CSA NOTICE AND REQUEST FOR COMMENT

MANDATING A SUMMARY DISCLOSURE DOCUMENT FOR EXCHANGE-TRADED MUTUAL FUNDS AND ITS DELIVERY

PROPOSED AMENDMENTS TO NATIONAL INSTRUMENT 41-101 *GENERAL PROSPECTUS REQUIREMENTS* AND TO COMPANION POLICY 41-101CP TO NATIONAL INSTRUMENT 41-101 *GENERAL PROSPECTUS REQUIREMENTS* AND RELATED CONSEQUENTIAL AMENDMENTS

June 18, 2015

Introduction

The Canadian Securities Administrators (the CSA or we) are publishing for a comment period of 90 days proposed amendments to National Instrument 41-101 *General Prospectus Requirements* (the Rule), Companion Policy 41-101CP to National Instrument 41-101 *General Prospectus Requirements* (the Companion Policy) and related consequential amendments to National Instrument 81-106 *Investment Fund Continuous Disclosure* and Companion Policy 81-106CP to National Instrument 81-106 *Investment Fund Continuous Disclosure* (the Consequential Amendments). New Form 41-101F4 *Information Required in an ETF Facts Document* (Form 41-101F4) is part of the Rule. We refer to the proposed amendments to the Rule, the proposed changes to the Companion Policy and the Consequential Amendments together as the Proposed Amendments.

The Proposed Amendments are part of Stage 3 of the CSA's implementation of the point of sale disclosure project (the POS Project).

The Proposed Amendments will require mutual funds in continuous distribution, the securities of which are listed and traded on an exchange or an alternative trading system (ETFs), to produce and file a summary disclosure document called "ETF Facts", which must be made available on the ETF's or the ETF manager's website. The Proposed Amendments also introduce a new delivery regime which will require dealers that receive an order to purchase ETF securities to deliver an ETF Facts to investors within two days of the purchase. Delivery of the prospectus will not be required, but there will be a requirement for the prospectus to be made available to investors upon request, at no cost.

We think the introduction of the ETF Facts will help provide investors with access to key information about an ETF, in language they can easily understand. Delivery of the ETF Facts to investors will also help improve the consistency with which disclosure is provided to investors of ETFs, and help create a more consistent disclosure framework between conventional mutual funds and ETFs. Implementation of this initiative is also responsive to comments received throughout the course of the POS Project, from both industry and investor stakeholders, regarding the need to ensure greater consistency in terms of the disclosure regime for conventional mutual funds and ETFs, which are generally both sold to retail investors.

The text of the Proposed Amendments follows this Notice and is available on the websites of members of the CSA.

We expect the Proposed Amendments to be adopted in each jurisdiction of Canada. Some jurisdictions may need to seek legislative amendments, which will need to be enacted prior to implementing the Proposed Amendments.[1]

Background

CSA Staff Notice 81-319 *Status Report on the Implementation of Point of Sale Disclosure for Mutual Funds*[2] outlined the CSA's decision to implement the POS Project in three stages.

With the publication of final amendments on December 11, 2014, the POS Project for conventional mutual funds is now complete. Since July 2011, every mutual fund has been required to prepare a fund facts document[3] (Fund Facts) for each class and series. Since June 2014, every dealer has been required to deliver the Fund Facts instead of the prospectus in connection with the purchase of mutual fund securities. On May 30, 2016, dealers will be required to deliver the Fund Facts at or before the point of sale.

As part of final stage of the POS Project, two concurrent workstreams are under way:

1. ETF summary disclosure document and a new delivery model – The Proposed Amendments will require the filing of an ETF Facts and delivery of the ETF Facts within two days of an investor purchasing securities of an ETF; and

2. CSA risk classification methodology – The CSA is currently developing a CSA risk classification methodology to be applied in determining a fund's investment risk level on the scale in the Fund Facts and, now, the ETF Facts. *CSA Notice 81-324 and*

[1] In Ontario, legislative amendments have been passed and are awaiting proclamation upon the effective date of the Proposed Amendments.
[2] Published on June 18, 2010.
[3] See Form 81-101F3 *Contents of Fund Facts Document*.

