

**For Immediate Release  
June 16, 2010**

**Canadian Securities Regulators to Proceed with Staged Implementation  
of Point of Sale Disclosure Regime for Mutual Funds**

**Toronto** – The Canadian Securities Administrators (CSA) today published CSA Staff Notice 81-319 *Status Report on the Implementation of Point of Sale Disclosure for Mutual Funds*, which outlines its plan to proceed with a staged implementation of point of sale delivery for mutual fund disclosure.

This notice follows on proposed amendments to National Instrument 81-101 *Mutual Fund Prospectus Disclosure*, its Forms and Companion Policy, published by the CSA on June 19, 2009. The proposals aim to provide investors with more meaningful and effective disclosure.

Central to the new disclosure regime is the Fund Facts document. It is in plain language, will be no more than two pages and highlights the potential benefits, risks and the costs of investing in a mutual fund. Under the proposals, investors would generally receive a Fund Facts when they buy a fund for the first time (at or before the “point of sale”).

While the CSA received numerous comments supporting the Fund Facts document, many commenters raised operational and compliance concerns with point of sale delivery. There was also broad support to implement a point of sale disclosure regime for mutual funds and other types of publicly offered investment funds at the same time.

“We think that investors would benefit from the improved disclosure in Fund Facts as soon as possible. However, based on the comments received, we believe that further review and consultation with stakeholders on issues related to point of sale delivery are necessary,” said Jean St-Gelais, Chair of the CSA and President and Chief Executive Officer of the Autorité des marchés financiers (Québec). “We remain committed to point of sale delivery for mutual funds, and a staged implementation will allow us to introduce Fund Facts while we fully explore point of sale disclosure and delivery options for comparable investment fund products.”

The CSA anticipates a three-stage implementation. First, it plans to publish, by December 2010, requirements for mutual fund companies to make Fund Facts available on their websites and upon request by investors. These requirements are expected to come into force in early 2011.

Next, the CSA expects to publish for comment a proposal to allow delivery of the Fund Facts instead of the simplified prospectus to satisfy existing delivery requirements under securities legislation. Currently, investors must receive a simplified prospectus within two days of buying a fund.

In the final stage, the CSA intends to publish for further comment requirements for point of sale delivery for mutual funds and possibly for other types of publicly offered investment funds.

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

**For more information:**

Theresa Ebden  
Ontario Securities Commission  
416-593-8307

Sylvain Théberge  
Autorité des marchés financiers  
514-940-2176

Mark Dickey  
Alberta Securities Commission  
403-297-4481

Brenda Lea Brown  
British Columbia Securities Commission  
604-899-6554

Ainsley Cunningham  
Manitoba Securities Commission  
204-945-4733

Wendy Connors-Beckett  
New Brunswick Securities Commission  
506-643-7745

Natalie MacLellan  
Nova Scotia Securities Commission  
902-424-8586

Barbara Shourounis  
Saskatchewan Financial Services Commission  
306-787-5842

Janice Callbeck  
PEI Securities Office  
Office of the Attorney General  
902-368-6288

Doug Connolly  
Financial Services Regulation Div.  
Newfoundland and Labrador  
709-729-2594

Fred Pretorius  
Yukon Securities Registry  
867-667-5225

Louis Arki  
Nunavut Securities Office  
867-975-6587

Donn MacDougall  
Northwest Territories  
Securities Office  
867-920-8984