



Message from the Chair

As we adapt to the new normal, the investment funds industry continues to find ways to create new efficiencies while continuing to serve its investors. IFIC is no exception. I commend the staff for the work involved in transitioning to a new office, which will result in cost savings and new technologies to elevate the meeting experience and enhance collaboration.

With more than two years of the global pandemic behind us, IFIC was very pleased to return to in-person events while retaining the flexibility offered by the livestream option. The IFIC Annual Leadership Conference and the CFIQ Investment Funds Conference both continued virtually, while the more recent Operations Day and annual Golf Classic both took place in-person. The livestream option is here to stay, and we are pleased that this will mean we are able to welcome members from across Canada to participate in IFIC events.

IFIC continues to inform policy through research-based insights through its annual Pollara investor survey and the 2021 Investment Funds Report. The survey provides great insights for our members, both long term benchmark results as well as new elements to respond to the changing marketplace. This past year, IFIC also released the research report *ETF Resiliency in the COVID-19 Financial Crisis: A Canadian Perspective*. The report provides an analysis of ETF liquidity and functioning during the global pandemic.

IFIC also undertook the major initiative of removing ETF of ETF double counting from asset and sales data – a change that reflected an evolution in IFIC’s data collection and reporting capabilities.

Finally, I would like to recognize and congratulate CFIQ on its 25th anniversary and IFIC on its upcoming 60th anniversary. Both organizations have made important contributions that have helped shape the investment funds industry through their years of service.

I would like to thank IFIC’s President and CEO Paul Bourque for his leadership and commitment to ensuring that industry views are considered in important policy decisions. I would also like to express my warmest congratulations to Paul on his well-deserved upcoming retirement.

I would like to thank my fellow board members and committee volunteers for your contributions over the year. Finally, I would like to thank the staff at IFIC for their hard work through another busy and challenging year.

Sincerely,

Rick Headrick
Chair, Board of Directors





Message from the President and CEO

The investment funds industry has been subject to an unprecedented number of new rule proposals and implementations in recent years. This has made for an extremely busy year at IFIC, as we continue to work tirelessly with our members to support and advocate for our industry while ensuring that investor interests are met.

Over the past year, IFIC contributed to a number of important policy initiatives.

IFIC has supported improved annual cost reporting since 2017 shortly after the implementation of CRM2. We recently consulted with our members on the CSA's Total Cost Reporting proposal. In addition, we commissioned third-party research to examine the international regulatory environment, the impact on investors and the operational impacts on the investment fund industry. We are concerned that the quarterly account statement reporting will not be useful to investors and the transition period will not provide sufficient time to ensure successful implementation. We proposed a standing committee of CSA and industry members to assess only the implementation issues and make a recommendation for a realistic implementation timeline before the CSA makes a public announcement.

We continue to be actively involved in the CSA's efforts to consolidate IIROC and the MFDA into a new self-regulatory organization. IFIC has identified several important issues for consideration before the launch of the new SRO and continues to connect regularly with the CSA to discuss these issues. IFIC also worked with its members to submit comments on the consultation. The industry stands ready to assist with the efforts to successfully integrate the two organizations in a timely manner.

Another important initiative this year was the implementation of the order-execution-only trailing commission ban. IFIC met with the CSA to discuss the ban and specifically how to ensure a smooth transition for investors. The ban has thus far been implemented without major issues, and this is just one example of the positive effects of collaboration and how it can help achieve good investor outcomes.

Responsible investing remains a priority for the industry. During the past year, IFIC made submissions to IOSCO, the CSA, and CIFSC related to ESG disclosure and standards. Through these various initiatives and consultations, we are confident that investors will be provided with more information and clarity about these products.

Finally, IFIC collaborated with the OSC on its new Investment Funds Survey, providing critical input on data collection processes, data fields and definitions, and on the completion timelines. In addition, using IFIC member feedback the OSC eliminated 32 data elements, adjusted the timeline, and streamlined other parts of the survey.

Please take a moment to review the attached Year in Review document, which highlights our initiatives over the last year. I would like to thank the IFIC staff for their hard work and dedication to serving the industry.

I would also like to thank our board members and committee volunteers for their ongoing contributions. I would also like to express a special thank you to Rick Headrick, who is completing his first term as our board Chair.

