PROVINCE OF BRITISH COLUMBIA

RULE OF THE BRITISH COLUMBIA SECURITIES COMMISSION

Securities Act

The British Columbia Securities Commission orders that,

(a) effective October 1, 2026, National Instrument 81-101* Mutual Fund Prospectus Disclosure*, B.C. Reg. 1/2000, is amended as set out in the attached Schedule A,

(b) effective October 1, 2026, National Instrument 81-102* Investment Funds*, B.C. Reg. 2/2000, is amended as set out in the attached Schedule B,

(c) effective October 1, 2026, National Instrument 81-105* Mutual Fund Sales Practices*, B.C. Reg. 131/98, is amended as set out in the attached Schedule C, and

(d) effective January 1, 2027, National Instrument 31-103* Registration Requirements, Exemptions and Ongoing Registrant Obligations*, B.C. Reg. 226A/2009, is amended as set out in the attached Schedule D.

DEPOSITED

September 11, 2026

B.C. REG. **157/2026**



September 11, 2026

Date

British Columbia Securities Commission

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section: *Securities Act*, R.S.B.C. 1996, c. 418, s. 184

Other:

R10974205

SCHEDULE A

1 ***National Instrument 81-101*** **Mutual Fund Prospectus Disclosure*****, B.C. Reg. 1/2000, is amended as set out in this Schedule A.***

2 ***Part A of Form 81-101F1*** **Contents of Simplified Prospectus** ***is amended by renumbering item 10, above the Instructions, as item 10 (1) and by adding the following subsections to the item:***

(2) If a mutual fund has a principal distributor, state in substantially the following words:

"[Insert name of principal distributor] has an exclusive right to distribute or has a material competitive advantage over others in distributing the securities of the mutual fund(s). Please see "Dealer Compensation" for more information, including a description of the services provided by [insert name of principal distributor] to the fund(s) or [insert name of manager of the mutual fund]."

(3) If a mutual fund has a principal distributor that receives a payment, other than a payment that is a trailing commission, in connection with services provided by the principal distributor to the manager of the mutual fund or the mutual fund, state in substantially the following words:

"[Insert name of manager of the mutual fund] pays up to a maximum of [insert percentage of the management fee payable to principal distributor] % of the management fee to [insert name of principal distributor] for providing services to [insert name of manager of the mutual fund] or the mutual fund(s) as the principal distributor."

(4) If the fee payable to a principal distributor varies under an agreement between the principal distributor and the manager of the mutual fund, describe the variables that are used in the determination of the fee and how that fee is calculated.

3 ***Part II of Form 81-101F3*** **Contents of Fund Facts Document** ***is amended by adding the following subsections to item 1.3:***

(4.1) If a mutual fund has a principal distributor, include a statement using wording substantially similar to the following:

[Insert name of principal distributor] has an exclusive right to distribute or has a material competitive advantage over others in distributing the securities of this fund.

(4.2) If a mutual fund has a principal distributor that receives a payment, other than a payment that is a trailing commission, in connection with services provided by the principal distributor to the manager of the mutual fund or the mutual fund, include a statement using wording substantially similar to the following:

[Insert name of manager of the mutual fund] pays up to a maximum of [insert percentage of the management fee payable to principal distributor] % of the management fee to [insert name of principal distributor] for providing services to [insert name of manager of the mutual fund] or the mutual fund as the principal distributor.

(4.3) If the fee payable to a principal distributor varies under an agreement between the principal distributor and the manager of the mutual fund, describe the variables that are used in the determination of the fee and how that fee is calculated.

Transition

4 Before October 1, 2028, an investment fund is not required to comply with National Instrument 81-101 *Mutual Fund Prospectus Disclosure*, as amended by this Instrument, if the investment fund complies with National Instrument 81-101 *Mutual Fund Prospectus Disclosure* as it was in force on September 30, 2026.

SCHEDULE B

1 ***National Instrument 81-102* Investment Funds*, B.C. Reg. 2/2000, is amended as set out in this Schedule B.***

2 ***Part 10 is amended by adding the following section:***

10.2.1 Prohibition of fees for redemptions

A manager must not charge a fee to a securityholder of a mutual fund for a redemption by the securityholder of securities of the mutual fund.

Transition

3 Section 10.2.1 of National Instrument 81-102 *Investment Funds* does not apply to a fee referred to in that section if the fee is charged under a fee arrangement that existed before June 1, 2022 and the fee arrangement is still in effect.

SCHEDULE C

1 ***National Instrument 81-105* Mutual Fund Sales Practices*, B.C. Reg. 131/98, is amended as set out in this Schedule C.***

2 ***Part 2 is amended by adding the following section:***

2.4 Principal distributors

A principal distributor of a mutual fund shall not be a principal distributor of another mutual fund unless the other mutual fund is a member of the same mutual fund family.

3 ***Section 4.2 is amended by adding the following subsection:***

(0.1) A principal distributor of a mutual fund that is also a principal distributor of another mutual fund that is in the same mutual fund family as the first-mentioned mutual fund shall not provide an incentive for any of its representatives to recommend a mutual fund of which it is a principal distributor over another mutual fund of which it is a principal distributor.

4 ***Section 7.1 is repealed.***

Transition

5 Before October 1, 2028, an investment fund is not required to comply with National Instrument 81-105 *Mutual Fund Sales Practices*, as amended by this Instrument, if the investment fund complies with National Instrument 81-105 *Mutual Fund Sales Practices* as it was in force on September 30, 2026.

SCHEDULE D

1 ***National Instrument 31-103* Registration Requirements, Exemptions and Ongoing Registrant Obligations*, B.C. Reg. 226A/2009, is amended as set out in this Schedule D.***

2 ***Section 14.17 (1) is amended by adding the following paragraph:***

(v) the following notification, or a notification that is substantially similar, disclosed in a footnote to the report, if during the period covered by the report

(i) the client owned securities of a mutual fund that is a reporting issuer,

(ii) the registered firm was a principal distributor, as defined in section 1.1 of National Instrument 81-102 *Investment Funds*, of those securities, and

(iii) the registered firm received a payment, other than a payment reported under paragraph (g) or (h), in connection with services that the registered firm provided to the manager or the mutual fund as a principal distributor:

"*We have [an exclusive right to distribute/a material competitive advantage over others in distributing/an exclusive right to distribute or a material competitive advantage over others in distributing] the securities of mutual funds managed by [insert name of fund manager]. [Insert name of fund manager] pays us up to a maximum of [insert percentage of the management fee] % of the fund's management fee for providing services as a principal distributor*." **.**

Transition

3 Before January 1, 2029, a registered firm is not required to comply with National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*, as amended by this Instrument, if the registered firm complies with National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* as it was in force on December 31, 2026.