Request for Comment on Proposed CSA Mutual Fund Risk Classification Methodology for Use in Fund Facts was published for comment on December 12, 2013. A status update[4] was published on January 29, 2015.

The ETF Distribution Model

The Proposed Amendments recognize the differences in the distribution model for ETFs and conventional mutual funds. In particular, unlike mutual funds, individual investors seeking to purchase an ETF generally cannot subscribe directly for ETF securities. Instead, they must purchase ETF securities over an exchange. In addition, unlike conventional mutual funds where each purchase results in a distribution, in the case of ETFs, a purchase results in a distribution only when it is a trade in securities of the ETF that have not been previously issued (the Creation Units).

Since the prospectus delivery requirement under securities legislation is triggered by a distribution, prospectus delivery would generally only apply to an investor's purchase if the order is filled with Creation Units. Creation Units are issued by ETFs to dealers that are authorized to purchase newly issued securities directly from the ETF. The dealers, in turn, re-sell these Creation Units on an exchange.[5]

The first re-sale of a Creation Unit on an exchange or another marketplace in Canada will generally constitute a distribution. If, however, the ETF investor's purchase order is filled through a secondary market trade of previously issued existing ETF securities, the prospectus delivery requirement would not apply. This means that investors who purchase ETF securities that are trading in the secondary market may not be entitled to receive a prospectus under securities legislation unless they specifically request it.

Exemptive Relief and the Delivery of an ETF Summary Disclosure Document

To deal with issues arising from the ETF distribution model, in Fall 2013, the CSA granted exemptive relief (the Exemptive Relief) to ETF managers and a group of dealers from the existing prospectus delivery requirements under securities legislation in order to permit the delivery of a summary disclosure document (Summary Document) in place of the prospectus.[6]

[4] CSA Staff Notice 81-325 *Status Report on Consultation under CSA Notice 81-324 and Request for Comment on Proposed CSA Mutual Fund Risk Classification Methodology for Use in Fund Facts*.

[5] This initial re-sale from a "creation unit" on an exchange would be considered a trade in the securities of an issuer that have not been previously issued and a purchase and re-sale by the dealer in the course of or incidental to a distribution.

[6] *In the Matter of BMO Nesbitt Burns Inc. and BMO Investorline Inc.* (July 19, 2013); *In the Matter of CIBC World Markets Inc. and CIBC Investor Services Inc.* (July 19, 2013); *In the Matter of ITG Canada Corp.* (November 18, 2014); *In the Matter of National Bank Financial Inc. and National Bank Direct Brokerage Inc.* (July 19, 2013); *In the Matter of RBC Dominion Securities Inc. and RBC Direct Investing Inc.* (July 19, 2013); *In the Matter of Scotia Capital Inc. and DWM Securities Inc.* (July 19, 2013); *In the Matter of TD Securities Inc. and TD Waterhouse Canada Inc.* (July 19, 2013); *In the Matter of Timber Hill Canada Co.* (November 5, 2014); *In the Matter of Blackrock Asset Management Canada Limited et. al.* (July 19, 2013); *In the Matter of BMO Asset Management Inc. et. al.* (July 19, 2013); *In the Matter of First Asset Investment Management Inc. et. al.* (July 19, 2013); *In the Matter of FT Portfolios Canada Co. et. al.* (July 19, 2013); *In the Matter of Horizons ETFs Management (Canada) Inc. and AlphaPro Management Inc. et. al.* (July 19, 2013); *In the Matter of Invesco Canada Ltd. et. al.* (July 19, 2013); *In*

The Exemptive Relief requires dealers that are parties to the relief to deliver to investors a Summary Document within two days of the investor buying an ETF, whether or not the investor's purchase order is filled with Creation Units.[7] This delivery obligation applies to dealers acting as agents of the purchaser on the "buy" side of the transaction, rather than to dealers acting in a distribution on the "sell" side of the transaction, as currently required under securities legislation.

The Proposed Amendments, along with related legislative amendments, codify the concepts of the Exemptive Relief, to make it applicable to all dealers who act as agent of the purchaser of an ETF security.

