

ANNEX B

MULTILATERAL POLICY 31-202 REGISTRATION REQUIREMENT FOR INVESTMENT FUND MANAGERS

This multilateral policy applies in British Columbia, Alberta, Saskatchewan, Manitoba, Prince Edward Island, Nova Scotia, Northwest Territories, Yukon and Nunavut.

An investment fund manager is required to register in a jurisdiction if it carries on the activities of an investment fund manager in that jurisdiction.

Some of the functions and activities that an investment fund manager directs, manages or performs include:

- establishing a distribution channel for the fund
- marketing the fund
- establishing and overseeing the fund's compliance and risk management programs
- overseeing the day to day administration of the fund
- retaining and liaising with the fund portfolio manager, the custodian, the dealers and other service providers
- overseeing advisers' compliance with investment objectives and overall performance of the fund
- preparing the fund's prospectus or other offering documents
- preparation and delivery of unit holder reports
- identifying, addressing and disclosing conflicts of interest
- calculating the net asset value (NAV) and the NAV per share or unit
- calculating, confirming and arranging payment of subscriptions, redemptions and arranging for the payment of dividends or other distributions, if required

An investment fund manager is required to register if it directs or manages the business, operations or affairs of an investment fund from a physical place of business in a jurisdiction or its head office is in a jurisdiction.

In circumstances where the investment fund manager does not have a physical place of business or head office in a jurisdiction, they will need to register if they carry on the activities of an investment fund manager in that jurisdiction. In determining if registration is required, these entities should consider what activities are taking place in the jurisdiction, including those functions and activities listed above. We would not expect that any single function or activity would be determinative. Specifically, the presence of security holders and the solicitation of investors does not automatically require an investment fund manager to register in a jurisdiction.