

National Instrument 81-101
Mutual Fund Prospectus Disclosure
Form 81-101F1
Contents of Simplified Prospectus

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Mutual Fund Prospectus Disclosure
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Contents of Simplified Prospectus

GENERAL INSTRUCTIONS:

General

- (1) *This Form describes the disclosure required in a simplified prospectus of a mutual fund. Each Item of this Form outlines disclosure requirements. Instructions to help you provide this disclosure are printed in italic type.*
- (2) *Terms defined in National Instrument 81-101 Mutual Fund Prospectus Disclosure, National Instrument 81-102 Investment Funds or National Instrument 81-105 Mutual Fund Sales Practices and used in this Form have the meanings that they have in those national instruments.*
- (3) *A simplified prospectus shall state the required information concisely and in plain language. Reference should be made to Part 3 of Companion Policy 81-101CP for a discussion concerning plain language and presentation.*
- (4) *Respond as simply and directly as is reasonably possible and include only as much information as is necessary for an understanding of the fundamental and particular characteristics of the mutual fund. Brevity is especially important in describing practices or aspects of a mutual fund's operations that do not differ materially from those of other mutual funds.*
- (5) *National Instrument 81-101 requires the simplified prospectus to be presented in a format that assists in readability and comprehension. This Form does not mandate the use of a specific format to achieve these goals. However, mutual funds are encouraged to use, as appropriate, tables, captions, bullet points or other organizational techniques that assist in presenting the required disclosure clearly and concisely.*
- (6) *Each Item shall be presented under the heading or sub-heading stipulated in this Form; references to the relevant Item number are optional. If no sub-heading for an Item is stipulated in this Form, a mutual fund may include sub-headings, under the required headings, at its option.*
- (7) *A simplified prospectus may contain photographs and artwork only if they are relevant to the business of the mutual fund, mutual fund family or members of the organization of the mutual fund and are not misleading.*
- (8) *Any footnotes to tables provided for under any Item in this Form may be deleted if the substance of the footnotes is otherwise provided.*

Contents of a Simplified Prospectus

(9) *A simplified prospectus shall pertain to one mutual fund, and shall consist of two sections, a Part A section and a Part B section.*

(10) *The Part A section of a simplified prospectus contains the response to the Items in Part A of this Form and contains introductory information about the mutual fund, general information about mutual funds and information applicable to the mutual funds managed by the mutual fund organization.*

(11) *The Part B section of a simplified prospectus contains the response to the Items in Part B of this Form and contains specific information about the mutual fund to which the simplified prospectus pertains.*

(12) *Despite securities legislation, a simplified prospectus shall present each Item in the Part A section and each Item in the Part B section in the respective order provided for in this Form. However, the Part B section of the simplified prospectus may be placed in any location in the simplified prospectus. For a single SP, this means that the Part B section may be placed before the Part A section, somewhere in the middle of the Part A section or after the Part A section, except for the covers.*

(13) *Subsection 5.1(3) of National Instrument 81-101 permits certain documents to be attached to, or bound with, a simplified prospectus. Those documents consist of the documents incorporated by reference into the simplified prospectus, educational material, account application documents, registered tax plan applications and documents and any point of sale disclosure documents required by securities legislation. No other documents may be attached to, or bound with, a simplified prospectus.*

Consolidation of Simplified Prospectuses into a Multiple SP

(14) *Subsection 5.1(1) of National Instrument 81-101 states that simplified prospectuses shall not be consolidated to form a multiple SP unless the Part A sections of each simplified prospectus are substantially similar. The Part A sections in a consolidated document need not be repeated. These provisions permit a mutual fund organization to create a document that contains the disclosure for a number of mutual funds in the same family.*

(15) *As with a single SP, a multiple SP will consist of two Parts:*

1. *A Part A section that contains general information about the mutual funds, or the mutual fund family, described in the document.*

2. *A number of Part B sections, each of which will provide specific information about one mutual fund. The Part B sections shall not be consolidated with each other so*

that, in a multiple SP, information about each of the mutual funds described in the document shall be provided on a fund by fund or catalogue basis and shall set out for each mutual fund separately the information required by Part B of this Form. Each Part B section shall start on a new page.

(16) For a multiple SP in which the Part A and Part B sections are bound together, the Part B sections may be placed at any location in the document; that is, before the Part A section, somewhere in the middle of the Part A section or after the Part A section, except for the back cover. If the Part B sections are bound with the Part A section, the Part B sections shall be kept together in the document.

(17) Section 5.3 of National Instrument 81-101 permits the Part B sections of a multiple SP to be bound separately from the Part A section of the document. If one Part B section is bound separately from the Part A section of the document, all Part B sections must be separate from the Part A section of the document.

(18) Subsection 5.3(2) of National Instrument 81-101 permits Part B sections that have been bound separately from the related Part A section to either be bound individually or together, at the option of the mutual fund organization. There is no prohibition against the same Part B section of a multiple SP being bound by itself for distribution to some investors, and also being bound with the Part B section of other mutual funds for distribution to other investors.

(19) Section 3.2 of National Instrument 81-101 provides that the requirement under securities legislation to deliver a prospectus for a mutual fund will be satisfied by the delivery of a simplified prospectus, either with or without the documents incorporated by reference. Mutual fund organizations that bind separately the Part B sections of a multiple SP from the Part A section are reminded that, since a simplified prospectus consists of a Part A section and a Part B section, delivery of both sections is necessary in order to satisfy the delivery obligations in connection with the sale of securities of a particular mutual fund.

(20) In Items 1 through 4 of Part A of this Form, specific instructions are provided for a single SP and a multiple SP and in some cases for a multiple SP for which the Part A section is either bound with, or separate from, the Part B sections of the document. The remainder of Part A of this Form generally refers to disclosure required for “a mutual fund” in a “simplified prospectus”. This disclosure should be modified as appropriate to reflect multiple mutual funds covered by a multiple SP.

Multi-Class Mutual Funds

(21) A mutual 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 mutual fund for purposes of this Form, or may combine disclosure of one or more of the classes or series in one simplified prospectus. If disclosure pertaining to more than one class or series is

combined in one simplified 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.

(22) *As provided in National Instrument 81-102, a section, part, class or series of a class of securities of a mutual fund that is referable to a separate portfolio of assets is considered to be a separate mutual fund. Those principles are applicable to National Instrument 81-101 and this Form.*

PART A GENERAL DISCLOSURE

Item 1: Front Cover Disclosure

1.1 For a Single SP

(1) Indicate on the front cover whether the document is a preliminary simplified prospectus, a *pro forma* simplified prospectus or a simplified prospectus.