Substance and Purpose

Consistent with the principles of the POS Project, we think the Proposed Amendments will provide investors with the opportunity to make more informed investment decisions, by giving investors access to key information about an ETF, in language they can easily understand.[8] Furthermore, investors in conventional mutual funds and ETFs will be treated more equally with respect to the disclosure available in connection with a purchase of securities.

The proposed ETF Facts has been tested with investors and the content of the ETF Facts is informed by the results of the testing. The ETF Facts will allow investors to review key information about the potential benefits, risks and costs of investing in an ETF in an accessible format. It also highlights for investors where they can find further information about an ETF. We encourage advisors and investors to use ETF Facts as a tool in their conversations.

As was the case with the Exemptive Relief, the Proposed Amendments recognize the differences in the current ETF distribution model. In particular, as outlined above:

- not all ETF purchases are distributions;

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the Matter of Purpose Investments Inc. et. al. (August 6, 2013); *In the Matter of Questrade Wealth Management Inc. et. al.* (January 23, 2015); *In the Matter of RBC Global Asset Management Inc. et. al.* (July 19, 2013); and *In the Matter of Vanguard Investments Canada Inc. et. al.* (July 19, 2013).

[7] Similar to delivery of the Fund Facts, delivery would only be required in instances where the investor has not previously received the latest Summary Document of the ETF.

[8] This is consistent with the International Organization of Securities Commission (IOSCO) Principles on Point of Sale Disclosure published in February 2011. See, for example: Principles on Point of Sale Disclosure, Final Report, Technical Committee of the IOSCO, February 2011; G20 High-level principles on Financial consumer protection, Organization for Economic Co-operation and Development (OECD), October 2011; and Regulation of Retail Structured Products, Consultation Report, IOSCO, April 2013.

Principle 2 of the IOSCO Principles on Point of Sale Disclosure specifies: "*key information should be delivered, or made available, for free, to an investor before the point of sale, so that the investor has the opportunity to consider the information and make an informed decision about whether to invest.*"

- the dealer on the “sell” side of an ETF trade may not be able to readily discern whether a particular ETF trade is a distribution;
- there may be different dealers on the “sell” side and “buy” side of an ETF trade;
- the dealer on the “sell” side of an ETF trade that is a distribution cannot readily identify the purchaser over the exchange; and
- the dealer on the “buy” side of an ETF trade that is a distribution is not subject to the delivery obligation if it acts solely for the purchaser.

Summary of the Proposed Amendments

Application

The Proposed Amendments apply only to ETFs.

ETF Facts

The creation of a summary disclosure document that highlights key information that is important for investors to consider when they purchase an investment product has been a central component of the POS Project. As was the case for the Fund Facts, the ETF Facts is a critical element of the new delivery regime that is being proposed for ETFs.

The starting point for the development of the ETF Facts was the Fund Facts, which was the result of extensive research, consultation and testing. Like the Fund Facts, the ETF Facts is required to be in plain language, no more than two pages double-sided and highlights key information that is important to investors, including risks, past performance, and the costs of investing in an ETF.

Although ETFs are substantially similar to conventional mutual funds, they are different in one significant aspect. Individual investors cannot subscribe for ETF securities directly from the fund. Instead, ETF securities are bought and sold over an exchange like stocks. Therefore, we have included additional content in the ETF Facts that speaks to trading and pricing characteristics of ETFs. For example, we have proposed the inclusion of information related to market price, bid-ask spread, as well as premium/discount of market price to net asset value. We have also proposed the inclusion of content that explains some of the pricing issues to consider when trading ETFs.

The form requirements for the ETF Facts are set out in the Proposed Amendments as Form 41-101F4. A separate ETF Facts is required for each class or series of securities of an ETF. For illustrative purposes, a sample ETF Facts is set out as Annex A to this Notice.

The CSA is developing a CSA risk classification methodology for use in the Fund Facts and the ETF Facts. Once implemented, it is anticipated that the “risk rating” currently proposed in the ETF Facts will be determined according to the CSA risk classification methodology

Please see Annex B to this Notice which sets out some specific issues for comment relating to the specific content of the ETF Facts.

Testing of the ETF Facts

The CSA tested the proposed ETF Facts with investors during Summer/Fall 2014 using Allen Research Corporation of Toronto, Ontario.

