

CONSIDERING that it is expedient to modify the name of the York-Baillargeon Zone to that of the Baillargeon Controlled Zone;

ORDERS THE FOLLOWING :

The name of the York-Baillargeon Controlled Zone be modified to that of the Baillargeon Controlled Zone;

This Order come into force on the date of its publication in the *Gazette officielle du Québec*.

Québec, 2 November 2006

PIERRE CORBEIL  
*Minister of Natural Resources and Wildlife*

7843

### **M.O., 2006-03**

#### **Order number V-1.1-2006-03 of the Minister of Finance dated 31 October 2006**

Securities Act  
(R.S.Q., c. V-1.1)

CONCERNING amendments to concordant regulations to Regulation 81-107 respecting independent review committee for investment funds

WHEREAS subparagraphs 1, 2, 6, 8, 11, 14, 16, 17, 20 and 34 of section 331.1 of the Securities Act stipulate that the Autorité des marchés financiers may make regulations concerning the matters referred to in those paragraphs;

WHEREAS the third and fourth paragraphs of section 331.2 of the said Act stipulate that a draft regulation shall be published in the Bulletin of the Authority, accompanied with the notice required under section 10 of the Regulations Act (R.S.Q., c. R-18.1) and may not be submitted for approval or be made before 30 days have elapsed since its publication;

WHEREAS the first and fifth paragraphs of the said section stipulate that every regulation made under section 331.1 must be approved, with or without amendment, by the Minister of Finance and comes into force on the date of its publication in the *Gazette officielle du Québec* or any later date specified in the regulation;

WHEREAS the following regulations have been made by a decision of the Autorité des marchés financiers or approved by a ministerial order of the Minister of Finance:

— Regulation 13-101 respecting the system for electronic analysis and retrieval (SEDAR) on June 12, 2001 by the decision No. 2001-C-0272;

— Regulation 81-101 mutual fund prospectus disclosure on June 12, 2001 by the decision No. 2001-C-0283;

— Regulation 81-102 mutual funds on May 22, 2001 by the decision No. 2001-C-0209;

— Regulation 81-104 respecting commodity pools on March 3, 2003 by the decision No. 2003-C-0075;

— Regulation 81-106 respecting investment fund continuous disclosure approved by Ministerial Order No. 2005-05 dated May 19, 2005;

WHEREAS the following draft regulations were published in accordance with section 331.2 of Securities Act and made by the Autorité des marchés financiers:

— Regulation to amend Regulation 13-101 respecting the system for electronic analysis and retrieval (SEDAR) published in the Supplement to the Bulletin concerning securities of the Autorité des marchés financiers, volume 2, No. 21 of May 27, 2005 and made on October 19, 2006, by the decision No. 2006-PDG-0182;

— Regulation to amend Regulation 81-101 mutual fund prospectus disclosure published in the Supplement to the Bulletin concerning securities of the Autorité des marchés financiers, volume 2, No. 21 of May 27, 2005 and made on October 19, 2006, by the decision No. 2006-PDG-0183;

— Regulation to amend Regulation 81-102 mutual funds published in the Supplement to the Bulletin concerning securities of the Autorité des marchés financiers, volume 2, No. 21 of May 27, 2005 and made on October 19, 2006, by the decision no. 2006-PDG-0184;

— Regulation to amend Regulation 81-104 respecting commodity pools published in the Supplement to the Bulletin concerning securities of the Autorité des marchés financiers, volume 2, No. 21 of May 27, 2005 and made on October 19, 2006, by the decision No. 2006-PDG-0185;

— Regulation to amend Regulation 81-106 respecting investment fund continuous disclosure published in the Supplement to the Bulletin concerning securities of the Autorité des marchés financiers, volume 2, No. 21 of May 27, 2005 and made on October 19, 2006, by the decision No. 2006-PDG-0186;

WHEREAS there is cause to approve those regulations with amendments;

Consequently, the Minister of Finance approves with amendments the following regulations appended hereto:

— Regulation to amend Regulation 13-101 respecting the system for electronic analysis and retrieval (SEDAR);

— Regulation to amend Regulation 81-101 mutual fund prospectus disclosure;

— Regulation to amend Regulation 81-102 mutual funds;

— Regulation to amend Regulation 81-104 respecting commodity pools;

— Regulation to amend Regulation 81-106 respecting investment fund continuous disclosure.

