

December 22, 2022

Delivered by email: consultation-en-cours@lautorite.gc.ca, comments@osc.gov.on.ca

British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
Financial and Consumer Services Commission of New Brunswick
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward Island
Nova Scotia Securities Commission
Office of the Superintendent of Securities, Service NL
Northwest Territories Office of the Superintendent of Securities
Office of the Yukon Superintendent of Securities
Superintendent of Securities, Nunavut

The Secretary
Ontario Securities Commission
20 Queen Street West
22nd Floor, Box 55
Toronto, Ontario M5H 3S8

Me Philippe Lebel
Corporate Secretary and Executive Director,
Legal Affairs
Autorité des marchés financiers
Place de la Cité, tour Cominar
2640, boulevard Laurier, bureau 400
Québec (Québec) G1V 5C1

Dear Sirs and Mesdames:

RE: CSA Notice and Request for Comment – Proposed Amendments and Proposed Changes to Implement an Access-Based Model for Investment Fund Reporting Issuers

Franklin Templeton Investments Corp. (“**Franklin Templeton Canada**”) appreciates the opportunity to comment on the Canadian Securities Administrators (“**CSA**”) Notice and Request for Comment – *Proposed Amendments and Proposed Changes to Implement an Access-Based Model for Investment Fund Reporting Issuers* (the “**Consultation**”).

Franklin Templeton Canada is registered as an investment fund manager, portfolio manager, mutual fund dealer and exempt market dealer with the securities regulatory authorities in various Canadian provinces and territories. Franklin Templeton Canada is an indirect, wholly owned subsidiary of Franklin Resources, Inc., [NYSE:BEN] a global investment management organization with subsidiaries operating as Franklin Templeton and serving clients in over 155 countries. Franklin Templeton’s mission is to help clients achieve better outcomes through investment management expertise, wealth management and technology solutions. Through its specialist investment managers, the company offers specialization on a global scale, bringing

extensive capabilities in equity, fixed income, multi-asset solutions and alternatives. With offices in more than 30 countries and approximately 1,300 investment professionals, the California-based company has over 75 years of investment experience and approximately US\$1.4 trillion (approximately CAN\$1.9 trillion) in assets under management as of November 30, 2022.

Franklin Templeton Canada supports the CSA's desire to introduce an access-based delivery model for the delivery of financial statements (including interim and annual financial reports) (the "**F/S**") and interim and annual management reports of fund performance ("**MRFP**") (collectively the "**Disclosure Documents**") in its commitment to reduce regulatory burden and commends the CSA for the Consultation.

Franklin Templeton Canada appreciates the opportunity to provide its input in this regard and, as a member of the Investment Funds Institute of Canada ("**IFIC**"), we generally support the submissions made by IFIC with respect to the Consultation.

Franklin Templeton Canada does not believe that the requirement for each investment fund to issue a press release is an effective way to communicate with investors that the Disclosure Documents are available, nor would it be an undertaking that would come without considerable cost. Requiring each investment fund to issue a press release when Disclosure Documents are available would have the effect of obscuring press releases issued by investment funds for material changes, which could hinder the ability of investors to find key information about an investment fund. Franklin Templeton Canada believes the notification requirement would be best achieved via a press release issued for all investment funds in its fund complex that would be filing the Disclosure Documents at the same time. The press release would be more effective if a window of time was given within which to issue it, following the filing of the fund manager's Disclosure Documents on SEDAR, since all fund managers in Canada would be required to issue a press release at or around the same time. Staggering the press release in this fashion would be more effective for investor and public consumption.

Furthermore, Franklin Templeton Canada believes that, to supplement the disclosure in the press release, the Fund Facts document could be amended to make investors aware that the Disclosure Documents can be found on a fund manager's website or obtained in the manner set out in section 5.4(2)(d) of the proposed amendments to National Instrument 81-106 – *Investment Fund Continuous Disclosure* in the Consultation.

Franklin Templeton Canada also supports the addition of other mandatory annual notices to the press release requirement contemplated in the CSA's proposal. These annual notices, being the systemic plan notice requirement, the automatic switching and rebalancing programs notice, and the redemption of securities notice requirements (together the "**Annual Notices**"), are typically bundled with the annual mailing regarding the Disclosure Documents, and delivered by fund managers, on behalf of dealers, to investors. In promoting efficient and effective communication with investors, Franklin Templeton Canada supports the addition of the Annual Notices to the press release regarding the Disclosure Documents. This would reduce the regulatory burden in respect of all annual notices sent out by a fund manager.

In addressing the CSA's specific questions, set out in the Consultation, Franklin Templeton Canada supports IFIC's responses and generally believes a fund manager should have the option to offer paper or electronic versions of the Disclosure Documents, depending on what

is administratively preferred by, and feasible for, the fund manager, and should not be mandated.

Thank you for your consideration of this submission. Please feel free to contact me at [REDACTED] should you have any questions or wish to discuss our submission.

Yours truly,

FRANKLIN TEMPLETON INVESTMENTS CORP.

"Brad Beuttenmiller"

Brad Beuttenmiller
Senior Associate General Counsel

cc: Duane Green, President & CEO, Franklin Templeton Canada