

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

RATES OF RETURN (Rule 2.8.3)
(Amendments to the Current Rule)

2.8.3 Rates of Return
(Amendments to the Current Rule)

- (a) In addition to complying with the requirements in Rule 2.8.2, any client communication containing or referring to a rate of return regarding a specific account or group of accounts must:
 - (i) disclose an annualized rate of return calculated in accordance with standard industry practices; and
 - (ii) explain the methodology used to calculate such rate of return in sufficient detail and clarity to reasonably permit the client to understand the basis for the rate of return.
- (b) In addition to complying with the requirements in Rule 2.8.2 and Rule 2.8.3(a), any client communication containing or referring to a rate of return regarding a specific account or group of accounts that is provided by an Approved Person must be approved and supervised by the Member.
- (c) Notwithstanding the provisions of paragraphs (a) and (b), where an account has been open for less than 12 months, the rate of return shown must be the total rate of return since account opening.

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