



**SECURITIES COMMISSION OF NEWFOUNDLAND AND LABRADOR  
DEPARTMENT OF GOVERNMENT SERVICES AND LANDS  
GOVERNMENT OF NEWFOUNDLAND AND LABRADOR**

**IN THE MATTER OF  
THE SECURITIES ACT RSN 1990 CS-13, AS AMENDED**

**AND**

**IN THE MATTER OF AN EXEMPTION FOR MUTUAL FUNDS  
FROM DELIVERING FINANCIAL STATEMENTS'**

**ORDER**  
(Section 81)

**UPON** the application of the staff of the Securities Commission of Newfoundland and Labrador (the "Commission") to the Commission for an order pursuant to section 81 of the Act that the requirement in section 80 of the Act to send annual and interim financial statements to its security holders does not apply to mutual funds in Newfoundland and Labrador;

**AND UPON** staff having represented to the Commission that:

1. Section 80 of the Act requires mutual funds in Newfoundland and Labrador to send annual and interim financial statements to each holder of its securities with addresses in Newfoundland and Labrador (the "Delivery Requirement");
2. Proposed National Instrument 81-106 Investment Fund Continuous Disclosure includes an exemption from the requirement to deliver annual and interim financial statements to its security holders on certain conditions;
3. The Director of Securities has recently granted exemption orders to some mutual funds from the Delivery Requirement; and
4. It is expedient to make a general order exempting all mutual funds in Newfoundland and Labrador from the Delivery Requirement on the same terms;

**AND UPON** being of the opinion that it would not be prejudicial to the public interest to make this Order;

**IT IS HEREBY ORDERED** pursuant to section 81 of the Act that the Delivery Requirement shall not apply to a mutual fund in Newfoundland and Labrador provided that its

manager:

1. annually sends to its security holders, including those who hold securities of the mutual fund in the name of another person:
  - (a) a notice informing the securityholder that it will not receive annual or interim financial statements of the mutual fund after the date of the notice, unless the securityholder requests such financial statements;
  - (b) a form that the securityholder can use to request the annual or interim financial statements at no cost; and
  - (c) information about where the securityholder should send the request form;
2. within 90 days after sending the notice in paragraph 1 above, files on SEDAR, under the annual financial statements category, confirmation that it has complied with paragraph 1, provided that a mutual fund that is not a reporting issuer may file the confirmation with the Commission in paper format; and
3. within three business days of the later of:
  - (a) filing the financial statements; or
  - (b) receiving a request from a security holder;sends the annual or interim financial statements to the security holder who request them.

**AND IT IS FURTHER ORDERED** that this Order expires on the day that National Instrument 81-106 comes into force as a rule in Newfoundland and Labrador.

**DATED** at St. John's, Newfoundland and Labrador this 10th day of December, 2003

*“Anthony W. Patey”*

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Anthony W. Patey  
Director of Securities