(2) Indicate on the front cover the name of the mutual fund to which the simplified prospectus pertains. If the mutual fund has more than one class or series of securities, indicate the name of each of those classes or series covered in the simplified prospectus; and

(3) Despite securities legislation, state on the front cover of a preliminary simplified prospectus the following:

“A copy of this Simplified Prospectus has been filed with [the securities authority(ies) in each of/certain of the provinces/provinces and territories of Canada] but the Simplified Prospectus has not yet become final for the purpose of a distribution. Information contained in this Simplified Prospectus may not be complete and may have to be amended. The [units/shares] described in this Simplified Prospectus may not be sold to you until a receipt for the Simplified Prospectus is obtained by the mutual fund from the securities regulatory [authority(ies)].”

(4) If a commercial copy of the preliminary simplified prospectus is prepared, print the legend referred to in subsection (3) in red ink.

(5) For a preliminary simplified prospectus or simplified prospectus, indicate the date of the document, which shall be the date of the certificates contained in the related annual information form. This date shall be within three business days of the date the document is filed with the securities regulatory authority. Write the date in full, writing the name of the month in words. A *pro forma* simplified prospectus need not be dated, but may reflect the anticipated date of the simplified prospectus.

(6) State, in substantially the following words:

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

INSTRUCTION

Complete the bracketed information in subsection (3) above by

- (a) inserting the name of each jurisdiction of Canada in which the mutual 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 of Canada by exception (i.e. every province of Canada or every province and territory of Canada, except [excluded jurisdictions]).

1.2 For a Multiple SP in which the Part A section and the Part B sections are bound together

- (1) Indicate on the front cover whether the document is a preliminary simplified prospectus, a *pro forma* simplified prospectus or a simplified prospectus for each of the mutual funds to which the document pertains.
- (2) Indicate on the front cover the names of the mutual funds and, at the option of the mutual funds, the name of the mutual fund family, to which the document pertains. If the mutual fund has more than one class or series of securities, indicate the name of each of those classes or series covered in the simplified prospectus.
- (3) Despite securities legislation, state on the front cover of a document that contains a preliminary simplified prospectus the following:

“A copy of this document has been filed with [the securities authority(ies) in each of/certain of the provinces/provinces and territories of Canada] but has not yet become final for the purpose of a distribution. Information contained in this document may not be complete and may have to be amended. The [units/shares] described in this document may not be sold to you until receipts for this document are obtained by the mutual fund from the securities regulatory [authority(ies)].”
- (4) If a commercial copy of the document that contains a preliminary simplified prospectus is prepared, print the legend referred to in subsection (3) in red ink.
- (5) If the document contains a preliminary simplified prospectus or a simplified prospectus, indicate the date of the document, which shall be the date of the certificates contained in the related multiple AIF. This date shall be within three business days of the date the document is filed with the securities regulatory authority. Write the date in full, writing the name of the month in words. A document that is a *pro forma* multiple SP need not be dated, but may reflect the anticipated date of the multiple SP.

(6) State, in substantially the following words:

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

INSTRUCTION

Complete the bracketed information in subsection (3) above by

- (a) *inserting the name of each jurisdiction of Canada in which the mutual 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 of Canada by exception (i.e. every province of Canada or every province and territory of Canada, except [excluded jurisdictions]).*

1.3 For a Multiple SP in which the Part A section is bound separately from the Part B sections

(1) Comply with Item 1.2.

(2) State prominently, in substantially the following words:

“A complete simplified prospectus for the mutual funds listed on this page consists of this document and an additional disclosure document that provides specific information about the mutual funds in which you are investing. This document provides general information applicable to all of the [name of mutual fund family] funds. You must be provided with the additional disclosure document.”

Item 2: Table of Contents

2.1 For a Single SP

(1) Despite securities legislation, at the option of the mutual fund, include a table of contents.

(2) If a table of contents is included, begin it on a new page, which may be the inside front cover of the document.

2.2 For a Multiple SP in which the Part A section and the Part B sections are bound together

(1) Include a table of contents.

(2) Include in the table of contents, under the heading “Fund Specific Information”, a list of all of the mutual funds to which the document pertains, with the numbers of the pages where information about each mutual fund can be found.

(3) Begin the table of contents on a new page, which may be the inside front cover of the document.

2.3 For a Multiple SP in which the Part A section is bound separately from the Part B sections

(1) Include a table of contents for the Part A section of the multiple SP.

(2) Begin the table of contents on a new page, which may be the inside front cover of the document.

(3) Include, immediately following the table of contents and on the same page, a list of the mutual funds to which the multiple SP pertains and details on how the Part B disclosure for each mutual fund will be provided.

Item 3: Introductory Disclosure

3.1 For a Single SP

Provide, either on a new page or immediately under the table of contents, under the heading “Introduction”, the following statement in substantially the following words:

- “• This Simplified Prospectus contains selected important information to help you make an informed investment decision and to help you understand your rights.
- This Simplified Prospectus contains information about the Fund and the risks of investing in mutual funds generally, as well as the names of the firms responsible for the management of the Fund.
 - Additional information about the Fund is available in the following documents:
 - the Annual Information Form;
 - the most recently filed Fund Facts;
 - the most recently filed annual financial statements;
 - any interim financial report 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 Simplified Prospectus, which means that they legally form part of this document just as if they were printed as a 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, as required by section 3.4 of the Instrument], or from your dealer.

- [If applicable] These documents are available on the [mutual fund's/mutual fund family's] Internet site at [insert mutual fund's Internet site address], or by contacting the [mutual fund/mutual fund family] at [insert mutual fund's/mutual fund family's e-mail address].
- These documents and other information about the Fund are available on the Internet at www.sedar.com.”

3.2 For a Multiple SP

Provide, either on a new page or immediately under the table of contents, under the heading “Introduction” the following statement in substantially the following words:

- “• This document contains selected important information to help you make an informed investment decision and to help you understand your rights as an investor.
- This document is divided into two parts. The first part, [from pages • through •], contains general information applicable to all of the [name of fund family] Funds. The second part, [from pages • through •] [which is separately bound], contains specific information about each of the Funds described in this document.
- Additional information about each Fund is available in the following documents:
 - the Annual Information Form;
 - the most recently filed Fund Facts;
 - the most recently filed annual financial statements;
 - any interim financial report 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 document, which means that they legally form part of this document just as if they were printed as a 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, as required by section 3.4 of the Instrument], or from your dealer.

