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Account Number 123456  
January 1, 2016 to December 31, 2016

[Date]

Ms. Jane Doe  
100 Any Street, Suite 1100  
Town Square Tower  
Any City, Any Province L2L 3L0

## Two New Reports About Your Investments

Dear Ms. Doe,

We are pleased to provide you with **two new reports** about your investments.

This **first report** provides details about the money received by our firm over the past year to provide services to you. A portion of this money is paid as a commission to your financial advisor. The remainder is kept by our firm to service your account. This report [includes/does not include costs related to your investments in insurance, or in deposit instruments such as GICs. There are payments to others, such as your investment fund managers, that are not listed in this report.

A summary of the total payments received by our firm are as follows:

Amount you paid for general administration	\$ 130
Amount you paid for specific transactions	\$ 116
Amount we received from others to provide ongoing services for your account	\$ 789
<b>Total amount we received to service your account</b>	<b>\$1,035</b>

This is the total amount received by our firm to provide services for your account.

In addition, over the past year, we received a referral fee of \$500 from [Name of Registrant] for referring your [description (e.g., portfolio manager)] business to them.

**This is not an invoice.** The amounts were paid by you through your purchase of investments or by direct withdrawal from your account. More details are provided on the following pages, along with a list of current operating charges.

It is important to understand the costs of all of your investments because costs reduce your return.

The **second report** we are providing to you is a performance report. The performance report tells you how well your investments performed. It will help you understand whether you are on track to meet your investment goals.

For more information, please contact your financial advisor.

Sincerely,

NAME OF DEALER FIRM

## Payments We Received on Your Account

Our Services	Cost (\$)	Total (\$)
<b>Section 1: Amounts you paid for general administration of your account</b>		
RSP administration	100	
Transfer fee	20	
Fee-based charge (see note below)	0	
De-registration/Re-registration	0	
Trustee fee	10	
Sub-Total: Section 1		130
<b>Section 2: Amounts you paid for your specific purchase, sale or other transaction</b>		
Fee for switching to different funds or products	10	
Mark-up fee	0	
Front-end sales commission (see note below)	106	
Sub-Total: Section 2		116
<b>Total: Sections 1 + 2</b>		<b>246</b>
<b>Section 3: Payments we received from investment fund managers or others to provide services on your account</b>		
Commission from investment fund managers for DSC investments (see note below)	503	
Management fee rebate (dealer portion)	0	
Payment from GIC issuers	0	
Trailing commission (see note below)	286	
Trailing commission rebate	0	
Sub-Total: Section 3		789
<b>Total amount we received to service your account</b>		<b>\$1,035</b>

**Fee-based charge**  
– see note below

**Total front-end commission** – see note below

**Total commission for investments with deferred sales charges** – see note below

**Total trailing commission** – see note below

**Total amount received by our firm to provide services for your account**

In addition, over the past year, we received a referral fee of \$500 from [Name of Registrant] for referring your [description (e.g., portfolio manager)] business to them.

### About Commissions and Fees

Sales commission for investment funds may be paid either at the time of your initial purchase, or when you take money out of the fund.

- **Front-end commission:** Front-end commission is paid from your initial purchase before your money is sent to the investment fund manager. Over the past year, you paid **\$106** in this type of commission.
- **Deferred sales charge (DSC):** For some funds, your full deposit is sent to the investment fund manager. Upon receipt, the manager pays a commission to us. Over the past year, we received **\$503** in this type of commission for your investments. When you take your money out of the fund, you might pay a deferred sales charge to the investment fund manager for the commission that we received. Deferred sales charges usually decline to zero after a specific number of years.

**Trailing commission:** An investment fund pays the investment fund manager a “management fee” for managing the fund. Your investment fund manager pays a portion of the “management fee” to us for the services and advice we provide to you on an ongoing basis. The amount we receive is called “trailing commission” and is paid each year for as long as you own the fund. Over the 12-month period covered by this report, we received **\$286** in trailing commission for your investments. Part of the trailing commission is paid to your advisor to monitor your account and to provide you with advice. Be sure to seek this advice by talking to your advisor regularly about your account and your financial plans.

The trailing commission is paid by you indirectly. The costs of any investment are important, whether they are charged directly or indirectly, because they reduce your return. More information about management fees and other charges to your investment funds is included in the *Fund Facts* document for each fund. Ask your financial advisor or fund manager for a copy.

We are providing you with a separate performance report that shows your personal rate of return after costs have been deducted.

**Fee-based charge:** Some dealers receive commission from the investment funds manager and also charge a separate fee that you pay directly.

## Our current schedule of operating charges

*[As part of the annual report of charges and compensation, registrants are required to provide their current operating charges that may be applicable to the client's account. For the purposes of this sample document, we are not providing such a list.]*

This model report on charges and compensation was developed by The Investment Funds Institute of Canada in March 2015 to assist dealers in implementing the third phase of the CRM2 requirements. The industry is encouraging widespread adoption of this approach to facilitate investor understanding. Visit [IFIC.CA](http://IFIC.CA) for updates and guidelines on using this material, and other tools to help you implement CRM2 effectively.

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Contact info (e.g., [www](http://www), [Twitter](#), [LinkedIn](#))