claimed; and
 - (e) whether the proceedings are being contested and the present status of the proceedings.

Provide similar disclosure about any proceedings known to be contemplated.

Penalties and Sanctions

- 34.3** Describe the penalties or sanctions imposed and the grounds on which they were imposed or the terms of any settlement agreement and the circumstances that gave rise to the settlement agreement, if within the 10 years before the date of the prospectus, the manager of the investment fund, or a director or officer of the investment fund or a partner, director or officer of the manager of the investment fund has,
- (a) been subject to any penalties or sanctions imposed by a court or securities regulator relating to Canadian securities legislation, promotion or management of an investment fund, theft or fraud or has entered into a settlement agreement with a court or regulatory body in relation to the aforementioned matters; or
 - (b) been subject to any other penalties or sanctions imposed by a court or regulatory body or has entered into any other settlement agreement with a

court or regulatory body that would likely be considered important to a reasonable investor in determining whether to purchase securities of the investment fund.

Item 35: Credit Supporter Disclosure

35.1 Credit Supporter Disclosure – Under the sub-heading “Credit Supporter Disclosure”, if a credit supporter has provided a guarantee or alternative credit support for all or substantially all of the payments to be made under the securities being distributed, include statements by the credit supporter providing disclosure about the credit supporter that would be required under Items 4, 6, 7, 28, 34 and 41 of this Form if the credit supporter were the investment fund of the securities and such other information about the credit supporter as is necessary to provide full, true and plain disclosure of all material facts concerning the securities to be distributed.

Item 36 Experts

Names of experts

36.1 Name each person or company

- (a) who is named as having prepared or certified a report, valuation, statement or opinion in the prospectus or an amendment to the prospectus, and
- (b) whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company.

Interest of Experts

- 36.2**
- (1) Disclose all direct, indirect or beneficial interests in any securities or other property of the investment fund or of an associate or affiliate of the investment fund received or to be received by a person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of the prospectus or prepared or certified a report or valuation described or included in the prospectus.
 - (2) For the purpose of paragraph (1), if the ownership is less than one per cent, a general statement to that effect shall be sufficient. If there is no ownership interest, no statement is required.
 - (3) If a person, or a director, officer or employee of a person or company referred to

in paragraph (1) is or is expected to be elected, appointed or employed as a director, officer or employee of the investment fund or of any associate or affiliate of the investment fund, disclose the fact or expectation.

INSTRUCTIONS

- (1) *Item 36.2 does not apply to:*
 - (a) *auditors of a business acquired by the investment fund provided they have not or will not be appointed as the investment fund's auditor subsequent to the acquisition;*
 - (b) *the investment fund's predecessor auditors, if any, for those periods when they were not the investment fund's auditor; and*
 - (c) *the investment fund's auditor for the period before they became the investment fund's auditor.*
- (2) *Item 36. does not apply to direct, indirect or beneficial interests held through investment funds.*

Item 37: Other Material Facts

Other Material Facts

- 37.1** Give particulars of any material facts about the securities being distributed that are not disclosed under the preceding items and are necessary in order for the prospectus to contain full, true and plain disclosure of all material facts relating to the securities to be distributed.

Item 38: Purchasers' Statutory Rights of Withdrawal and Rescission

General

38.1 For investment funds other than mutual funds, under the sub-heading "Purchasers' Statutory Rights of Withdrawal and Rescission" include a statement in substantially the following form, with bracketed information completed:

"Securities legislation in [certain of the provinces [and territories] of Canada/the Province of [insert name of local jurisdiction, if applicable]] provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. [In several of the provinces/provinces and territories], [T/t]he securities legislation further provides a purchaser with remedies for rescission [or [, in some jurisdictions,] damages] if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission [or damages] are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province [or territory]. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province [or territory] for the particulars of these rights or consult with a legal adviser."

Mutual Funds

38.2 For mutual funds (including labour sponsored investment funds and commodity pools), under the sub-heading "Purchasers' Statutory Rights of Withdrawal and Rescission" include a statement in substantially the following form:

"Securities legislation in [certain of the provinces [and territories] of Canada/the Province of [insert name of local jurisdiction, if applicable]] purchasers with the right to withdraw from an agreement to purchase mutual fund securities within two business days after receipt of a prospectus or within 48 hours after the receipt of a confirmation of a purchase of such securities. If the agreement is to purchase such securities under a contractual plan, the time period during which withdrawal may be made may be longer. [In several of the provinces/provinces and territories], [T/t]he securities legislation further provides a purchaser with remedies for rescission [or [, in some jurisdictions,] damages] if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission [or damages] are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province [or territory]. The purchaser should refer to the applicable provisions of the securities legislation of the province [or territory] for the particulars of these rights or should consult with a legal adviser."

