

**For Immediate Release
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Canadian securities regulators initiate review of the distribution of mutual fund securities through a principal distributor

Montreal and Toronto – The Canadian Securities Administrators (CSA) is reviewing the practices of mutual funds that have principal distributor relationships with registrants to distribute their securities. This is in alignment with the CSA’s [2022-2025 CSA Business Plan](#), which includes assessing whether additional mutual fund sales practice rule modernization is needed to improve investor protection and maintain investor confidence in our capital markets.

“The CSA is committed to taking the necessary regulatory steps towards enhanced investor protection, and to providing investors with the information they need to help make wise investment decisions,” said Stan Magidson, Chair of the CSA and Chair and CEO of the Alberta Securities Commission. “Ensuring the CSA has the information needed to determine whether further investment fund sales practice regulatory reform is needed to put investors interests first is an important piece of this work.”

The first phase of the CSA’s review includes surveying investment fund managers and principal distributors about the scope of their arrangements. The survey for investment fund managers identified as using a principal distributor was sent in early September. The information obtained will provide a better understanding of sales practices and distribution structures that mutual funds and registrants are using. It will also help the CSA determine whether regulatory amendments to National Instrument 81-105 *Mutual Fund Sales Practices* or other instruments are needed in light of the CSA’s recent work in developing its client focused reforms.

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 contact [your local securities regulator](#).