Sincerely,

Paul C. Bourque, Q.C., ICD.D
President and CEO



IFIC Year in Review

August 2021 to July 2022

- Policy Submission
- Research
- Event
- New IFIC Member or Affiliate
- IFIC Tool or Initiative
- IFSE Initiative
- IFIC Advocacy

2021

August

- 1** IFIC head office moves to 333 Bay Street Toronto
- 3** IFIC Statement on the CSA SRO Framework Consultation
- 15** Consultation on Sustainability-Related Practices, Policies, and Procedures IOSCO
- 19** Proposed Amendments to MFDA Staff Notice MSN-0069 – Suitability MFDA

September

- 1** CFIQ Board announced
- 8** Webinar: IFIC Year in Review with CEO and Chair
- 9** IFIC Annual General Meeting
- 9** IFIC Board adopts governance reforms Board self-assessment, term limits, proportional representation
- 23** CFIQ Annual Assembly
- 29** 2021 IFIC Annual Leadership Conference
- 29** Canadian Mutual Fund and ETF Investor Survey (Pollara)

October

- 4** New SRO Framework (CFIQ) CSA
- 4** New SRO Framework CSA
- 5** OSC Investment Fund Survey IFIC provided detailed feedback on draft survey
- 6** Investment Executive Guest Column The pandemic's impact on the individual investor
- 13** Webinar: 2021 Canadian Mutual Fund and ETF Investor Survey
- 14** IFICConnect Member Newsletter
- 19** IIFA Annual Conference
- 25** Financial Advisor and Financial Planner Title Protection FCNB

December

- 1** IFIC-CSA Investment Funds Committee Meeting
- 8** Investment Executive Guest Column ETFs in the COVID-19 financial crisis
- 8** Webinar: IFIC/IE Household Balance Sheet
- 8** Rules on Complaint Handling (CFIQ) AMF
- 10** IFIC and CFIQ meeting with Quebec Ministry of Finance
- 17** ETF Resiliency During the COVID-19 Financial Crisis
- 20** Total Cost Reporting CSA Joint Committee

2022

January

- 13** IFICConnect Member Newsletter
- 17** Climate-related Disclosure CSA
- 27** IFIC meeting with CSA on OEO trail ban implementation
- 27** 2021 IFIC Investment Funds Report
- 31** Investment Executive Guest Column The regulatory treadmill: An industry perspective
- 31** Securities Investment Mandate Stakeholder Consultation OBSI

February

- 9** Webinar: IFIC's 2021 Investment Funds Report
- 16** IFIC Welcomes New Member – Designed Wealth Management
- 16** IFIC Welcomes New Member – FIS Financial Solutions, Canada Inc.
- 18** Capital Markets Act Ontario Ministry of Finance

March

- 8** Webinar: CSA's ESG Disclosure Guidance and CFA's ESG Disclosure Standards
- 17** IFIC Removes ETF of ETF Double Counting
- 22** IFIC meeting with FAIR
- 24** IFIC meeting with OSC Investor Advisory Panel
- 28** Investment Executive Guest Column Responsible investment: Developments in disclosure and standards

April

- 4** Enhanced CRM2 Statement
- 4** Proposed Reporting Requirements for Trusts Finance Canada
- 4** Mutual Funds: Allocation to Redeemers Finance Canada
- 4** Reporting Requirements for Trusts Finance Canada
- 13** IFICConnect Member Newsletter
- 25** Proposed Excessive Interest and Financing Expenses Limitation Finance Canada
- 27** Modernization of the Prospectus Filing Model for Investment Funds CSA
- 28** IFIC Welcomes New Member – Evermore Capital Inc.
- 28** IFIC Welcomes New Member – Morgan Meighen & Associates
- 28** IFIC Welcomes New Member – Temenos Canada Inc.
- 28** Course Launch: Life License Qualification Program

May

- 9** CFIQ celebrates 25th Anniversary
- 10** CFIQ Investment Funds Conference
- 20** Investment Executive Guest Column The importance of harmonizing title regulation

June

- 7** 2022 IFIC Operations Day
- 15** Joint Forum on Total Cost Reporting – CSA/CCIR
- 15** Category Change Proposal CIFSC
- 15** Responsible Investment Identification Framework CIFSC
- 22** IFIC Tax Symposium
- 27** Application for Recognition of New Self-Regulatory Organization CSA
- 27** Application for Recognition of New Self-Regulatory Organization (CFIQ) AMF

July

- 13** IFICConnect Member Newsletter
- 14** 2022 IFIC Golf Classic
- 15** Course Launch: Canadian Compliance Course
- 19** Investment Executive Guest Column Successful rule implementation requires industry collaboration
- 27** Total Cost Reporting CSA
- 27** Webinar: Total Cost Reporting