- [If applicable] These documents are available on the [mutual funds'/mutual fund family's] Internet site at [insert mutual funds'/mutual fund family's Internet site address], or by contacting the [mutual funds/mutual fund family] at [insert e-mail address].

- These documents and other information about the Funds are available at www.sedar.com.”

Item 4: General Investment Risks

(1) Disclose under the heading “What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?”

(a) a brief general description of the nature of a mutual fund; and

(b) the risk factors or other investment considerations that an investor should take into account that are associated with investing in mutual funds generally.

(2) For a multiple SP, at the option of the mutual fund, disclose the risk factors and investment considerations that are applicable to more than one of those mutual funds.

(3) At a minimum, in response to the requirements of subsection (1), include disclosure in substantially the following words:

“• Mutual funds own different types of investments, depending upon their investment objectives. The value of these investments will change from day to day, reflecting changes in interest rates, economic conditions, and market and company news. As a result, the value of a mutual fund’s [units/shares] may go up and down, and the value of your investment in a mutual fund may be more or less when you redeem it than when you purchased it.

- [If applicable], The full amount of your investment in any [name of mutual fund family] mutual fund is not guaranteed.

- Unlike bank accounts or GICs, mutual fund [units/shares] are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.”

(4) State that, under exceptional circumstances, a mutual fund may suspend redemptions. Provide a reference to the disclosure provided in response to Item 6(2) of Part A of this Form.

INSTRUCTIONS:

(1) *Examples of the risks that may be disclosed under subsection (2) are stock market risk, interest rate risk, foreign security risk, foreign currency risk, specialization risk and risk associated with the use of derivatives. If this risk disclosure is provided under this subsection, the fund-specific disclosure about each mutual fund described in the document should contain a reference to the appropriate parts of this risk disclosure.*

(2) *In providing disclosure under subsection (1), follow the instructions under Item 9 of Part B of this Form, as appropriate.*

Item 5: Organization and Management Details for a Multiple SP

(1) Provide, under the heading “Organization and Management of the [name of mutual fund family]”, information about the manager, trustee, portfolio adviser, principal distributor, custodian, registrar, auditor and securities lending agent of the mutual funds 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 mutual funds, provide the municipality and the province or country where it principally provides its services to the mutual funds. Provide the complete municipal address for the manager of the mutual funds.

(3.1) Under a separate sub-heading “Independent Review Committee” in the diagram or table, briefly describe the independent review committee of the mutual funds, including

- an appropriate summary of its mandate,
- its composition,
- that it prepares at least annually a report of its activities for securityholders which is available on the [mutual fund’s/mutual fund family’s] Internet site at [insert mutual fund’s Internet site address], or at the securityholders request at no cost, by contacting the [mutual fund/mutual fund family] at [insert mutual fund’s /mutual fund family’s e-mail address], and
- that additional information about the independent review committee, including the names of the members, is available in the mutual fund’s Annual Information Form.

(4) At the option of the mutual fund, provide, under a separate sub-heading, details of the manager of the mutual fund, including the history and background of the manager and any overall investment strategy or approach used by the manager in connection with the mutual funds for which it acts as manager.

(4.1) If a mutual fund holds, in accordance with section 2.5 of National Instrument 81-102 *Investment Funds*, securities of another mutual fund that is managed by the same manager or an affiliate or associate of the manager, disclose

(a) that the securities of the other mutual fund held by the mutual fund will not be voted; and

(b) if applicable, that the manager may arrange for the securities of the other mutual fund to be voted by the beneficial holders of the securities of the mutual fund.

(5) Despite subsection (1), if the information required by subsection (1) is not the same for substantially all of the mutual funds described in the document, provide in the diagram or table contemplated by subsection (1) only that information that is the same for substantially all of the mutual funds and provide the remaining disclosure required by that subsection in the diagram or table required by Item 4(1) of Part B of this Form.

(6) Despite subsection (3.1), if the information required by subsection (3.1) is not the same for substantially all of the mutual funds described in the document, provide only that information that is the same for substantially all of the mutual funds and provide the remaining disclosure required by that subsection under Item 4(3.1) of Part B of this Form.

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 funds”, a portfolio adviser may be described as “provides investment advice to the manager about the investment portfolio of the funds” or “manages the investment portfolio of the funds”, and a “principal distributor” may be described as “markets the securities of the funds and sells securities [through brokers and dealers] [or its own sales force]”.*

(3) *The information about the independent review committee should be brief. For instance, its mandate may in part be described as “reviewing, and providing input on, the manager’s written policies and procedures which deal with conflict of interest matters for the manager and reviewing such conflict of interest matters.” A cross-reference to the annual information form for additional information on the independent review committee and fund governance should be included.*

Item 6: Purchases, Switches and Redemptions

(1) Briefly describe, under the heading “Purchases, Switches and Redemptions”, how an investor can purchase and redeem the securities of the mutual fund or switch them for securities of other mutual funds, how often the mutual fund is valued, and state that the issue and redemption price of those securities is based on the mutual fund’s net asset value of a security of that class, or series of a class, next determined after the receipt by the mutual fund of the purchase order or redemption order.

- (2) State that, under extraordinary circumstances, the rights of investors to redeem securities may be suspended by the mutual fund, and describe the circumstances when the suspension of redemption rights could occur.
- (3) For a new mutual 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 mutual fund will begin issuing and redeeming securities based on the net asset value per security of the mutual fund.
- (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 mutual fund to a dealer. Include cross-references to the disclosure provided under Items 8 and 9 of Part A of this Form.
- (5) Under the sub-heading “Short-term Trading”
 - (a) describe the adverse effects, if any, that short-term trades in securities of the mutual fund by an investor may have on other investors in the mutual fund;
 - (b) describe the restrictions, if any, that may be imposed by the mutual fund to deter short-term trades, including the circumstances, if any, under which such restrictions may not apply;
 - (c) where the mutual 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 mutual fund not to do so; and
 - (d) if applicable, state that the annual information form includes a description of all arrangements, whether formal or informal, with any person or company, to permit short-term trades of securities of the mutual fund.

INSTRUCTION:

In the disclosure required by subsection (5), include a brief description of the short-term trading activities in the mutual fund that are considered by the manager to be inappropriate or excessive. Where the manager imposes a short-term trading fee, include a cross-reference to the disclosure provided under Item 8 of Part A of this Form.

Item 7: Optional Services Provided by the Mutual Fund Organization

If applicable, under the heading “Optional Services”, describe the optional services that may be obtained by typical investors from the mutual fund organization.

