

# Appendix A Sample Fund Facts Document

## FUND FACTS

### XYZ Mutual Funds

### XYZ Canadian Equity Fund – Series A June 30, 20XX

This document contains key information you should know about XYZ Canadian Equity Fund. You can find more detailed information in the fund's simplified prospectus. Ask your adviser for a copy, contact XYZ Mutual Funds at 1-800-555-5556 or investing@xyzfunds.com, or visit www.xyzfunds.com.

<b>Quick facts</b>									
Date fund created:	January 1, 1996	Portfolio manager	Capital Asset Management Ltd.						
Total value on June 1, 20XX:	\$1 billion	Distributions	Annually, on December 15						
Management expense ratio (MER):	2.25%	Minimum investment	\$500 initial, \$50 additional						
<b>What does the fund invest in?</b>									
The fund invests in Canadian companies. They can be of any size and from any industry. The charts below give you a snapshot of the fund's investments on June 1, 20XX. The fund's investments will change.									
<b>Top 10 investments (June 1, 20XX)</b>		<b>Investment mix (June 1, 20XX)</b>							
<ol style="list-style-type: none"> <li>1. Royal Bank of Canada</li> <li>2. Encana Corp.</li> <li>3. Petro-Canada</li> <li>4. Alcan Inc.</li> <li>5. Canadian National Railway Company</li> <li>6. Goldcorp. Inc.</li> <li>7. Extencicare Inc.</li> <li>8. Husky Energy</li> <li>9. Open Text</li> <li>10. Thomson Reuters Corp.</li> </ol>		[pie chart]							
		<b>Industry</b>							
		Financial services		34.0%					
		Energy		26.6%					
		Industrial goods		16.5%					
		Business services		6.4%					
		Telecommunication		5.9%					
		Hardware		3.7%					
		Healthcare services		2.3%					
		Consumer services		2.1%					
		Media		1.9%					
		Consumer goods		0.6%					
<b>Total investments</b>		<b>126</b>							
<b>The top 10 investments make up 32% of the fund.</b>									
<b>How has the fund performed?</b>		<b>How risky is it?</b>							
This section tells you how the fund has performed over the past 10 years. Returns are after expenses have been deducted. These expenses reduce the fund's returns.		When you invest in a fund, the value of your investment can go down as well as up. XYZ Mutual Funds has rated this fund's risk as medium. For a description of the specific risks of this fund, see the fund's simplified prospectus.							
It's important to note that this doesn't tell you how the fund will perform in the future. Also, your actual after-tax return will depend on your personal tax situation.		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">Low</td> <td style="width: 20%;">Low to medium</td> <td style="width: 20%; text-align: center;"><b>Medium</b></td> <td style="width: 20%;">Medium to high</td> <td style="width: 20%;">High</td> </tr> </table>			Low	Low to medium	<b>Medium</b>	Medium to high	High
Low	Low to medium	<b>Medium</b>	Medium to high	High					
<b>Average return</b>		<b>Are there any guarantees?</b>							
A person who invested \$1,000 in the fund 10 years ago now has \$2,705. This works out to an annual compound return of 10.5%.		Like most mutual funds, this fund doesn't have any guarantees. You may not get back the amount of money you invest.							
<b>Year-by-year returns</b>		<b>Who is this fund for?</b>							
This chart shows how the fund has performed in each of the past 10 years. The fund dropped in value in three of the 10 years.		Investors who:							
[bar chart]		<ul style="list-style-type: none"> <li>• are looking for a long-term investment</li> <li>• want to invest in a broad range of Canadian companies</li> <li>• can handle the ups and downs of the stock market.</li> </ul>							
		! Don't buy this fund if you need a steady source of income from your investment.							
<b>Before you invest in any fund, you should consider how it would work with your other investments and your tolerance for risk.</b>									

**A word about tax**

In general, you'll have to pay income tax on any money you make on a fund. How much you pay depends on the tax laws where you live and whether or not you hold the fund in a registered plan, such as a Registered Retirement Savings Plan or a Tax-Free Savings Account.

Keep in mind that if you hold your fund in a non-registered account, fund distributions are included in your taxable income, whether you get them in cash or have them reinvested.

