

**For Immediate Release**  
**September 19, 2014**

**Research underway by Canadian securities regulators into mutual fund fees**

**Toronto** – The Canadian Securities Administrators (CSA) announced today that two research contracts have been awarded that will further the review of Canada’s mutual fund fee structure. This research marks an important step in advancing a policy decision on mutual fund fees and follows a request for proposals by the CSA for independent third-party research to evaluate whether regulatory action is needed regarding these fees.

The CSA has selected Douglas J. Cumming, Professor of Finance and Entrepreneurship and the Ontario Research Chair at the Schulich School of Business, York University to collect and review data on whether sales and trailing commissions influence fund sales. As part of his research, Professor Cumming will be requesting data from a representative sample of investment fund managers in the coming months. Receiving this data is important to ensuring that any policy initiatives in this area are well-founded and supported by quantitative information.

In addition to this research, the Brondesbury Group will conduct a literature review to assess whether the use of fee-based vs. commission-based compensation changes the nature of advice and investment outcomes over the long term.

The research reports by Professor Cumming and the Brondesbury Group are expected to be completed and made publicly available in the first quarter of 2015.

In December 2012, the CSA published a Discussion Paper that identified potential investor protection issues arising from Canada’s current mutual fund fee structure. Members of the CSA then conducted extensive stakeholder consultations, including a public roundtable in June 2013 and discussion forums in the summer and fall of 2013.

The CSA, the council of securities regulators of Canada’s provinces and territories, coordinates and harmonizes regulation for the Canadian capital markets.

- 30 -

**For more information:**

Carolyn Shaw-Rimmington  
Ontario Securities Commission  
416-593-2361

Mark Dickey  
Alberta Securities Commission  
403-297-4481

Richard Gilhooley  
British Columbia Securities Commission  
604-899-6713

Kevan Hannah  
Manitoba Securities Commission  
204-945-1513

Tanya Wiltshire  
Nova Scotia Securities Commission  
902-424-8586

Don Boyles  
Office of the Superintendent of Securities  
Newfoundland and Labrador  
709-729-4501

Louis Arki  
Nunavut Securities Office  
867-975-6587

Denny Huyghebaert  
Financial and Consumer Affairs  
Authority of Saskatchewan  
306-787-5548

Sylvain Théberge  
Autorité des marchés financiers  
514-940-2176

Andrew Nicholson  
Financial and Consumer Services  
Commission, New Brunswick  
506-658-3021

Janice Callbeck  
Office of the Superintendent of Securities  
P.E.I.  
902-368-6288

Rhonda Horte  
Office of the Yukon Superintendent of  
Securities  
867-667-5466

Gary MacDougall  
Northwest Territories  
Securities Office  
867-920-3318