INSTRUCTION:

Disclosure in this Item should include, for example, any asset allocation services, registered tax plans, foreign content monitoring plans, regular investment and withdrawal plans, U.S. dollar purchase plans, periodic purchase plans, contractual plans, periodic withdrawal plans or switch privileges.

Item 8: Fees and Expenses

8.1 General Disclosure

(1) Set out information about the fees and expenses payable by the mutual fund and by investors in the mutual fund under the heading “Fees and Expenses”.

(1.1) If the mutual fund holds securities of other mutual funds, disclose that with respect to securities of another mutual fund

(a) there are fees and expenses payable by the other mutual fund in addition to the fees and expenses payable by the mutual fund;

(b) no management fees or incentive fees are payable by the mutual fund that, to a reasonable person, would duplicate a fee payable by the other mutual fund for the same service;

(c) no sales fees or redemption fees are payable by the mutual fund in relation to its purchases or redemptions of the securities of the other mutual fund if the other mutual fund is managed by the manager or an affiliate or associate of the manager of the mutual fund; and

(d) no sales fees or redemption fees are payable by the mutual fund in relation to its purchases or redemptions of securities of the other mutual fund that, to a reasonable person, would duplicate a fee payable by an investor in the mutual fund.

(2) The information required by this Item shall first be a summary of the fees, charges and expenses of the mutual 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 mutual 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.”

(3) Include the fees for any optional services provided by the mutual fund organization, as described by Item 7 of Part A of this Form, in the table.

(3.1) Under “Operating Expenses” in the table, include a description of the fees and expenses payable in connection with the independent review committee.

(4) If management fees are payable directly by investors, add a line item in the table to disclose the maximum percentage that could be paid by investors.

(5) If the manager permits negotiation of a management fee rebate, provide disclosure of these arrangements. If these arrangements are not available for each mutual fund described in the document, make this disclosure in the description of fees and expenses required for each fund by Item 5 of Part B of this Form and include a cross-reference to that information in the table required by this Item.

(6) Despite subsection (3.1), if the information required by subsection (3.1) is not the same for each mutual fund described in the document, make this disclosure in the description of fees and expenses required for each fund by Item 5 of Part B of this Form and include a cross-reference to that information in the table required by this Item.

Fees and Expenses Payable by the Fund	
Management Fees	<i>[See Instruction (1)] [disclosure re management fee rebate program]</i>
Operating Expenses	<i>[See Instructions (2) and (3)] Fund[s] pay[s] all operating expenses, including _____</i>
Fees and Expenses Payable Directly by You	
Sales Charges	<i>[specify percentage, as a percentage of _____]</i>
Switch Fees	<i>[specify percentage, as a percentage of _____, or specify amount]</i>
Redemption Fees	<i>[specify percentage, as a percentage of _____, or specify amount]</i>
Short-term Trading Fee	<i>[specify percentage, as a percentage of]</i>
Registered Tax Plan Fees <i>[include this disclosure and specify the type of fees if the registered tax plan is sponsored by the mutual fund and is described in the simplified prospectus]</i>	<i>[specify amount]</i>
Other Fees and Expenses <i>[specify type]</i>	<i>[specify amount]</i>

INSTRUCTIONS:

(1) If the table pertains to more than one mutual fund and not all of the mutual funds pay the same management fees, under “Management Fees” in the table, either

- (a) *state that the management fees are unique to each mutual fund, include management fee disclosure for each mutual fund as a separate line item in the table required by Item 5 of Part B of this Form for that mutual fund, and include a cross-reference to that table; or*
- (b) *list the amount of the management fee, including any performance or incentive fee, for each mutual fund separately.*
- (2) *If the table pertains to more than one mutual fund and not all of the mutual funds have the same obligations to pay operating expenses, either*
- (a) *state that the operating expenses payable by the mutual funds are unique to each mutual fund, include the description of the operating expenses payable by each mutual fund as a separate line item in the table required by Item 5 of Part B of this Form for that mutual fund, and include a cross-reference to that table; or*
- (b) *provide the disclosure concerning the operating expenses for each mutual fund contemplated by this Item separately.*
- (3) *Under “Operating Expenses”, state whether the mutual fund pays all of its operating expenses and list the main components of those expenses. If the mutual 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 mutual fund.*
- (4) *Show all fees or expenses payable by the mutual fund, even if it is expected that the manager of the mutual fund or other member of the organization of the mutual fund will waive or absorb some or all of those fees and expenses.*
- (5) *If the management fees of a mutual fund are payable directly by a securityholder and vary so that specific disclosure of the amount of the management fees cannot be disclosed in the simplified prospectus of the mutual fund, or cannot be derived from disclosure in the simplified prospectus, provide as much disclosure as is possible about the management fees to be paid by securityholders, including the highest possible rate or range of those management fees.*

8.2 Illustrations of Different Purchase Options

- (1) Under the sub-heading “Impact of Sales Charges” provide information, substantially in the form of the following table, concerning the amount of fees payable by an investor under the available purchase options and introduced using substantially the following words:

“The following table shows the amount of fees that you would have to pay under the different purchase options available to you if you made an investment of \$1,000 in the

Fund, if you held that investment for one, three, five or ten years and redeemed immediately before the end of that period.”

	At Time of Purchase	1 Year	3 Years	5 Years	10 Years
Sales Charge Option	\$•	---	---	---	---
Redemption Charge Option ⁽¹⁾	---	\$•	\$•	\$•	\$•
No Load Option	---	---	---	---	---
[Other purchase options]	\$•	\$•	\$•	\$•	\$•

(1) Redemption charges may apply only if you redeem your [units/shares] in a particular year. Redemption charges are shown under “Fees and Expenses” above.

(2) In preparing the table contemplated by this Item, assume, in determining the fees paid under the sales charge option, that

(a) the maximum sales commission disclosed in the simplified prospectus is paid by the investor; and

(b) if the mutual fund has a deferred sales charge option in which the amount paid by an investor at the time of a redemption of securities is based upon the net asset value of those securities at that time, an annual return of five percent since time of purchase, and disclose that assumption in a footnote to the table.

Item 9: Dealer Compensation

9.1 General

Provide, under the heading “Dealer Compensation”, the disclosure of sales practices and equity interests required by sections 8.1 and 8.2 of National Instrument 81-105.

