

Note: [31 May 2013] - Amendments to NI 81-102 arising from NI 25-101. Refer to Appendix L of CSA Notice announcing the implementation of NI 25-101 dated 14 Mar 2013.

**AMENDMENTS TO
NATIONAL INSTRUMENT 81-102 MUTUAL FUNDS**

1. National Instrument 81-102 Mutual Funds is amended by this Instrument.

2. Section 1.1 is amended

- (a) by repealing the definitions of “approved credit rating” and “approved credit rating organization”,**
- (b) in the definition of “cash cover”, by replacing “an approved credit rating” with “a designated rating”,**
- (c) in the definition of “cash equivalent”, by**
 - (i) replacing “an approved credit rating” wherever it occurs with “a designated rating”, and**
 - (ii) replacing “an approved credit rating organization” with “a designated rating organization or its DRO affiliate”,**
- (d) by adding the following definitions:**

“designated rating” means, for a security or instrument, a rating issued by a designated rating organization, or its DRO affiliate, that is at or above one of the following rating categories, or that is at or above a category that replaces one of the following rating categories, if

- (a) there has been no announcement by the designated rating organization or its DRO affiliate of which the mutual fund or its manager is or reasonably should be aware that the rating of the security or instrument to which the designated rating was given may be down-graded to a rating category that would not be a designated rating, and**
- (b) no designated rating organization or any of its DRO affiliates has rated the security or instrument in a rating category that is not a designated rating:**

Designated Rating Organization	Commercial Paper/ Short Term Debt	Long Term Debt
DBRS Limited	R-1 (low)	A
Fitch, Inc.	F1	A
Moody’s Canada Inc.	P-1	A2

Standard & Poor's Ratings Services (Canada)	A-1 (Low)	A
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“designated rating organization” means

- (a) each of DBRS Limited, Fitch, Inc., Moody's Canada Inc., Standard & Poor's Ratings Services (Canada), including their DRO affiliates; or
- (b) any other credit rating organization that has been designated under securities legislation;,

“DRO affiliate” has the same meaning as in section 1 of National Instrument 25-101 *Designated Rating Organizations*;

- (e) ***in the definition of “floating rate evidence of indebtedness”, by replacing “an approved credit rating” wherever it occurs with “a designated rating”, and***
- (f) ***in the definition of “qualified security”, by***
 - (i) ***replacing “an approved credit rating” wherever it occurs with “a designated rating”, and***
 - (ii) ***replacing “an approved credit rating organization” with “a designated rating organization or its DRO affiliate”.***

3. Section 2.7 is amended

- (a) ***in subsection (1), by replacing “an approved credit rating” wherever it occurs with “a designated rating”, and***
- (b) ***in subsection (2), by replacing “approved credit rating” with “designated rating”.***

4. Subparagraph 2.12(1)6.(d) is amended by

- (a) ***replacing “an approved credit rating organization” with “a designated rating organization or its DRO affiliate”, and***
- (b) ***replacing “an approved credit rating” with “a designated rating”.***

5. Subparagraph 2.18(1)(a)(iii) is amended by replacing “an approved credit rating” with “a designated rating”.

6. Paragraph 4.1(4)(b) is amended by

- (a) ***replacing “an approved rating” with “a designated rating”, and***

- (b) ***replacing*** “an approved credit rating organization” ***with*** “a designated rating organization or its DRO affiliate”.
- 7. ***Subsection 4.1(4.1) is amended by replacing*** “approved rating” ***with*** “designated rating”.
- 8. ***Subsection 15.3(5) is amended***
 - (a) ***in paragraph (a), by replacing*** “an approved credit rating organization” ***with*** “a designated rating organization or its DRO affiliate”, ***and***
 - (b) ***in paragraphs (b) and (c), by replacing*** “approved credit rating organization” ***with*** “designated rating organization or any of its DRO affiliates”.
- 9. This Instrument comes into force on May 31, 2013.