

APPENDIX E

Proposed Change to Companion Policy 41-101CP *Companion Policy to National Instrument 41-101 - General Prospectus Requirements*

1. A proposed change to Companion Policy 41-101CP to National Instrument 41-101 *General Prospectus Requirements* is set out below.
2. *The following section is added after section 4.1:*

Plan summary for a scholarship plan

- 4.1.1** To help write the plan summary for a scholarship plan in plain language, scholarship plan providers may use the Flesch-Kincaid methodology to assess the readability of a plan summary. The Flesch-Kincaid grade level scale is a methodology that rates the readability of a text to a corresponding grade level and can be determined by the use of Flesch-Kincaid tests built into commonly used word processing programs. The CSA will generally consider a grade level of 6.0 or less on the Flesch-Kincaid grade level scale to indicate that a plan summary is written in plain language. For French-language documents, scholarship plan providers may wish to consider using other appropriate readability tools.
3. This change becomes effective on ●.