INSTRUCTIONS:

(1) *Briefly state the compensation paid and the sales practices followed by the members of the organization of the mutual fund in a concise and explicit manner, without explaining the requirements and parameters for permitted compensation contained in National Instrument 81-105.*

(2) *For example, if the manager of the mutual fund pays an up-front sales commission to participating dealers, so state and include the range of commissions paid. If the manager permits participating dealers to retain the sales commissions paid by investors as compensation, so state and include the range of commissions that can be*

retained. If the manager or another member of the mutual fund's organization pays trailing commissions, so state and provide an explanation of the basis of calculation of these commissions and the range of the rates of such commissions. If the mutual fund organization from time to time pays the permitted marketing expenses of participating dealers on a co-operative basis, so state. If the mutual fund organization from time to time holds educational conferences that sales representatives of participating dealers may attend or from time to time pays certain of the expenses incurred by participating dealers in holding educational conferences for sales representatives, so state.

(3) *If the members of the organization of the mutual funds follow any other sales practices permitted by National Instrument 81-105, briefly describe these sales practices.*

(4) *Include a brief summary of the equity interests between the members of the organization of the mutual fund and participating dealers and representatives as required by section 8.2 of National Instrument 81-105. This disclosure may be provided by means of a diagram or table.*

9.2 Dealer Compensation from Management Fees

Disclose, under the heading "Dealer Compensation from Management Fees", the approximate percentage obtained from a fraction

(a) the numerator of which is the aggregate amount of cash paid to registered dealers in the last completed financial year of the manager of the mutual fund, for payments made

(i) by

(A) the manager of the mutual fund, or

(B) an affiliate of the manager,

(ii) in order to

(A) pay compensation to registered dealers in connection with the distribution of securities of the mutual fund or mutual funds that are members of the same mutual fund family as the mutual fund, or

(B) pay for any marketing, fund promotion or educational activity in connection with the mutual fund or mutual funds that are members of the same mutual fund family as the mutual fund; and

(b) the denominator of which is the aggregate amount of management fees received by the managers of the mutual fund and all other mutual funds in the same mutual fund family as the mutual fund in the last completed financial year of the manager.

INSTRUCTION:

(1) *The disclosure presented under this Item should be described as information about the approximate percentage of management fees paid by mutual funds in the same family as the mutual fund that were used to fund commissions or other promotional activities of the mutual fund family in the most recently completed financial year of the manager of the mutual fund.*

(2) *The calculations made under this Item should take into account the payment of sales and trailing commissions and the costs of participation in co-operative marketing, fund promotion and educational conferences.*

(3) *Amounts paid out by a mutual fund organization as sales commissions should be netted against amounts received from deferred sales charges.*

Item 10: Income Tax Considerations for Investors

(1) Briefly describe under the heading “Income Tax Considerations for Investors” the income tax consequences for investors of income and capital gains distributions made by the mutual fund, as well as of the gains or losses that occur on the disposition of securities of the mutual fund by the investor.

(2) This description shall explain the different tax treatment applicable to mutual fund securities held in a registered tax plan as compared to mutual fund securities held in non-registered accounts.

(3) Describe the impact of the mutual fund’s distribution policy on a taxable investor who acquires securities of the mutual fund late in a calendar year.

(4) If material, describe the potential impact of the mutual fund’s anticipated portfolio turnover rate on a taxable investor.

(5) Describe how the adjusted cost base of a security of a mutual fund can be calculated by those investors holding outside a registered tax plan.

INSTRUCTION:

(1) *If management fees are paid directly by investors, describe generally the income tax consequences to taxable investors of this arrangement.*

(2) *Subsection (2) is particularly relevant for investors who hold their mutual fund investments through RRSPs, if they have invested in a mutual fund that requires management fees to be paid directly by the investors. Detailed disclosure of the tax*

consequences of this arrangement on those investors should be made by such mutual funds.

Item 11: Statement of Rights

Provide a brief explanation, under the heading “What are your Legal Rights?”, of an investor’s statutory rights of rescission and damages, including the right of action for misrepresentations contained in the simplified prospectus and in any documents incorporated by reference into the simplified prospectus, in substantially the following words:

Securities legislation in some provinces and territories gives you the right to withdraw from an agreement to buy mutual funds within two business days of receiving the Simplified Prospectus or Fund Facts, or to cancel your purchase within 48 hours of receiving confirmation of your order.

Securities legislation in some provinces and territories also allows you to cancel an agreement to buy mutual fund [units/shares] and get your money back, or to make a claim for damages, if the Simplified Prospectus, Annual Information Form, Fund Facts or financial statements misrepresent any facts about the fund. These rights must usually be exercised within certain time limits.

For more information, refer to the securities legislation of your province or territory or consult a lawyer.

Item 12: Additional Information

(1) Provide any specific disclosure required or permitted to be disclosed in a prospectus under securities legislation or by an order or ruling of the securities regulatory authority pertaining to the mutual fund that is not otherwise required to be disclosed by this Form.

(2) This Item does not apply to the requirements of securities legislation that are form requirements for a prospectus.

INSTRUCTIONS:

(1) An example of a provision of securities legislation that may be relevant to this Item is the requirement contained in the conflict of interest provisions of the Canadian securities legislation of a number of jurisdictions to the effect that a mutual fund shall not make an investment in respect of which a related person will receive any fee or compensation except for fees paid pursuant to a contract disclosed in, among other things, a prospectus. Another example is the requirement of some jurisdictions that certain statements be included in a simplified prospectus of a mutual fund with a non-Canadian manager.

(2) *For a single SP, provide this disclosure either under this Item or under Item 14 of Part B of this Form, whichever is more appropriate.*

(3) *For a multiple SP, this disclosure should be provided under this Item if the disclosure pertains to all of the mutual funds described in the document. If the disclosure does not pertain to all of those funds, the disclosure should be provided in the fund-specific disclosure required or permitted under Item 14 of Part B of this Form.*

Item 13: Part B Introduction

(1) For a multiple SP, at the option of the mutual fund, include in a separate section any explanatory information that would otherwise be repeated identically in each Part B section of the document.

(2) Any information included in an introductory section under subsection (1) may be omitted elsewhere in the Part B section of the document.

INSTRUCTION:

(1) *This Item may be used to avoid the need for repetition of standard information in each Part B section of a multiple SP.*

(2) *Examples of the type of information that may be moved to an introductory section from other parts of the Part B section are:*

(a) *definitions or explanations of terms used in each Part B section, such as “portfolio turnover rate” and “management expense ratio”; and*

(b) *discussion or explanations of the tables or charts that are required in each Part B section of the document.*

(3) *A similar Item is contained in Item 3 of Part B of this Form. A mutual fund organization may include this section either at the end of the Part A section of the multiple SP or at the beginning of the Part B section, at its option.*

Item 14: Back Cover

(1) State on the back cover the name of the mutual fund or funds included in the document or the mutual fund family, as well as the name, address and telephone number of the manager of the mutual fund or funds.

