

**For Immediate Release
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Canadian securities regulators provide guidance for disclosure improvements following a review of investment entities

Toronto – The securities regulatory authorities in Ontario, Alberta, and Saskatchewan (the participating jurisdictions) today released CSA Multilateral Staff Notice 51-349 *Report on the Review of Investment Entities and Guide for Disclosure Improvements*, which summarizes key findings from an Ontario Securities Commission (OSC) staff review of the continuous disclosure of reporting issuers that meet the definition of an investment entity under IFRS 10 *Consolidated Financial Statements* (IFRS 10).

OSC staff reviewed the compliance of 12 investment entities, which represent over 90 per cent of the collective market capitalization of the investment entities subsector in Ontario. The purpose of the review was to improve disclosure in material areas, assess accounting areas which require the exercise of significant judgement, and to inform policy related issues.

“This is an emerging subsector of our financial services industry whose reporting issuers have unique structures and attributes,” said Maureen Jensen, Chair and CEO of the OSC. “We encourage these reporting issuers to consider our findings and review their disclosure accordingly to ensure comprehensive information is provided to investors.”

Some of the observations outlined in this notice are also applicable in the participating jurisdictions for non-investment entities that record investments at fair value, and staff expect these reporting issuers to also consider our findings.

This notice emphasizes the importance of fair value measurements and entity specific fair value disclosures to help investors better understand the performance of an investment entity. Additionally, there may be instances where further investee specific financial information and operational disclosure is needed to inform an investment decision. As a result of the review, investment entities made a number of significant disclosure changes in these and other areas.

OSC staff will continue to monitor and evaluate the disclosure of investment entity reporting issuers, and will consider policy changes if sufficient disclosure is not provided by these issuers.

The notice can be found on the websites of the participating jurisdictions.

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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