

InvestorPOS Receives Regulatory Approval Allowing its Dealer Clients to Start Delivering Fund Facts Immediately

Dealers to realize significant cost savings by replacing simplified prospectus with Fund Facts and moving from print to electronic delivery

Toronto, ON, November 19, 2013: InvestorPOS announced today that it had received regulatory approval to begin delivering Fund Facts documents for its dealer clients ahead of the June 13, 2014 CSA deadline for Stage 2 of the POS regulation (National Instrument 81-101 Mutual Fund Prospectus Disclosure). InvestorPOS made a joint application with a dealer client, and with this decision, InvestorPOS can now deliver Fund Facts electronically or by print and mail to investors for any other dealer who leverages the InvestorPOS platform.

The potential cost savings are significant when moving from the lengthy prospectus to the shorter Fund Facts document. Anthony Boright, President and co-founder of InvestorPOS, said “We estimate about a 60% cost savings for dealers delivering a printed Fund Facts document in lieu of a prospectus document. These savings are associated with printing, processing and postage for the shorter 4-page Fund Facts document. When dealers implement e-delivery of the Fund Facts, cost savings are more than 90% versus print/mail of the prospectus document. Those dealers who adopt the Stage 2 regulation early, obviously stand to realize these savings sooner.”

Boright went on to say, “We have dealers implementing both our back-office solutions in which our system delivers the trade confirmation and Fund Facts together, as well as our front-office solution where advisors are delivering the Fund Facts from our repository. In the first case, cost-efficiency is the main driver and in the second it is sales productivity.”

Dealers who engage InvestorPOS to deliver Fund Facts ahead of the deadline need only to sign an acknowledgment agreement with InvestorPOS. This is a much simpler process compared to the earlier industry relief. Since delivery is a dealer obligation under securities legislation, dealers previously had to either file their own application for exemptive relief to deliver the Fund Facts instead of the prospectus, or piggy back on the relief that has already been granted to fund managers.

The fund managers’ relief presented operational problems for many dealers because of the need to provide an acknowledgement to all fund managers for whom the dealer planned to deliver the Fund Facts in lieu of the prospectus. Also, the prior relief did not cover all managers which could be on a dealer’s product shelf. As a result, there had been limited take up by industry.

This latest relief by InvestorPOS will make early adoption very straightforward for dealers interested in taking advantage of the cost savings and improved investor communication, and does not rely on any exemptive relief granted previously to fund managers or dealers.

To learn how your organization can adopt the new Point of Sale Stage 2 Fund Facts delivery regulation early and otherwise take advantage of the potential cost savings and improved investor disclosure experience, contact Anthony Boright, President of InvestorPOS (aboright@investorpos.com or 416-361-9944 ext. 21).

About InvestorPOS Inc.

InvestorPOS Inc. is an investor communication solutions firm established in 2010 to address the evolving disclosure and compliance needs of asset managers and investment dealers. Recognizing the increasingly stringent disclosure landscape affecting independent and bank-owned asset managers, large and small IIROC and MFDA dealers, and advisors serving investors, InvestorPOS has developed an innovative suite of hosted, software-as-a-service solutions to address the document composition, delivery, compliance and reporting needs of the financial services and insurance industries. Its flagship products include:

- ***InvestorPOS Publisher™*** - a robust publishing platform to help companies cost-effectively automate the document composition and management process. It is a hosted, cloud-based solution available online on a 24/7 basis that allows asset managers to leverage a common data strategy and platform for Fund Facts, Prospectuses, MRFPs, Financial Statements, Quarterly Portfolio Disclosures, Marketing Fund Profiles and other structured documents.
- ***InvestorPOS FFexpress™*** - The industry repository for dealers and their financial advisors to search the universe of Fund Facts and deliver them electronically or printed and mailed to their investors in a simple, secure and compliant manner. FFexpress™ accommodates dealers' back-office and front-office compliance needs and addresses Stages 2 and 3 of the Point of Sale regulation (National Instrument 81-101).