(2) State, in substantially the following words:

- Additional information about the Fund[s] is available in the Fund['s/s'] Annual Information Form, Fund Facts, management reports of fund performance and financial statements. These documents are incorporated by reference into this Simplified Prospectus, which means that they legally form part of this document just as if they were printed as a 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, as required by section 3.4 of the Instrument], or from your dealer or by e-mail at [insert e-mail address].
 - These documents and other information about the Fund[s], such as information circulars and material contracts, are also available [on the [insert name of mutual fund manager] internet site at [insert website address] or] at www.sedar.com.”
- (3) For a multiple SP in which the Part A section is bound separately from the Part B sections, state, in substantially the following words:

A complete simplified prospectus for the mutual funds listed on this cover consists of this document and any additional disclosure document that provides specific information about the mutual funds in which you are investing. This document provides general information applicable to all of the [name of mutual fund family] funds. When you request a simplified prospectus, you must be provided with the additional disclosure document.

PART B FUND-SPECIFIC INFORMATION

Item 1: General

- (1) For a multiple SP in which the Part B sections are bound separately from the Part A section, include at the bottom of each page of a Part B section a footer in substantially the following words and in a type size consistent with the rest of the document:

“This document provides specific information about [name of Fund]. It should be read in conjunction with the rest of the simplified prospectus of the [name of mutual fund family] dated [insert date]. This document and the document that provides general information about [name of mutual fund family] together constitute the simplified prospectus.

- (2) If the Part B section is an amended and restated document, add to the footer required by subsection (1) a statement that the document has been amended and restated on [insert date].

Item 2: Introductory

2.1 For a Single SP

Include at the top of the first page of the Part B section of the simplified prospectus, the heading “Specific Information about the [name of Fund]”.

2.2 For a Multiple SP in which the Part A section and the Part B sections are bound together

Include

- (a) at the top of the first page of the first Part B section in the document, the heading “Specific Information about Each of the Mutual Funds Described in this Document”; and
- (b) at the top of each page of a Part B section of the document, a heading consisting of the name of the mutual fund described on that page.

2.3 For a Multiple SP in which the Part A section is bound separately from the Part B sections

Include at the top of each page of a Part B section of the document, a heading consisting of the name of the mutual fund described on that page.

Item 3: General Information

- (1) For a multiple SP, at the option of the mutual fund, include in an introductory section any explanatory information that would otherwise be repeated identically in each Part B section of the document.
- (2) Any information included in an introductory section under subsection (1) may be omitted elsewhere in the Part B section of the document.

INSTRUCTIONS:

- (1) *See the Instruction to Item 13 of Part A of this Form.*
- (2) *If the disclosure contemplated by this Item is included in Part A of the multiple SP under Item 13 of Part A of this Form, include in the introduction section of each Part B section of the multiple SP a cross-reference to where this disclosure is located in the Part A section of the multiple SP.*

Item 4: Organization and Management Details

- (1) For a single SP, under the heading “Organization and Management of the [name of mutual fund]”, provide information about the manager, trustee, portfolio adviser, principal distributor, custodian, registrar, auditor and securities lending agent of the mutual fund 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 mutual fund, provide the municipality and the province or country where it principally provides its services to the mutual funds. Provide the complete municipal address for the manager of the mutual fund.
 - (3.1) Under a separate sub-heading “Independent Review Committee” in the diagram or table, briefly describe the independent review committee of the mutual funds, including
 - an appropriate summary of its mandate,
 - its composition,
 - that it prepares at least annually a report of its activities for securityholders which is available on the [mutual fund’s/mutual fund family’s] Internet site at [insert mutual fund’s Internet site address], or at securityholders request at no cost, by contacting the [mutual fund/mutual fund family] at [insert mutual fund’s /mutual fund family’s e-mail address], and
 - that additional information about the independent review committee, including the names of the members, is available in the mutual fund’s Annual Information Form.
- (4) At the option of the mutual fund, include under a separate sub-heading, details of the manager of the mutual fund, including the history and background of the manager and any overall investment strategy or approach used by the manager in connection with its mutual funds.
 - (4.1) If a mutual fund holds in accordance with section 2.5 of National Instrument 81-102 *Investment Funds* securities of another mutual fund that is managed by the same manager or an affiliate or associate of the manager, disclose that
 - (a) the securities of the other mutual fund held by the mutual fund shall not be voted; and
 - (b) if applicable, that the manager may arrange for the securities of the other mutual fund to be voted by the beneficial holders of the securities of the mutual fund.

(5) Follow the requirements and instructions of Item 5 of Part A of this Form in connection with the diagram or table.

Item 5: Fund Details

Under the heading “Fund Details”, disclose, in a table

- (a) the type of mutual fund that the mutual fund is best characterized as;
- (b) the date on which the mutual fund was started;
- (c) the nature of the securities offered by the simplified prospectus;
- (d) whether the mutual fund is eligible as an investment for registered retirement savings plans, registered retirement income funds or deferred profit sharing plans;
- (e) [Repealed]
- (f) if this information is not contained in the table required by Item 8.1 of Part A of this Form
- (i) the amount of the management fee, including any performance or incentive fee, charged to the mutual fund; and
- (ii) details concerning the operating expenses paid by the mutual fund contemplated by Instruction (3) of Item 8.1 of Part A of this Form; and
- (iii) the amount of the fees and expenses payable in connection with the independent review committee, charged to the mutual fund; and
- (g) any information required by subsection (5) of Item 5 of Part A of this Form to be contained in Part B.