October 31, 2006

MICHEL AUDET,  
*Minister of Finance*

### **Regulation to amend Regulation 13-101 respecting the system for electronic document analysis and retrieval (SEDAR)**

Securities Act  
(R.S.Q., c. V-1.1, s. 331.1 par. 1 and 2)

**1.** Appendix A of Regulation 13-101 respecting the System for Electronic Document Analysis and Retrieval (SEDAR) is amended:

(1) by adding the following items after Item 17 of paragraph B of Part I:

“18. Report by Independent Review Committee

19. Manager - transactions in securities of related issuers

20. Manager - transactions under Part 4 of Regulation 81-102 Mutual Funds adopted by the *Commission des valeurs mobilières du Québec* pursuant to decision No. 2001-C-0209 dated May 22, 2001

21. Manager - notification under Part 5 of Regulation 81-107 respecting Independent Review Committee for Investment Funds approved by Ministerial Order no. 2006-02 dated October 31, 2006;”;

(2) by adding the following items after Item 18 of subparagraph (a) of paragraph B of Part II:

“19. Report by Independent Review Committee

20. Manager - transactions in securities of related issuers

21. Manager - transactions under Part 4 of Regulation 81-102 Mutual Funds

22. Manager - notification under Part 5 of Regulation 81-107 respecting Independent Review Committee for Investment Funds”.

**2.** The SEDAR Filer Manual, Standards, Procedures and Guidelines for Electronic Filing with the Canadian Securities Administrators, of the Regulation is amended by replacing the words “gérant”, “le gérant”, “du gérant” and “un gérant”, wherever they appear in the French text, with the words “société de gestion”, “la société de gestion”, “de la société de gestion” and “une société de gestion”, respectively, and making the necessary changes.

**3.** This Regulation comes into force on the date of its publication in the *Gazette officielle du Québec*.

### **Regulation to amend Regulation 81-101 mutual fund prospectus disclosure**

Securities Act  
(R.S.Q., c. V-1.1, s. 331.1 par. 1, 6, 14, 16, 17 and 34)

**1.** Section 1.1 of Regulation 81-101 Mutual Fund Prospectus Disclosure is amended:

(1) by adding the following before the definition of “material contract”:

““independent review committee” means the independent review committee of the investment fund established under Regulation 81-107 respecting Independent Review Committee for Investment Funds approved by Ministerial Order no. 2006-02 dated October 31, 2006;”;

(2) in the definition of “commodity pool”:

(a) by replacing, in paragraph (a) of the French text, the words “Règlement 81-102 *Les organismes de placement collectif*” with the words “Règlement 81-102 sur les organismes de placement collectif adopté par la Commission des valeurs mobilières du Québec en vertu de la décision n° 2001-C-0209 du 22 mai 2001”;

(b) by replacing, in paragraph (b), the words “Regulation 81-102” with the words “Regulation 81-102 Mutual Funds”;

(3) by replacing, in the definition of “precious metals fund”, the words “Regulation 81-102” with the words “Regulation 81-102 Mutual Funds”.

**2.** Form 81-101F1, Contents of Simplified Prospectus, of the Regulation is amended:

(1) in General Instruction (2), by deleting the words “*adopted by the Commission des valeurs mobilières du Québec pursuant to decision No. 2001-C-0209 dated May 22, 2001*” and by replacing the words “*of Regulation 81-102*” with the words “*of Regulation 81-102 Mutual Funds*”;

(2) in Part A:

(a) in Item 5:

(i) by adding the following subsection after subsection (3):

“(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 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.”;

(ii) by adding the following subsection after subsection (5):

“(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.”;

(iii) by adding the following Instruction after Instruction (2):

“(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.*”;

(b) in Item 8.1:

(i) by adding the following subsection after subsection (3):

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

(ii) by adding the following subsection after subsection (5):

“(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.”;

(3) in Part B:

(a) by adding the following after subsection (3) of Item 4:

“(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 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.”;

(b) by adding the following after subparagraph (ii) of paragraph (f) of Item 5:

“(iii) the amount of the fees and expenses payable in connection with the independent review committee, charged to the mutual fund; and”;

(c) by deleting, in subsection (1) of Item 11.1, the words “adopted by the Commission des valeurs mobilières du Québec pursuant to decision No. 2001-C-0209 dated May 22, 2001”;

(4) by replacing, wherever they appear, the words “Regulation 81-102” with the words “Regulation 81-102 Mutual Funds”, and making the necessary changes;

(5) by replacing the words “gérant”, “le gérant”, “du gérant”, “au gérant” and “son gérant”, wherever they appear in the French text, with the words “société de gestion”, “la société de gestion”, “de la société de gestion”, “à la société de gestion” and “sa société de gestion”, respectively, and making the necessary changes.