Non-fixed Price Offerings

38.3 In the case of a non-fixed price offering, if applicable in the jurisdiction in which the prospectus is filed, replace the second sentence in the legend in Item 38.1 with a statement in substantially the following form:

“This right may only be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment, irrespective of the determination at a later date of the purchase price of the securities distributed.”

Item 39 Exemptions and Approvals

General

39.1 Describe all exemptions from or approvals under securities legislation obtained by the investment fund or the manager of the investment fund that continue to be relied upon by the investment fund or the manager.

Financial Disclosure

Item 40 Documents Incorporated by Reference

Mandatory Incorporation by Reference

40.1 (1) If the investment fund is in continuous distribution except for scholarship plans, specifically incorporate by reference the following documents in the prospectus, by means of the following statement in substantially the following words under the heading “Financial Disclosure” and under the sub-heading “Documents Incorporated by Reference”:

Additional information about the Fund is available in the following documents:

1. If applicable, the annual information form.
2. The most recently filed comparative annual financial statements of the investment fund, together with the accompanying report of the auditor, filed either before or after the date of the prospectus.
3. The most recently filed interim financial statements of the investment fund that were filed before or after the date of the prospectus.

4. The most recently filed annual management report of fund performance of the investment fund that was filed before or after the date of the prospectus.

5. The most recently filed interim management report of fund performance of the investment fund that was filed before or after the date of the prospectus.

These documents are incorporated by reference into the prospectus, which means that they legally form part of this document just as if they were printed as part of this document. You can get a copy of these documents, at your request, and at no cost, by calling [toll-free/collect] [insert the toll-free telephone number or telephone number where collect calls are accepted] or from your dealer.

[If applicable] These documents are available on the [investment fund's/investment fund family's] Internet site at [insert investment fund's Internet site address], or by contacting the [investment fund/investment fund family] at [insert investment fund's /investment fund family's email address].

These documents and other information about the Fund are available on the Internet at www.sedar.com.

Mandatory Incorporation by Reference of Future Documents

40.2 State that any documents, of the type described in section 40.1, if filed by the investment fund after the date of the prospectus and before the termination of the distribution, are deemed to be incorporated by reference in the prospectus.

Item 41: Financial Statements

Annual Financial Statements

- 41.1** (1) Unless incorporated by reference under Item 40, include in the prospectus, the comparative annual financial statements and audit report in the form specified by Part 2 and Part 3 of NI 81-106 for the investment fund's most recently completed financial year, or if the investment fund has not completed 2 financial years, annual financial statements and audit report for one financial year.
- (2) If an investment fund's most recent financial year ended within 90 days of the date of the prospectus referred to in subsection (1), the investment fund may treat the previous year as the most recent financial year under subsection (1).

- (3) If the investment fund has not completed its first financial year, the fund must include in the prospectus financial statements for the period from the date of the fund's formation to a date not more than 90 days before the date of the prospectus.

Interim Financial Statements

- 41.2** Unless incorporated by reference under Item 40, include in the prospectus, financial statements for the investment fund in the form specified by Part 2 and Part 3 of NI 81-106 for the interim period that began immediately after the financial year to which the annual financial statements required to be included in the prospectus under section 41.1 relate, if the prospectus is filed 60 days or more after the end of that interim period.

Management Report of Fund Performance

- 41.3** Unless incorporated by reference under Item 40, include in the prospectus the most recently filed interim management report of fund performance, if filed after the most recently filed annual management report of fund performance and include the most recently filed annual management report of fund performance.

Item 42: Certificates

Certificate of the Investment Fund

- 42.1** Include a certificate of the investment fund in the following form:
“This prospectus [together with the documents incorporated herein by reference] constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of [insert name of each jurisdiction in which qualified].”

Certificate of the Manager

- 42.2** Include a certificate of the manager of the investment fund in the same form as the certificate signed by the investment fund.

Certificate of Underwriter

42.3 Where a person or company is required to provide a certificate in the underwriter certificate form, the certificate must state:

“To the best of our knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of [insert the jurisdictions in which qualified].”

Certificate of promoter

42.4 If there is a promoter of the investment fund or a subsidiary of the investment fund, include a certificate in the same form as the certificate signed by the investment fund.

Amendments

- 42.5** (1) For an amendment to a prospectus that does not restate the prospectus, omit the reference in the language in sections 42.1 and 42.3 to “prospectus” and replace it with “prospectus dated [insert date] as amended by this amendment”.
- (2) For an amended and restated prospectus, omit the reference in the language in sections 42.1 and 42.3 to “prospectus” and replace it with “amended and restated prospectus”.

Non-offering prospectus

42.6 For a non-offering prospectus, omit the reference in the language in sections 42.1 and 42.3 to “securities offered by this prospectus” and replace it with “securities previously issued by the investment fund”.