The research was conducted in two phases: (1) qualitative research conducted through 28 one-on-one in-depth interviews and (2) quantitative research conducted through an online questionnaire with 533 retail investors, including 348 ETF investors. The ETF Facts was tested both in English and French.

The testing showed that investors generally find the ETF Facts contains important information, and that it is expressed in easy-to-read language. Other key findings included:

- investors generally considered the ETF Facts to be a useful document and were committed to using it as a major component of their decision-making process for ETF investing;
- investors generally understood the terms “currency”, “exchange”, “average daily volume” and “total value” in the “Trading information” section;
- investors generally did not understand that ETFs have both a market price and a “NAV”;
- investors found it hard to understand the concepts “bid-ask spread” and “premium and discount” in the “Trading ETFs” section and asked for examples;
- investors did not understand “CUSIP” in the “Trading information” section; and
- investors wanted to know about the trailing commission even if the trailing commission is zero.

The results of this testing helped to inform the content of the proposed ETF Facts form requirements in the Proposed Amendments. The following changes to the proposed ETF Facts were made in response to the testing results:

- the “Trading ETFs” section is replaced with the “How ETFs are priced” section, which describes the concepts of “market price” versus “NAV” with respect to pricing of ETFs;
- in the “How ETFs are priced” section, the concepts of “bid-ask spread” and “premium and discount” are discussed in the context of how ETFs are priced;
- metrics for “market price”, “NAV”, “average bid-ask spread” and “average premium/discount to NAV” are added to illustrate each of these concepts under a new “Pricing information” section;

- CUSIP is now identified as "for dealer use only" and moved out of the "Trading Information" section; and

- an explanation of "trailing commission" is added, which is consistent with the Fund Facts.

The final report, "*CSA Point of Sale Disclosure Project: ETF Facts Document Testing,"* is available on the websites of the Ontario Securities Commission and the Autorité des marchés financiers at www.osc.gov.on.ca and www.lautorite.qc.ca, respectively. Copies are also available from any CSA member.

Filing Requirements

Consistent with the Exemptive Relief, the ETF Facts must be filed concurrently with the ETF's prospectus. The certificate page for the ETF, which verifies the disclosure in the prospectus, applies to the ETF Facts just as it applies to all documents incorporated by reference into the prospectus.

If a material change to the ETF relates to a matter that requires a change to the disclosure in the ETF Facts, an amendment to the ETF Facts must be filed. If ETF managers want to update information in the ETF Facts at their discretion, they may choose to amend the ETF Facts at any time. In all instances, an amendment to an ETF Facts must be accompanied by an amendment to the ETF's prospectus. In cases where the ETF prospectus would not have any changes, it would be sufficient to simply file an updated certificate page.

Any ETF Facts filed after the date of the prospectus is intended to supersede the ETF Facts previously filed. Once filed, the ETF Facts must be posted to the ETF's or the ETF manager's website.

Delivery of the ETF Facts Instead of the Prospectus

The Proposed Amendments require delivery of the most recently filed ETF Facts to a purchaser within two days of purchase of ETF securities, pursuant to the proposed delivery requirement. The proposed delivery requirement shifts the current prospectus delivery obligation under securities legislation from the dealer acting as underwriter in an ETF distribution (the "sell" side of an ETF transaction) to the dealer when acting as agent of the purchaser of an ETF security (the "buy" side of an ETF transaction). The proposed delivery requirement also provides a carve-out from the existing prospectus delivery requirement for ETF securities.

Under the Exemptive Relief, a Summary Document is being delivered to investors that are clients of dealers that account for approximately 80% of all ETF assets under management held by retail investors in Canada today.[9] Implementation of the Proposed Amendments means that all investors, including those that are not clients of dealers that are parties to the Exemptive Relief, would receive an ETF Facts within two days of purchase.

[9] Source: Investor Economics.

Consistent with securities legislation in some jurisdictions today, the Proposed Amendments do not require delivery of the ETF Facts if the purchaser has already received the most recently filed ETF Facts.

The Proposed Amendments will restrict the documents that may be combined with the ETF Facts on delivery.