**3.** Form 81-101F2, Contents of Annual Information Form, of the Regulation is amended:

(1) in General Instruction (2), by deleting the words “adopted by the Commission des valeurs mobilières du Québec pursuant to decision No. 2001-C-0209 dated May 22, 2001” and by replacing the words “of Regulation 81-102” with the words “of Regulation 81-102 Mutual Funds”;

(2) by adding the following after subsection (2) of Item 4:

“(2.1) If the mutual fund has relied on the approval of the independent review committee and has satisfied the relevant requirements of Regulation 81-107 respecting Independent Review Committee for Investment Funds to vary any of the investment restrictions and practices contained in securities legislation, including Regulation 81-102 Mutual Funds, provide details of the variations.

(2.2) If the mutual fund has relied on the approval of the independent review committee to implement a reorganization with, or transfer of assets to, another mutual fund or to proceed with a change of auditor of the mutual fund as permitted by Regulation 81-102 Mutual Funds, provide details.”;

(3) in Item 10.1, by striking out the word “and” at the end of paragraph (f), adding “; and” at the end of paragraph (g) and adding the following after paragraph (g):

“(h) the oversight of the manager of the mutual fund by the independent review committee.”;

(4) by adding the following after subsection (5) of Item 11.1:

“(6) Disclose the percentage of securities of each class or series of voting or equity securities beneficially owned, directly or indirectly, in aggregate, by all the independent review committee members of the mutual fund

(a) in the mutual fund if the aggregate level of ownership exceeds 10 percent,

(b) in the manager, or

(c) in any person or company that provides services to the mutual fund or the manager.”;

(5) by replacing the heading of Item 12 of the French text with the words “Gouvernance d’OPC”;

(6) in Item 12:

(a) by replacing, in subsection (1) of the French text, the word “régie” with the word “gouvernance”;

(b) by replacing paragraph (a) of subsection (1) with the following:

“(a) the mandate and responsibilities of the independent review committee and the reasons for any change in the composition of the independent review committee since the date of the most recently filed annual information form;

(a.1) any other body or group that has responsibility for fund governance and the extent to which its members are independent of the manager of the mutual fund; and”;

(c) in the Instruction, by adding “(1)” before “The disclosure”;

(d) in the Instruction, by adding the following paragraph before the heading “**Item 13: Fees and Expenses**”:

“(2) If the mutual fund has an independent review committee, state in the disclosure provided under paragraph (1)(b) that Regulation 81-107 respecting Independent Review Committee for Investment Funds requires the manager to have policies and procedures relating to conflicts of interest.”;

(6) by replacing subsection (2) of Item 15 with the following:

“(2) Describe any arrangements under which compensation was paid or payable by the mutual fund during the most recently completed financial year of the mutual fund, for the services of directors of the mutual fund, members of an independent board of governors or advisory board of the mutual fund and members of the independent review committee of the mutual fund, including the amounts paid, the name of the individual and any expenses reimbursed by the mutual fund to the individual

(a) in that capacity, including any additional amounts payable for committee participation or special assignments; and

(b) as consultant or expert.”.

**4.** The Regulation is amended by replacing, wherever they appear, the words “Regulation 81-102” with the words “Regulation 81-102 Mutual Funds”, and making the necessary changes.

**5.** The Regulation is amended by replacing the words “gérant”, “le gérant”, “du gérant”, “au gérant” and “son gérant”, wherever they appear in the French text, with the words “société de gestion”, “la société de gestion”, “de la société de gestion”, “à la société de gestion” and “sa société de gestion”, respectively, and making the necessary changes, except in the expression “courtier gérant”.

