

**For Immediate Release
June 21, 2012**

Canadian Securities Regulators Propose Disclosure Enhancements to Fund Facts

Toronto – The Canadian Securities Administrators (CSA) today published for a second comment period proposed amendments to National Instrument 81-101 *Mutual Fund Prospectus Disclosure*, which were originally published in August 2011 (2011 Proposal).

In the 2011 Proposal, the CSA set out Stage 2 of the implementation of the point of sale framework for mutual funds, which proposed amendments to allow delivery of the Fund Facts document to satisfy prospectus delivery requirements. The Fund Facts document is central to the point of sale initiative. It is in plain language, no more than two pages double-sided and highlights key information about a mutual fund that is important to investors.

Based on investor and stakeholder feedback on the 2011 Proposal, the CSA are now proposing changes to the content of the Fund Facts document, in particular, the presentation of risk in the document. Some of the more notable changes to the Fund Facts document include:

- Adding an explanation of the risk scale and the relationship between risk and losses;
- Requiring a list of some of the specific risk factors that could impact a fund's returns; and,
- Including a comparison of the mutual fund's performance with a low risk investment – a one-year Guaranteed Investment Certificate.

“The CSA’s proposals are an important step in the implementation of this investor-focused initiative,” said Bill Rice, Chair of the CSA and Chair and CEO of the Alberta Securities Commission. “The proposed changes to the Fund Facts are intended to provide more effective disclosure to assist investors in making informed investment decisions.”

During the second comment period, the CSA will also conduct further document testing of the Fund Facts with investors to inform the final changes to the document.

To view the proposed amendments, please refer to the CSA Notice on NI 81-101 *Mutual Fund Prospectus Disclosure*, which is available on the websites of CSA members. A sample Fund Facts including the proposed changes is available in Appendix A of the Notice. The comment period is open until September 6, 2012.

The CSA, the council of the securities regulators of Canada’s provinces and territories, co-ordinate and harmonize regulation for the Canadian capital markets.

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