We have not made any changes to an ETF's obligation to file its prospectus. There will be a requirement to provide investors with a copy of the prospectus upon request, at no cost.

The delivery requirement in the Proposed Amendments is drafted to reflect current differences in the legislative authority of members of the CSA. While drafting may differ among the members of the CSA, each jurisdiction will achieve the same outcome of requiring delivery of the ETF Facts to ETF investors within 2 days of purchase. Prior to implementing the Proposed Amendments, legislative amendments may be sought and enacted in some jurisdictions to achieve a harmonized provision.

The method for delivery of the ETF Facts is expected to be consistent with the method for delivery of a prospectus under securities legislation. For example, it could be in person, by mail, by fax, electronically or by other means. Access will not equal delivery, nor will a referral to the website on which the ETF Facts is posted.

Investor Rights

Right for failure to deliver the ETF Facts

If the investor does not receive the ETF Facts, the investor has a right to seek damages or to rescind the purchase. The rights of the investor for failure of delivery of the ETF Facts will be enacted by legislative amendments and will be consistent with the rights under securities legislation today for failure to deliver the prospectus within two days of purchasing securities of an ETF.

Right for withdrawal of purchase

The Proposed Amendments do not extend the current right of withdrawal of purchase to investors of ETF securities. Currently, under securities legislation, investors have a right for withdrawal of purchase within two business days after receiving the prospectus. This right only applies in respect of a distribution for which prospectus delivery is required. As indicated, not all ETF purchases are distributions. Only purchase orders filled with Creation Units trigger a prospectus delivery requirement and would therefore also be subject to a withdrawal right. As a result, this right does not today apply to all ETF investors, nor is there a way for an ETF investor today to know whether they have received Creation Units and are therefore eligible for a withdrawal right.

In some jurisdictions, investors have a right of rescission with delivery of the trade confirmation for the purchase of mutual fund securities, including ETF securities.[10] This right remains unchanged under the Proposed Amendments.

Please see Annex B to this Notice which sets out specific issues for comment relating to this approach.

Right for misrepresentation

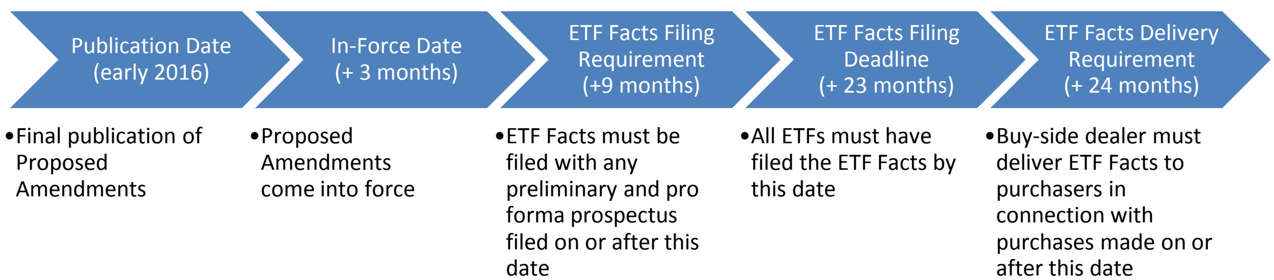
The ETF Facts is incorporated by reference into the prospectus. This means that the existing statutory rights of investors that apply for misrepresentations in a prospectus will also apply to misrepresentations in the ETF Facts. Furthermore, as most ETF purchases occur on the secondary market, investors may also have a right of action for civil liability for secondary market disclosure.

Transition

The Proposed Amendments have two transition periods. The first relates to the requirement for ETF managers to file and make available an ETF Facts for each class or series of securities of the ETF (the ETF Facts Filing Requirement). The second relates to the requirement for dealers to deliver an ETF Facts in connection with a purchase of an ETF security (the ETF Facts Delivery Requirement).

Subject to the nature of comments received, as well as the rule approval process, we anticipate publishing final rules aimed at implementing the Proposed Amendments in early 2016 (the Publication Date). We anticipate the Proposed Amendments will be proclaimed into force three months after the Publication Date (the In Force Date).

