



Canadian Securities
Administrators

Autorités canadiennes
en valeurs mobilières

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Canadian Securities Regulators Publish Mutual Fund Fee Literature Review

Toronto – The Canadian Securities Administrators (CSA) today published the *Mutual Fund Fee Research* report prepared by The Brondesbury Group (**Brondesbury Report**).

In September 2014, the CSA announced that it had awarded two research contracts to further the review of Canada’s mutual fund fee structure. The CSA selected:

- the Brondesbury Group to conduct a literature review to assess the extent to which the use of fee-based vs. commission-based compensation changes the nature of advice and impacts investment outcomes over the long-term, and
- Douglas J. Cumming, Professor of Finance and Entrepreneurship, Ontario Research Chair at the Schulich School of Business, York University to collect and review data to examine whether sales and trailing commissions influence mutual fund sales.

This independent research follows a December 2012 CSA Discussion Paper that identified potential investor protection issues arising from Canada’s current mutual fund fee structure as well as extensive stakeholder consultations in 2013.

“The Brondesbury Report, together with the comments received during our stakeholder consultations and the forthcoming research by Professor Cumming, is intended to be among the inputs that will be factored into the CSA’s determination of whether to effect certain policy changes,” said Louis Morisset, CSA Chair and President and CEO of the Autorité des marchés financiers.

The Brondesbury Group report has been posted to the CSA website. The research report by Professor Cumming is expected to be completed and made publicly available this summer.

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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