**6.** This Regulation comes into force on the date of its publication in the *Gazette officielle du Québec*.

## Regulation to amend Regulation 81-102 mutual funds

Securities Act  
(R.S.Q., c. V-1.1, s. 331.1 par. 6, 11, 16, 17 and 34)

**1.** Section 1.1 of Regulation 81-102 Mutual Funds is amended:

(1) by adding the following after the definition of “illiquid asset”:

““independent review committee” means the independent review committee of the investment fund established under Regulation 81-107 respecting Independent Review Committee for Investment Funds approved by Ministerial Order no. 2006-02 dated October 31, 2006;”;

(2) by replacing the definition of “manager” with the following:

““manager” means a person or company that directs the business, operations and affairs of a mutual fund;”

(3) by replacing the definition of “mutual fund conflict of interest investment restrictions” with the following:

““mutual fund conflict of interest investment restrictions” means the provisions of securities legislation that

(a) prohibit a mutual fund from knowingly making or holding an investment in any person or company who is a substantial securityholder, as defined in securities legislation, of the mutual fund, its management company, manager or distribution company;

(b) prohibit a mutual fund from knowingly making or holding an investment in any person or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial securityholder, as defined in securities legislation;

(c) prohibit a mutual fund from knowingly making or holding an investment in an issuer in which any person or company who is a substantial securityholder of the mutual fund, its management company, manager or distribution company, has a significant interest, as defined in securities legislation;

(d) prohibit a mutual fund, a responsible person as defined in securities legislation, a portfolio adviser or a registered person acting under a management contract from knowingly causing any investment portfolio managed by it, or a mutual fund, to invest in, or prohibit a mutual fund from investing in, any issuer in which a responsible person, as defined in securities legislation, is an officer or director unless the specific fact is disclosed to the mutual fund, securityholder or client, and where securities legislation requires it, the written consent of the client to the investment is obtained before the purchase;

(e) prohibit a mutual fund, a responsible person as defined in securities legislation, or a portfolio adviser knowingly causing any investment portfolio managed by it to subscribe for, purchase or sell, or prohibit a mutual fund from subscribing for, purchasing or selling, the securities of any issuer from or to the account of a responsible person, as defined in securities legislation, an associate of a responsible person or the portfolio adviser; and;

(f) prohibit a portfolio adviser or a registered person acting under a management contract from subscribing for or buying securities on behalf of a mutual fund, where his or her own interest might distort his or her judgment, unless the specific fact is disclosed to the client and the written consent of the client to the investment is obtained before the subscription or purchase;”.

**2.** Section 4.1 of the Regulation is amended by adding the following after subsection (3):

“(4) Subsection (1) does not apply to an investment in a class of securities of an issuer if, at the time of each investment

(a) the independent review committee of the dealer managed mutual fund has approved the transaction under subsection 5.2(2) of Regulation 81-107 respecting Independent Review Committee for Investment Funds;

(b) in a class of debt securities of an issuer other than a class of securities referred to in subsection (3), the security has been given, and continues to have, an approved rating by an approved credit rating organization;

(c) in any other class of securities of an issuer,

(i) the distribution of the securities is made by prospectus filed with one or more securities regulatory authorities or regulators in Canada, and;

(ii) during the 60-day period referred to in subsection (1) the investment in the securities is made on an exchange on which these securities are listed and traded; and

(d) no later than the time the dealer managed mutual fund files its annual financial statements, the manager of the dealer managed mutual fund files the particulars of each investment made by the dealer managed mutual fund during its most recently completed financial year.

(5) The corresponding provisions contained in securities legislation referred to in Appendix C do not apply with respect to an investment in a class of securities of an issuer referred to in subsection (4) if the investment is made in accordance with that subsection.”.

**3.** Section 4.3 of the Regulation is amended by inserting “(1)” before the heading “Exception” and adding the following subsection after this subsection:

“(2) Section 4.2 does not apply to a purchase or sale of a class of debt securities by a mutual fund from, or to, another mutual fund managed by the same manager or an affiliate of the manager, if, at the time of the transaction

(a) the mutual fund is purchasing from, or selling to, another mutual fund to which Regulation 81-107 respecting Independent Review Committee for Investment Funds applies;

(b) the independent review committee of the mutual fund has approved the transaction under subsection 5.2(2) of Regulation 81-107 respecting Independent Review Committee for Investment Funds;

(c) the transaction complies with subsection 6.1(2) of Regulation 81-107 respecting Independent Review Committee for Investment Funds.”.