INSTRUCTIONS:

- (1) *In disclosing the date on which the mutual fund started, use the date on which the securities of the mutual fund first became available to the public, which will be on, or about, the date of the issuance of the first receipt for a prospectus of the mutual fund. For a mutual fund that formerly offered its securities privately, disclose this fact.*
- (2) *If the mutual fund pays a fee that is determined by the performance of the mutual fund, the disclosure required by paragraph 7.1(c) of National Instrument 81-102 to be described in a simplified prospectus of the mutual fund should be included in a footnote to the description of the incentive fee in the table.*

(3) *Examples of types of mutual funds that could be listed in response to paragraph (a) are money market, equity, bond or balanced funds related, if appropriate, to a geographical region, or any other description that accurately identifies the type of mutual fund.*

(4) *If the rights attached to the securities being offered are materially limited or qualified by those attached to any other class or series of securities of the mutual fund or if another class or series of securities of the mutual fund ranks ahead of or equally with the securities being offered, include, as part of the disclosure provided in response to paragraph (c), information regarding those other securities that will enable investors to understand the rights attaching to the securities being offered.*

(5) *In providing the disclosure contemplated by paragraph (f), provide any disclosure required by, and follow, the Instructions to Item 8.1 of Part A of this Form.*

Item 6: Fundamental Investment Objectives

(1) Set out under the heading “What Does the Fund Invest In?” and under the sub-heading “Investment Objectives” the fundamental investment objectives of the mutual fund, including information that describes the fundamental nature of the mutual fund, or the fundamental features of the mutual fund, that distinguish it from other mutual funds.

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

(3) Describe any restrictions on investments adopted by the mutual funds, beyond what is required under securities legislation, that pertain to the fundamental nature of the mutual fund.

(4) If the mutual fund purports to arrange a guarantee or insurance in order to protect all or some of the principal amount of an investment in the mutual fund, include this fact as a fundamental investment objective of the mutual 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 mutual fund at the time; and

(d) modify any other disclosure required by this section appropriately.

- (5) For an index mutual fund,
 - (a) disclose the name or names of the permitted index or permitted indices on which the investments of the index mutual fund are based,
 - (b) briefly describe the nature of that permitted index or those permitted indices,

INSTRUCTIONS:

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

(2) *If the mutual fund primarily invests, or intends to primarily invest, or if its name implies that it will primarily invest*

(a) *in a particular type of issuer, such as foreign issuers, small capitalization issuers or issuers located in emerging market countries;*

(b) *in a particular geographic location or industry segment; or*

(c) *in portfolio assets other than securities,*

the mutual fund's fundamental investment objectives should so indicate.

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

Item 7: Investment Strategies

(1) Describe under the heading "What Does The Fund Invest In?" and under the sub-heading "Investment Strategies"

(a) the principal investment strategies that the mutual fund intends to use in achieving its investment objectives; and

(b) the process by which the mutual 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.

- (c) if the mutual fund may hold securities of other mutual funds,
 - (i) whether the mutual fund intends to purchase securities of, or enter into specified derivative transactions for which the underlying interest is based on the securities of, other mutual funds;
 - (ii) whether or not the other mutual funds may be managed by the manager or an affiliate or associate of the manager of the mutual fund;
 - (iii) what percentage of the net asset value of the mutual fund is dedicated to the investment in the securities of, or the entering into of specified derivative transactions for which the underlying interest is based on the securities of, other mutual funds; and
 - (iv) the process or criteria used to select the other mutual funds.
- (2) Indicate what types of securities, other than those held by the mutual fund in accordance with its fundamental investment objectives, may form part of the mutual fund's portfolio assets under normal market conditions.
- (3) If the mutual fund intends to use derivatives
 - (a) for hedging purposes only, state that the mutual 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 mutual 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 mutual fund's use of derivatives.
- (4) State whether any, and if so what proportion, of the assets of the mutual fund may or will be invested in foreign securities.
- (5) If the mutual fund is not a money market fund, and intends to engage in active and frequent trading of portfolio securities as a principal investment strategy to achieve its investment objectives such that the portfolio turnover rate of the mutual fund is expected to be more than 70 percent, describe
 - (a) the tax consequences to securityholders of an active portfolio turnover, and

- (b) how the tax consequences of, or trading costs associated with, the mutual fund's portfolio turnover may affect the mutual fund's performance.
- (6) If the mutual 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 mutual fund's portfolio adviser may use or intends to use in response to such conditions.
- (7) Describe any restrictions on investments adopted by the mutual fund, beyond what is required under securities legislation, that do not pertain to the fundamental nature of the mutual fund.
- (8) If the mutual fund intends to enter into securities lending, repurchase or reverse repurchase transactions under sections 2.12, 2.13 or 2.14 of National Instrument 81-102
 - (a) state that the mutual fund may enter into securities lending, repurchase or reverse repurchase transactions; and
 - (b) briefly describe
 - (i) how those transactions are or will be entered into in conjunction with other strategies and investments of the mutual fund to achieve the mutual fund's investment 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 mutual fund's entering into of those transactions.
- (9) For an index mutual fund,
 - (a) for the 12 month period immediately preceding the date of the simplified prospectus,
 - (i) indicate whether one or more securities represented more than 10 percent of the permitted index or permitted indices;
 - (ii) identify that security or those securities; and
 - (iii) disclose the maximum percentage of the permitted index or permitted indices that the security or securities represented in the 12 month period," and
 - (b) disclose the maximum percentage of the permitted index or permitted indices that the security or securities referred to in paragraph (a) represented at the most recent date for which that information is available.

(10) If the mutual fund intends to sell securities short under section 2.6.1 of National Instrument 81-102 *Investment Funds*,

- (a) state that the mutual fund may sell securities short; and
- (b) briefly describe
 - (i) the short selling process; and
 - (ii) how short sales of securities are or will be entered into in conjunction with other strategies and investments of the mutual fund to achieve the mutual fund's investment objectives.

INSTRUCTION:

A mutual fund may, in responding to this Item, provide a discussion of the general investment approach or philosophy followed by the portfolio adviser of the mutual fund.

Item 8: [Repealed]

Item 9: Risks

(1) Set out specific information concerning any material risks associated with an investment in the mutual fund, other than those risks previously discussed in response to Item 4 of Part A of this Form, under the heading "What are the Risks of Investing in the Fund?".

(1.1) If securities of a mutual fund representing more than 10% of the net asset value of the mutual fund are held by a securityholder, including another mutual fund, the mutual fund must disclose

- (a) the percentage of the net asset value of the mutual fund that those securities represent as at a date within 30 days of the date of the simplified prospectus of the mutual fund, and
- (b) the risks associated with a possible redemption requested by the securityholder.

(1.2) If the mutual fund may hold securities of a foreign mutual fund in accordance with subsection 2.5(3)(b) of National Instrument 81-102 *Investment Funds*, disclose the risks associated with that investment.

(2) For a money market fund, include disclosure to the effect that although the mutual fund intends to maintain a constant price for its securities, there is no guarantee that the price will not go up and down.

(3) Include specific cross-references to the risks described in response to paragraph 1(b) of Item 4 of Part A of this Form that are applicable to the mutual fund.

