

Ian C.W. Russell FCSI
President & Chief Executive Officer

October 6, 2008

Ms. Tessa Wilmot
Executive Editor
Investment Executive
100-25 Sheppard Avenue West
Toronto, ON M2N 6S7

Letter to the Editor – Investment Executive October 2008

Dear Ms. Wilmot:

Your editorial in the October 2008 issue of Investment Executive “*Trust requires point-of-sale disclosure*” illustrates a total misunderstanding of the securities industry position on the proposed point-of-sale framework and, despite an evident feckless disregard to understand our position and reasons for it, makes the unfair and wholly inappropriate accusation the industry “resists simple efforts to put clients first”. Nothing could be further from the truth.

The industry recognizes the importance of effective mutual fund disclosure for our clients and has been strongly supportive of the mandated two-page “Fund Facts” document that summarizes key features of a mutual fund. However, the industry has continually advocated the need for a practical disclosure regime that doesn’t interfere with instantly executed intra-day trades in fund shares. Investors buy and sell large volumes of these shares within a trading day in *anticipation of the end-of-day price*. The requirement to deliver the Fund Facts document before a security purchase interferes with rapid execution of client transactions. The answer is to adopt the SEC approach “access equals delivery”. If advisors provide clients with easy access to disclosure through designated websites, email and other channels, in advance of related fund purchases, then disclosure needs are met and trading not disrupted.

Your editorial page risks credibility if you insist on trumpeting damaging and unfounded allegations without taking the trouble to understand the facts.

Yours sincerely,