The proposed transition period timeline in the Proposed Amendments is illustrated below:



ETF Facts Filing Requirement

We are proposing the ETF Facts Filing Requirement would take effect 9 months after the Publication Date (the ETF Facts Effective Date) of the Proposed Amendments in final form.

[10] See for example section 137 of the *Securities Act* (Ontario). In Ontario, this right only applies in respect of purchases that are less than $50,000. An investor that exercises this right is entitled to receive the lesser of their original investment amount and the net asset value of the shares/units at the time of exercise. The investor would also be entitled to receive all costs incurred in connection with their purchase.

This means that ETF managers will have 6 months from the In-Force Date to make any changes to compliance and operational systems that are necessary to produce the ETF Facts.

As of the ETF Facts Effective Date, an ETF that files a preliminary or pro forma prospectus must concurrently file an ETF Facts for each class or series of securities of the ETF offered under the prospectus and post the ETF Facts to the ETF's or ETF manager's website. Until such time, ETF managers that are subject to the Exemptive Relief will continue to prepare and file the Summary Document.

In order to fully implement the Proposed Amendments within a reasonable time period, we propose that an ETF manager must, if it has not already done so, file an ETF Facts for each class or series of securities of the ETF within 14 months of the ETF Facts Effective Date. Based on the prospectus renewal cycle for ETFs, we anticipate that it would take approximately 13 months for ETF Facts to be filed for all ETFs. This final deadline date, however, will ensure that ETF Facts for all ETFs will be available prior to implementation of the ETF Facts Delivery Requirement.

ETF Facts Delivery Requirement

We are proposing the ETF Facts Delivery Requirement would take effect 24 months after the Publication Date (the Delivery Effective Date).

This means that dealers that are subject to Exemptive Relief will be required to deliver either the most recently filed ETF Facts, or until the initial ETF Facts is filed, the most recently filed Summary Document. The sunset provisions of the Exemptive Relief will generally expire by the end of the transition period for the Proposed Amendments. We do not anticipate that there will be any significant issues related to the transition from the delivery of the Summary Document to delivery of the ETF Facts.

Dealers that are not subject to the Exemptive Relief will have 21 months from the In-Force Date to make any changes to compliance and operational systems that are necessary to effect ETF Facts delivery.

Please see Annex B to this Notice which sets out some specific issues for comment relating to the two transition periods.

Anticipated Costs and Benefits

Similar to the delivery of Fund Facts for mutual funds, we think delivery of the ETF Facts, as set out in the Proposed Amendments, would benefit both investors and market participants by helping address the "information asymmetry" that exists between participants in the ETF industry and investors. Unlike industry participants, investors often do not have key information about an ETF and may not know where to find the information. We also know that many investors do not use the information in the prospectus because they have trouble finding and understanding the information they need. The CSA designed the ETF Facts to make it easier for investors to find and use key information, which should help bridge this information gap.

The earlier publications related to the POS Project outlined some of the anticipated costs and benefits of implementation of the point of sale disclosure regime for mutual funds. We consider the costs and benefits set out in prior publications to still be valid and we consider them to be equally applicable to ETFs.[11] You can find these documents on the websites of members of the CSA.

Overall, we continue to believe that the potential benefits of the changes to the disclosure regime for ETFs as contemplated by the Proposed Amendments are proportionate to the costs of making them.

Benefits

As stated throughout the POS Project, the benefits of a more effective disclosure regime can be subtle and difficult to measure. It is difficult to quantify the value of investors having the opportunity to make more informed investment decisions. Research suggests that certain behavioral biases of investors may impact the effectiveness of policy initiatives that are designed to encourage better choices about financial products. However, research on investor preferences for mutual fund information, including our own testing of the Fund Facts and ETF Facts, indicates investors prefer a concise summary of the information that they can use to make a decision. The Proposed Amendments would also improve the consistency with which disclosure is provided to investors of ETFs and help create a more consistent disclosure framework between conventional mutual funds and ETFs.

Some anticipated benefits of delivery of the ETF Facts include:

- less risk of investors buying inappropriate products;
- investors being in a position to better understand, discuss, and compare one ETF to another, particularly the costs of investing in the ETFs;
- greater transparency in areas such as charges and commissions, which may enhance the overall efficiency of the market; and
- investors becoming better informed overall, which reinforces investor confidence in ETFs.

