

**For Immediate Release  
September 12, 2019**

**Canadian securities regulators propose eight initiatives to reduce regulatory burden for investment funds**

**Montreal and Toronto**— The Canadian Securities Administrators (CSA) today published for comment proposed rule amendments aimed at implementing eight initiatives [link to notice] that seek to eliminate duplicative requirements, streamline regulatory processes, codify frequently-granted exemptions from certain rules for investment funds, and eliminate the need for certain regulatory approvals. These proposed changes are part of the CSA’s ongoing work to reduce regulatory burden for investment funds.

“We are proposing significant changes that will provide cost and time savings to investment funds and their managers without impacting investor protection,” said Louis Morisset, CSA Chair and President and CEO of the Autorité des marchés financiers. “We continue to prioritize reducing regulatory burden in all areas of Canada’s capital markets, and today’s proposals represent our efforts to date in the investment fund space.”

The proposals would reduce duplicative filing requirements by consolidating the Simplified Prospectus (SP) and Annual Information Form (AIF) for conventional mutual funds, as these contain overlapping disclosure in many places. The proposed rule amendments would also streamline regulatory processes by eliminating the filing of Personal Information Forms (PIFs) in connection with investment fund prospectus filings for individuals that are registered with securities regulators.

The proposals would eliminate the need for investment funds to apply for frequently granted exemptive relief to use the notice-and-access system, and from certain conflict of interest rules. The proposed amendments also introduce exemptions from the requirement to deliver a fund facts document for model portfolio products, portfolio rebalancing services and automatic switch programs, and would allow the use of a consolidated fund facts document under certain conditions. The proposals would repeal the need for regulatory approval for a change of manager or change of control of manager, given similar requirements in the registration system for investment fund managers. Furthermore, the proposed changes would broaden the pre-approval criteria for investment fund mergers.

In addition, the proposed rule amendments would formalize a common industry practice by mandating that investment funds have a designated website for posting regulatory disclosure. This change will allow the CSA to consider alternative methods for providing and delivering disclosure to investors.

Staff anticipate that these changes can be implemented in the near-term. Longer-term, the CSA will look for burden reduction opportunities in other areas, including, continuous disclosure

obligations, securityholder meetings and information circular requirements, prescribed notices and reporting requirements and prospectus regime provisions.

The notice and proposed rule amendments can be found on CSA members' websites. Comments should be submitted in writing by December 11, 2019.

In 2017, the CSA began a project to identify opportunities to reduce regulatory burden for investment funds. Following a comprehensive review of the current investment fund disclosure regime, regulatory reforms conducted by international regulators, and feedback from stakeholders, the CSA published for comment CSA Staff Notice 81-329 [Reducing Regulatory Burden for Investment Fund Issuers](#) in 2018 that set out potential areas of focus for proposed rule amendments.

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

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**For Investor inquiries, please refer to your respective securities regulator. You can contact them here.**

**For media inquiries, please refer to the list of provincial and territorial representatives below or contact us at [media@acvm-csa.ca](mailto:media@acvm-csa.ca).**

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