

# CRM2 Transition Scenarios Registrant Outreach Workshop February 20, 2014

Edwin Leong, Senior Compliance Analyst  
Ray Harding, Lead Compliance Analyst



---

---

---

---

---

---

---

---

## Exempt market dealer scenarios

1. Portfolio manager, EMD and IFM
2. EMD selling related-party products



---

---

---

---

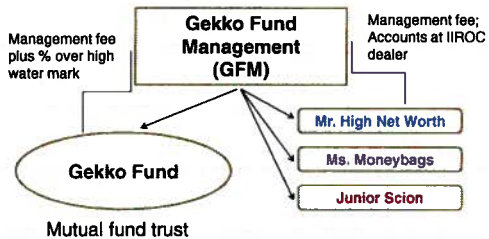
---

---

---

---

## GFM registered as PM, EMD, and IFM



---

---

---

---

---

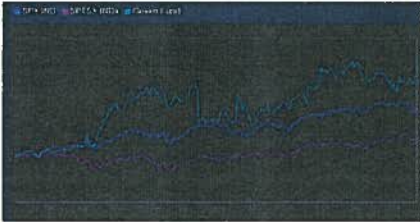
---

---

---

### GFM sends annual update to all investors

- Same update to segregated account holders as fund investors
- Time-weighted performance comparison



---

---

---

---

---

---

---

---

### July 2014 disclosure requirements

- Benchmarks
- Transaction and other charges disclosed in RDI and pre-trade
- Individual *permitted clients* must also get this disclosure



---

---

---

---

---

---

---

---

### GFM's benchmarks in update



- TSX Composite and S&P 500
- We chose them because:
  1. XXXX
  2. YYYY
- They are relevant because .....



---

---

---

---

---

---

---

---

**GFM's pre-trade disclosure**

- Transaction costs, if any
  - GFM doesn't charge fund investors but best practice to disclose charges to fund
- Other charges
  - Deferred charges
  - Trailing commissions



---

---

---

---

---

---

---

---

**July 2015 disclosure requirements**

- Client statements must disclose market value of securities
- Quarterly statement must disclose specific account information



---

---

---

---

---

---

---

---

**July 2016 disclosure requirements**

- Annual compensation report
  - If there is no ongoing compensation, there is no need to report
- Dollar-weighted performance



---

---

---

---

---

---

---

---

**Next scenarios**

**Exempt market dealers**



---

---

---

---

---

---

---

---