**4.** Section 5.1 of the Regulation is amended by deleting paragraph (d).

**5.** Section 5.3 of the Regulation is amended by adding the following after subsection (1):

“(2) Despite section 5.1, the approval of securityholders of a mutual fund is not required to be obtained for a change referred to in paragraph 5.1(f) if

(a) the independent review committee of the mutual fund has approved the change under subsection 5.2(2) of Regulation 81-107 respecting Independent Review Committee for Investment Funds;

(b) the mutual fund is being reorganized with, or its assets are being transferred to, another mutual fund to which this Regulation and Regulation 81-107 respecting Independent Review Committee for Investment Funds apply and that is managed by the manager, or an affiliate of the manager, of the mutual fund;

(c) the reorganization or transfer of assets of the mutual fund complies with the criteria in paragraphs 5.6(1)(a), (b), (c), (d), (g), (h) and (i) and subsection 5.6(2);

(d) the simplified prospectus of the mutual fund discloses that, although the approval of securityholders may not be obtained before making the change, securityholders will be sent a written notice at least 60 days before the effective date of the change; and

(e) the notice referred to in paragraph (d) to securityholders is sent 60 days before the effective date of the change.”.

**6.** The Regulation is amended by adding the following after section 5.3:

#### “5.3.1 Change of Auditor of the Mutual Fund

The auditor of the mutual fund may not be changed unless

(a) the independent review committee of the mutual fund has approved the change under subsection 5.2(2) of Regulation 81-107 respecting Independent Review Committee for Investment Funds;

(b) the simplified prospectus of the mutual fund discloses that, although the approval of securityholders may not be obtained before making the change, securityholders will be sent a written notice at least 60 days before the effective date of the change; and

(c) the notice referred to in paragraph (b) to securityholders is sent 60 days before the effective date of the change.”

**7.** The Regulation is amended by adding the following after Appendix B-3:

### “APPENDIX C

#### PROVISIONS CONTAINED IN SECURITIES LEGISLATION FOR THE PURPOSE OF SUBSECTION 4.1(5) – PROHIBITED INVESTMENTS

JURISDICTION	SECURITIES LEGISLATION REFERENCE
Alberta	Section 9 of Alberta Securities Commission Policy 7.1
British Columbia	Section 81 of the <i>Securities Rules</i>
Newfoundland and Labrador	Section 191 of Reg 805/96”
New Brunswick	Section 13.2 of Local Rule 31-501, <i>Registration Requirements</i>
Nova Scotia	Section 67 of the General Securities Rules
Ontario	Section 227 of Reg. 1015
Quebec	Sections 236 and 237.1 of the <i>Securities Regulation</i> ”

**8.** The Regulation is amended by replacing the words “gérant”, “le gérant”, “du gérant”, “au gérant” and “son gérant”, wherever they appear in the French text, with the words “société de gestion”, “la société de gestion”, “de la société de gestion”, “à la société de gestion” and “sa société de gestion”, respectively, and making the necessary changes, except in the expression “courtier gérant”.

**9.** This Regulation comes into force on the date of its publication in the *Gazette officielle du Québec*.

### Regulation to amend Regulation 81-104 respecting commodity pools

Securities Act  
(R.S.Q., c. V-1.1, s. 331.1 par. 1, 6, 8, 20 and 34)

**1.** Section 1.1 of Regulation 81-104 respecting Commodity Pools is amended by adding the following after the definition of “Derivatives Fundamentals Course”:

““independent review committee” means the independent review committee of the investment fund established under Regulation 81-107 respecting Independent Review Committee for Investment Funds approved by Ministerial Order no. 2006-02 dated October 31, 2006;”

**2.** Section 9.2 of the Regulation is amended:

(1) by replacing, in paragraph (d) of the French text, the words “gérant, conseiller, courtier” with the words “conseiller ou courtier, une société de gestion”;

(2) by replacing, in paragraph (e) of the French text, the words “le gérant” with the words “la société de gestion”;

(3) by adding the following after paragraph (o), and making the necessary changes:

“(p) provide the disclosure concerning the independent review committee of the commodity pool that is required to be provided by a mutual fund under

(i) subsection (3.1) of Item 5 of Part A of Form 81-101F1, Contents of Simplified Prospectus, of Regulation 81-101 Mutual Fund Prospectus Disclosure adopted by the *Commission des valeurs mobilières du Québec* pursuant to decision No. 2001-C-0283 dated June 12, 2001;

