

STRUCTURED PRODUCTS BULLETIN

July 2005

IMPLEMENTATION OF NATIONAL INSTRUMENT 81-106 INVESTMENT FUND CONTINUOUS DISCLOSURE

National Instrument 81-106 *Investment Fund Continuous Disclosure* (the “Instrument”) and Companion Policy 81-106CP, along with Form 81-106F1 *Contents of Annual and Interim Management Report of Fund Performance*, came into force on June 1, 2005.

The Instrument applies to all mutual funds and non-redeemable investment funds (together, investment funds) that are reporting issuers. Except in the provinces of Alberta, British Columbia, Manitoba and Newfoundland and Labrador, certain provisions of the Instrument also apply to mutual funds organized under the laws of the applicable province or territory, even if such mutual funds are not reporting issuers.

The Instrument replaces local continuous disclosure rules and regulations relating to investment funds, resulting in nationwide harmonization of continuous disclosure obligations, including those related to financial statements, management reports of fund performance, proxy voting disclosure, annual information forms and certain other disclosure matters.

Below is an itemized chart of filing deadlines for many common disclosure documents, to assist investment funds in the application of the Instrument.

Reference should also be made to our Structured Products Bulletin entitled *Important New Financial Reporting and Continuous Disclosure Requirements for Investment Funds*, dated April 2005, which further details obligations under the Instrument, including delivery requirements.

Filing Requirement	Timing	Example (December 31 st year-end)
Quarterly Portfolio Disclosure (reporting issuers only, other than scholarship plans or labour-sponsored or venture capital funds)	An investment fund must prepare quarterly portfolio disclosure at the end of each three-month or nine-month period after its financial year-end for periods that end on or after June 1, 2005. The portfolio disclosure must be posted on the investment fund's website (if any) within <i>60 days</i> after the quarter end.	<ul style="list-style-type: none"> • The first quarterly portfolio disclosure is to be posted on the investment fund's website (if any) by November 29, 2005, for the quarter ended September 30, 2005. • The next quarterly portfolio disclosure is to be posted on the investment fund's website (if any) by May 30, 2006, for the quarter ended March 31, 2006.
Annual Financial Statements*	The first filing is due <i>120 days</i> from the most recently completed financial year-end, for year-ends commencing on or after June 30, 2005. Filings in subsequent years are due <i>90 days</i> from year-end. The financial statements must also be posted on the investment fund's website (if any) by the filing due date.	<ul style="list-style-type: none"> • The first filing is due May 1, 2006. • The next filing is due April 2, 2007.
Annual Management Reports of Fund Performance (reporting issuers only)	Filings are due and must be made and posted to the investment fund's website (if any) for each financial year at the same time as the annual financial statements. The investment fund must send, by the filing deadline, its first management report of fund performance to securityholders with an explanation of the new reporting requirements, including the availability of quarterly portfolio disclosure and proxy voting disclosure.	<ul style="list-style-type: none"> • The first filing is due May 1, 2006. • The next filing is due April 2, 2007.
Annual Information Form (reporting issuers without a current prospectus as at its financial year-end only)	The first filing is due <i>120 days</i> from the most recently completed financial year-end, for year-ends commencing on or after June 30, 2005. Filings in subsequent years are due <i>90 days</i> from year-end.	<ul style="list-style-type: none"> • The first filing is due May 1, 2006. • The next filing is due April 2, 2007.
Interim Financial Statements*	The first filing is due <i>60 days</i> from the most recently completed interim period. The first interim period begins after the investment fund's first year-end ending on or after June 30, 2005. The interim financial statements must also be posted on the investment fund's website (if any) by the filing due date.	<ul style="list-style-type: none"> • Existing rules should be followed for the report due August 29, 2005 for the period ended June 30, 2005. • The first filing under the new rules is due August 29, 2006.
Interim Management Reports of Fund Performance (reporting issuers only, other than scholarship plans)	Filings are due and must be made and posted to the investment fund's website (if any) at the same time as the interim financial statements.	<ul style="list-style-type: none"> • The first filing is due August 29, 2006.
Proxy Voting Records (reporting issuers only)	The proxy voting record must be prepared for the period ending on June 30 of each year commencing July 1, 2005. The proxy voting record must be posted on the investment fund's website (if any) by August 31 of each year.	<ul style="list-style-type: none"> • The first proxy voting record is to be posted on the investment fund's website (if any) by August 31, 2006.

* A mutual fund that is not a reporting issuer is exempt from the financial statement filing requirements in specified circumstances. See our Structured Products Bulletin entitled *Important New Financial Reporting and Continuous Disclosure Requirements for Investment Funds* dated April 2005 for additional information.

The foregoing provides only an overview. Readers are cautioned against making any decisions based on this material alone. Rather, a qualified lawyer should be consulted.

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