Costs

We think the costs of a new disclosure regime for ETFs fall into two main categories: the one-time costs of change in moving to the new regime and the ongoing costs of maintaining the new system, in comparison with the cost of the existing regime.

We anticipate that costs to industry stakeholders will fall into the following general categories:

[11] The costs and benefits of pre-sale delivery are not applicable as the Proposed Amendments only contemplate delivery of the ETF Facts within two days of purchase of ETF securities.

- preparation of the ETF Facts;
- reprogramming and updating information delivery systems;
- regulatory filings; and
- compliance and staff costs in overseeing and maintaining the delivery regime.

As all ETF managers already prepare and file a Summary Document pursuant to the Exemptive Relief, we think the costs to prepare the ETF Facts will be incremental in nature and the costs for regulatory filings of the ETF Facts will be more or less the same.

For the dealers that already deliver a Summary Document to ETF investors under the Exemptive Relief, we think delivery systems are already in place and the compliance and staff costs in overseeing and maintaining the delivery regime should be more or less the same.

For the dealers that are not parties to the Exemptive Relief, we think there will be one-time costs to reprogram and update information delivery systems and ongoing costs relating to compliance and staff to oversee and maintain the delivery regime. However, there are a number of third party service providers that have expertise in creating automated programs and applications for delivery of disclosure documents. To the extent that affected dealers already have systems in place to accommodate post-sale delivery of the Fund Facts, it may also be possible for those dealers to leverage those existing systems to implement delivery of the ETF Facts. For these dealers, we request specific data on the anticipated costs of delivering the ETF Facts.

Please see Annex B to this Notice which sets out some specific issues for comment relating to the anticipated costs and benefits of the Proposed Amendments.

Local Matters

Annex G to this Notice is being published in any local jurisdiction that is making related changes to local securities laws, including local notices or other policy instruments in that jurisdictions. It also includes any additional information that is relevant to that jurisdiction only.

Some jurisdictions may require amendments to local securities legislation, in order to implement the Proposed Amendments. If statutory amendments are necessary in a jurisdiction, these changes will be initiated and published by the local provincial or territorial government.

Unpublished Materials

In developing the Proposed Amendments, we have not relied on any significant unpublished study, report or other written materials.

Request for Comments

We welcome your comments on the Proposed Amendments. To allow for sufficient review, we are providing you with 90 days to comment. In addition to any general comments you may have, we also invite responses to the specific questions for comment identified in Annex B to this Notice.

We cannot keep submissions confidential because securities legislation in certain provinces requires publication of a summary of the written comments received during the comment period.

Please submit your comments in writing on or before September 16, 2015. If you are not sending your comments by email, please send a CD containing your submissions (in Microsoft Word format).

Where to Send Your Comments

Address your submission to all of the CSA as follows:

British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumers Affairs Authority of Saskatchewan
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
Financial and Consumer Services Commission (New Brunswick)
Office of the Superintendent of Securities, Prince Edward Island
Nova Scotia Securities Commission
Office of the Superintendent of Securities, Newfoundland and Labrador
Office of the Superintendent of Securities, Northwest Territories
Office of the Yukon Superintendent of Securities
Office of the Superintendent of Securities, Nunavut

Deliver your comments **only** to the addresses below. Your comments will be distributed to the other participating CSA.

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Contents of Annexes

The text of the Amendments is contained in the following annexes to this Notice and is available on the websites of members of the CSA:

Annex A – Sample ETF Facts Template

Annex B – Issues for Comment

Annex C – Proposed Amendments to National Instrument 41-101 *General Prospectus Requirements*

Annex D – Proposed Changes to Companion Policy 41-101CP to National Instrument 41-101 *General Prospectus Requirements*

Annex E – Proposed Amendments to National Instrument 81-106 *Investment Fund Continuous Disclosure*

Annex F – Proposed Changes to Companion Policy 81-106CP to National Instrument 81-106 *Investment Fund Continuous Disclosure*

Annex G – Local Information

Questions

Please refer your questions to any of the following:

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