(ii) subsection (3.1) of Item 8 of Part A of Form 81-101F1, Contents of Simplified Prospectus, of Regulation 81-101 Mutual Fund Prospectus Disclosure;

(iii) subsections (2.1) and (2.2) of Item 4 of Form 81-101F2, Contents of Annual Information Form, of Regulation 81-101 Mutual Fund Prospectus Disclosure;

(iv) paragraph (h) of Item 10.1 of Form 81-101F2, Contents of Annual Information Form, of Regulation 81-101 Mutual Fund Prospectus Disclosure;

(v) subsection (6) of Item 11.1 of Form 81-101F2, Contents of Annual Information Form, of Regulation 81-101 Mutual Fund Prospectus Disclosure;

(vi) subsection (1) of Item 12 of Form 81-101F2, Contents of Annual Information Form, of Regulation 81-101 Mutual Fund Prospectus Disclosure;

(vii) subsection (2) of Item 15 of Form 81-101F2, Contents of Annual Information Form, of Regulation 81-101 Mutual Fund Prospectus Disclosure in connection with the independent review committee.”

**3.** The Regulation is amended by replacing the words “gérant”, “le gérant” and “du gérant”, wherever they appear in the French text, with the words “société de gestion”, “la société de gestion” and “de la société de gestion”, respectively, and making the necessary changes.

**4.** This Regulation comes into force on the date of its publication in the *Gazette officielle du Québec*.

## Regulation to amend Regulation 81-106 respecting investment fund continuous disclosure

Securities Act  
(R.S.Q., c. V-1.1, s. 331.1 par. 1, 6, 8, 20 and 34)

**1.** Section 1.1 of Regulation 81-106 respecting Investment Fund Continuous Disclosure is amended by adding the following after the definition of “EVCC”:

““independent review committee” means the independent review committee of the investment fund established under Regulation 81-107 respecting Independent Review Committee for Investment Funds approved by Ministerial Order no. 2006-02 dated October 31, 2006;”.

**2.** Section 3.2 of the Regulation is amended by adding the following after item 8:

“8.1. independent review committee fees;”.

**3.** Section 9.4 of the Regulation is amended by replacing paragraph (f) of subsection (2) with the following:

“(f) Item 15 of Form 81-101F2, Contents of Annual Information Form, of Regulation 81-101 Mutual Fund Prospectus Disclosure does not apply to an investment fund that is a corporation, except for the disclosure in connection with the independent review committee; and”.

**4.** Form 81-106F1, Contents of Annual and Interim Management Report, of the Regulation is amended:

(1) in Item 2.4, by adding the following paragraph after paragraph (e), and making the necessary changes:

“(f) changes to the composition or members of the independent review committee of the investment fund.”;

(2) in Item 2.5, by adding the following Instruction after Instruction (3):

“(4) *If the investment fund has an independent review committee, state whether the investment fund has relied on the positive recommendation or approval of the independent review committee to proceed with the transaction, and provide details of any conditions or parameters surrounding the transaction imposed by the independent review committee.*”

**5.** This Regulation comes into force on the date of its publication in the *Gazette officielle du Québec*.

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M.O., 2006-02

**Order number V-1.1-2006-02 of the Minister of Finance dated 31 October 2006**

Securities Act  
(R.S.Q., c. V-1.1)

CONCERNING the Regulation 81-107 respecting independent review committee for investment funds

WHEREAS subparagraphs 1, 8, 11, 16, 17 and 34 of section 331.1 of the Securities Act (R.S.Q., c. V-1.1) stipulate that the Autorité des marchés financiers may make regulations concerning the matters referred to in that paragraph;

WHEREAS the third and fourth paragraphs of section 331.2 of the said Act stipulate that a draft regulation shall be published in the Bulletin of the Authority, accompanied with the notice required under section 10 of the Regulations Act (R.S.Q., c. R-18.1) and may not be submitted for approval or be made before 30 days have elapsed since its publication;

WHEREAS the first and fifth paragraphs of the said section stipulate that every regulation made under section 331.1 must be approved, with or without amendment, by the Minister of Finance and comes into force on the date of its publication in the *Gazette officielle du Québec* or any later date specified in the regulation;