SAMPLE

## How much does it cost?

The following tables show the fees and expenses you could pay to buy, own and sell Series A units of the fund. The fees and expenses are different for each series. Ask about other series that may be suitable for you.

### 1. Sales charges

You have to choose a sales charge option when you buy the fund. Ask about the pros and cons of each option.

Sales charge option	What you pay		How it works
	in per cent (%)	in dollars (\$)	
<b>Initial sales charge</b>	0% to 4% of the amount you buy	\$0 to \$40 on every \$1,000 you buy	<ul style="list-style-type: none"><li>You and your adviser decide on the rate.</li><li>The initial sales charge is deducted from the amount you buy. It goes to your investment firm as a commission.</li></ul>
<b>Deferred sales charge</b>	<b>If you sell within:</b> 1 year of buying 6.0% 2 years of buying 5.0% 3 years of buying 4.0% 4 years of buying 3.0% 5 years of buying 2.0% 6 years of buying 1.0% After 6 years nothing	\$0 to \$60 on every \$1,000 you sell	<ul style="list-style-type: none"><li>The deferred sales charge is a set rate. It is deducted from the amount you sell.</li><li>When you buy the fund, XYZ Mutual Funds pays your investment firm a commission of 4.9%. Any deferred sales charge you pay goes to XYZ Mutual Funds.</li><li>You can sell up to 10% of your units each year without paying a deferred sales charge.</li><li>You can switch to Series A units of other XYZ Mutual Funds at any time without paying a deferred sales charge. The deferred sales charge schedule will be based on the date you bought the first fund.</li></ul>

### 2. Fund expenses

You don't pay these expenses directly. They affect you because they reduce the fund's returns.

As of March 31, 20XX, the fund's expenses were 2.30% of its value. This equals \$23 for every \$1,000 invested.

	Annual rate (as a % of the fund's value)
<b>Management expense ratio (MER)</b> This is the total of the fund's management fee and operating expenses. XYZ Mutual Funds waived some of the fund's expenses. If it had not done so, the MER would have been higher.	2.25%
<b>Trading expense ratio (TER)</b> These are the fund's trading costs.	0.05%
<b>Fund expenses</b>	<b>2.30%</b>

### Trailing commission

XYZ Mutual Funds pays your investment firm a trailing commission for as long as you own the fund. It is for the services and advice your investment firm provides to you. Investment firms may pay part of the trailing commission to their representatives.

The trailing commission is paid out of the management fee. The rate depends on the sales charge option you choose:

- Initial sales charge – up to 1.0% of the value of your investment each year. This equals \$10 each year for every \$1,000 invested.
- Deferred sales charge – up to 0.50% of the value of your investment each year. This equals \$5 each year for \$1,000 invested.

### 3. Other fees

You may have to pay other fees when you sell or switch units of the fund.

Fee	What you pay
Short-term trading fee	1% of the value of units you sell or switch within 90 days of buying them. This fee goes to the fund.
Switch fee	Your investment firm may charge you up to 2% of the value of units you switch to another XYZ Mutual Fund.
Change fee	Your investment firm may charge you up to 2% of the value of units you switch to another series of the fund.

### What if I change my mind?

Under securities law in some provinces and territories, you have the right to:

- withdraw from an agreement to buy mutual fund units within two business days after you receive a simplified prospectus, or

### For more information

Contact XYZ Mutual Funds or your adviser for a copy of the fund's simplified prospectus and other disclosure documents. These documents and the Fund Facts make up the fund's legal documents.

- cancel your purchase within 48 hours after you receive confirmation of the purchase.

XYZ Mutual Funds  
123 Asset Allocation St.  
Toronto, ON M1A 2B3

Phone: (416) 555-5555  
Toll-free: 1-800-555-5556  
Email: [investing@xyzfunds.com](mailto:investing@xyzfunds.com)  
[www.xyzfunds.com](http://www.xyzfunds.com)

In some provinces and territories, you also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the simplified prospectus, annual information form or financial statements contain a misrepresentation. You must act within the time limit set by the securities law in your province or territory.

For more information, see the securities law of your province or territory or ask a lawyer.

SAMPLE