(4) If the mutual fund offers more than one class or series of securities, disclose the risks that the investment performance, expenses or liabilities of one class or series may affect the value of the securities of another class or series, if applicable.

(5) For an index mutual fund, disclose that the mutual fund may, in basing its investment decisions on one or more permitted indices, have more of its net asset value invested in one or more issuers than is usually permitted for mutual funds, and disclose the risks associated with that fact, including the possible effect of that fact on the liquidity and diversification of the mutual fund, its ability to satisfy redemption requests and on the volatility of the mutual fund.

(6) If, at any time during the 12 month period immediately preceding the date that is 30 days before the date of the simplified prospectus, more than 10 percent of the net asset value of a mutual fund were invested in the securities of an issuer, other than a government security or a security issued by a clearing corporation, disclose

(a) the name of the issuer and the securities;

(b) the maximum percentage of the net asset value of the mutual fund that securities of that issuer represented during the 12 month period; and

(c) disclose the risks associated with these matters, including the possible or actual effect of that fact on the liquidity and diversification of the mutual fund, its ability to satisfy redemption requests and on the volatility of the mutual fund.

(7) As applicable, describe the risks associated with the mutual fund entering into

(a) derivative transactions for non-hedging purposes;

(b) securities lending, repurchase or reverse repurchase transactions; and

(c) short sales of securities.

INSTRUCTIONS:

(1) *Consider the mutual fund's portfolio investments as a whole.*

(2) *Provide the disclosure in the context of the mutual fund's fundamental investment objectives and investment strategies, outlining the risks associated with any particular aspect of those fundamental investment objectives and investment strategies.*

(3) *Include a discussion of general market, political, market sector, liquidity, interest rate, foreign currency, diversification, credit, legal and operational risks, as appropriate.*

(4) *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 mutual fund are listed for trading, applicable to the particular mutual fund.*

(5) *[Repealed]*

(6) *In responding to subsection (6) above, it is necessary to disclose only that at a time during the 12 month period referred to, more than 10 percent of the net asset value of the mutual fund were invested in the securities of an issuer. Other than the maximum percentage required to be disclosed under paragraph (6)(b), the mutual fund is not required to provide particulars or a summary of any such occurrences.*

Item 9.1 Investment Risk Classification Methodology

- (1) Briefly describe the methodology used by the manager for the purpose of identifying the investment risk level of the mutual fund as required by Item 5(2) in Part I of 81-101F3.
- (2) State how frequently the investment risk level of the mutual fund is reviewed.
- (3) Disclose that the methodology that the manager uses to identify the investment risk level of the mutual fund is available on request, at no cost, by calling [toll-free/collect call telephone number] or by writing to [address].

INSTRUCTION:

Include a brief description of the formulas, methods or criteria used by the manager of the mutual fund in identifying the investment risk level of the mutual fund.

Item 10: Suitability

Provide a brief statement of the suitability of the mutual fund for particular investors under the heading “Who Should Invest in this Fund?”, describing either or both of the characteristics of the investor for whom the mutual fund may or may not be an appropriate investment, and the portfolios for which the mutual fund is suited or for which the mutual fund should not be used.

INSTRUCTIONS:

- (1) *In responding to the disclosure required by this Item, indicate the level of investor risk tolerance that would be appropriate for investment in the mutual fund.*

(1.1) *Briefly describe how the manager has determined the level of investor risk tolerance that would be appropriate for investment in the mutual fund.*

(2) *If the mutual fund is particularly unsuitable for certain types of investors or for certain types of investment portfolios, emphasize this aspect of the mutual fund, and disclose both the types of investors who should not invest in the mutual fund, with regard to investments on both a short and long term basis, and the types of portfolios that should not invest in the mutual fund. Conversely, it might be appropriate to discuss whether the mutual fund is particularly suitable for particular investment objectives.*

Item 11: [Repealed]

Item 12: Distribution Policy

State under the heading “Distribution Policy” whether distributions are made by the mutual fund in cash or reinvested in securities of the mutual fund, and indicate when distributions are made.

Item 13: Financial Highlights

13.1 [Repealed]

13.2 Illustration of Fund Expenses Indirectly Borne by Investors

(1) Under the heading “Fund Expenses Indirectly Borne by Investors”, provide an example of the share of the expenses of the mutual fund indirectly borne by investors, containing the information and based on the assumptions described in subsection (2).

(2) The information to be provided under this Item shall be an investor’s cumulative proportional share of the fees and expenses paid by the mutual fund, in dollars, over a period of one, three, five and 10 years, assuming

(a) an initial investment of \$1,000;

(b) a total annual return of the mutual fund of five percent in each year, calculated in accordance with section 15 of National Instrument 81-102;

(c) a management expense ratio of the mutual fund the same throughout the 10 year period as they were in the last completed financial year of the mutual fund, excluding any performance fees paid in a year which would not have been paid had the mutual fund earned a total return of five percent in that last completed financial year.

(3) Provide an introduction to the disclosure that explains that the disclosure is intended to help an investor compare the cost of investing in the mutual fund with the

cost of investing in other mutual funds, shows the amount of fees and expenses paid by the mutual fund that are indirectly borne by an investor, and describes the assumptions used.

(4) The management expense ratio used in calculating the disclosure provided under this Item must be the management expense ratio calculated in accordance with Part 15 of National Instrument 81-106 *Investment Fund Continuous Disclosure*.

(5) Provide a cross-reference to the disclosure provided under Item 8 of Part A of this Form for information about fees and expenses paid directly by the investor which are not included in the calculation of management expense ratio.

Item 14: Additional Information

(1) Provide any specific disclosure required or permitted to be disclosed in a prospectus under securities legislation or by an order or ruling of the securities regulatory authority pertaining to the mutual fund that is not otherwise required to be disclosed by this Form.

(2) This Item does not apply to requirements of securities legislation that are form requirements for a prospectus.

INSTRUCTIONS:

(1) *See Instruction (1) to Item 12 of Part A of this Form for examples of disclosure that might appropriately be made under these Items.*

(2) *For a simplified prospectus that is not part of a multiple SP, provide this disclosure either under this Item or under Item 12 of Part A of this Form, whichever is more appropriate.*

(3) *For a multiple SP, this disclosure should be provided under this Item if the disclosure does not pertain to all of the mutual funds described in the document. If the disclosure pertains to all of those funds, the disclosure should be provided in the fund-specific disclosure required or permitted under Item 12 of Part A of this Form.*

[Amended September 22, 2014]