

IN THE MATTER OF THE *SECURITIES ACT*, S.N.B. 2004, C. S-5.5 (the “*Act*”)

AND

IN THE MATTER OF

***EXEMPTION FROM PRESCRIBED TEXT OF MUTUAL FUND AUDITOR REPORTS IN NATIONAL
INSTRUMENT 81-102 INVESTMENT FUNDS***

**Blanket Order 81-505
Section 208**

Definitions

1. Terms defined in the *Act*, National Instrument 14-101 *Definitions*, or National Instrument 81-102 *Investment Funds* (NI **81-102**) have the same meaning in this Blanket Order unless otherwise defined herein.

Background

2. Part 12 of NI 81-102 requires certain mutual funds, each the principal distributor of a mutual fund and each a participating dealer that distributes securities of a mutual fund (each, a **Regulated Entity**) to file:
 - a) a report, in a prescribed form (a **Compliance Report**) describing the Regulated Entity’s compliance with Parts 9, 10 and 11 of NI 81-102 (the **Provisions**) and
 - b) a report by an auditor expressing an opinion in a prescribed form (the **Audit Report**) that the Compliance Report complies, in all material respects, with the applicable requirements of the Provisions.
3. The Handbook sets out requirements for assurance reports (**Assurance Reports**). Amendments to the section of the Handbook titled "Other Canadian Standards – General Assurance and Auditing" will be effective for Assurance Reports dated on or after 30 June 2017. An Audit Report dated on or after 30 June 2017 prepared in the form prescribed by NI 81-102 will not comply with the Handbook’s amended requirements for an Assurance Report.

Exemption from Prescribed Form of Audit Reports in NI 81-102

4. The Financial and Consumer Services Commission (**Commission**) has delegated to the Executive Director of Securities (**Executive Director**) the Commission’s power under section 208 of the *Act* to exempt, in whole or in part, a person or class of persons from any requirement of any National

Instrument, Multilateral Instrument or Local Instrument, subject to such terms and conditions considered appropriate.

5. The Executive Director, considering that it would not be prejudicial to the public interest, orders that for a Regulated Entity filing a Compliance Report dated on or after 30 June 2017, the requirement in Part 12 of NI 81-102 to file an accompanying Audit Report does not apply, provided the Regulated Entity files an accompanying Assurance Report expressing an unmodified opinion that the Assurance Report:
 - (a) is based on work conducted in accordance with the Handbook, and
 - (b) provides reasonable assurance, as this term is used in the Handbook, that the Compliance Report complies in all material respects with the applicable requirements of the Provisions.

This Blanket Order takes effect on 20 June, 2017.

“original signed by”

Kevin Hoyt
Executive Director, Securities