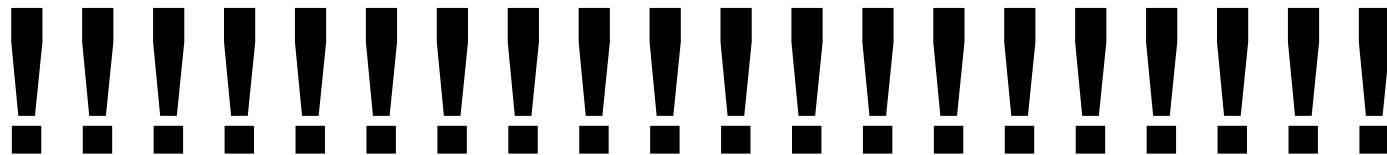


investorism.com

© FUND ✓ CHECKLIST: "Better Disclosure, A Better Way!"®



Investor Protection = Investor Education

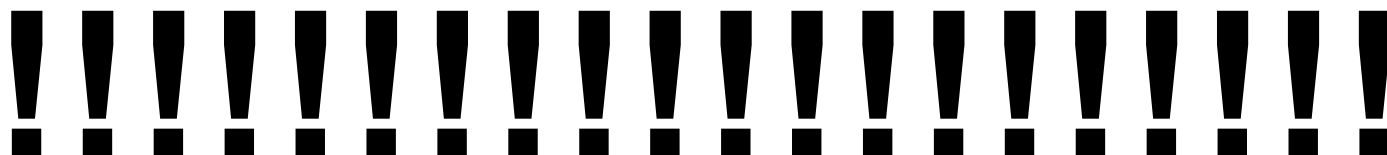
**Rubric PROCESS: educating investors
@ point-of-sale**

Tell me and I forget.

Show me and I remember.

Involve me and I understand.

— Ancient Chinese Proverb



① ***Our Failures*** - pg. 3; ***Education*** - pg. 5

② ***"Caveat Emptor"*** - pg. 9

③ ***"Tied advice / Tied sale"*** - pg. 11

④ ***Looking Forward:*** - pg. 13

⑤ ***My gift to educate Canadians*** - pg. 21

“Financial Euthanasia:”

the dignity debilitating symptom and resulting consequence of our longer life expectancies!

FINANCIAL POST, THURSDAY, JUNE 12, 2003

Retirement anxiety grows

70% 'VERY CONCERNED'

BY JONATHAN CHEVREAU

The bear market has made retirement anxiety endemic around the world.

A survey released yesterday by Des Moines-based Principal Financial Group shows 70% of workers in 12 nations are “very concerned” about their families’ long term financial future.

Three in 10 don’t think they can maintain their preretirement lifestyle in retirement. France, Japan and Brazil have substantial problems, while Chile and Mexico are more optimistic.

Anxiety is highest in countries with pay-as-you-go defined benefit retirement models like the Canada Pension Plan (CPP). Italy now has a fewer people paying into the system than receiving benefits. In France, a million people recently went on strike over

proposed reforms.

Canada is not part of the survey, but would likely fall between the 63% of Britons and 75% of Americans who are concerned about their long-term financial future. Canada is closer to the United Kingdom, said Norman Sorensen, president of Principal International.

Governments are moving away from CPP-like plans because they are threatened by the demographics of ageing populations and declining birth rates.

“We are very concerned about the DB nature of the CPP,” Mr. Sorensen told the *Post*. However, compared to similar plans in Italy and France, “Canada has a slightly younger population and more immigration. It has benefited because more new workers are paying for retirees.” Even so, sooner or later Canada may find itself in the same predicament as Italy, he warned.

Canadians already pay high taxes and are facing health care issues, so “the last thing Canada

needs” is to emulate European countries sticking to pay-as-you-go DB plans, Mr. Sorensen said.

He suggests governments should provide more tax incentives to encourage Defined Contribution (DC) employer-sponsored pensions. DC plans rise and fall with markets and let employers avoid huge unfunded pension liabilities.

Canadian actuary Malcolm Hamilton says “people may be disappointed to learn they will not be able to spend half their adult lives supported by future taxpayers and modest amounts of personal savings, but the sooner they figure this out, the better off they will be.”

Europeans are disappointed to learn governments won’t take care of them, while North Americans have learned markets won’t deliver the 20% returns needed to turn minuscule savings into large nest eggs, he said.

The constructive response should be to spend less, save more, invest more intelligently, work harder and retire later, Mr. Hamilton says.

Financial Post

jchevreau@nationalpost.com

WPC - Wise Persons' Committee presentation

Mr. Chairman, ladies and gentlemen. Thank you for allowing me the privilege to speak to you this morning about “investorism” and our need to:

- educate every Canadian in order to create fairer play and more level playing fields
- implement appropriate respect, trust and integrity building transparency processes
- protect our sacred retirement savings: our food to sustain our longer life expectancies
- treat our financial well-being with the same care that we treat our medical well-being.

Our two GREATEST Canadian failures

1. OUR CORE CURRICULUM MISSED EDUCATION IN “FINANCIAL LITERACY”

We've spent and continue to spend gazillions of dollars to extend our life expectancies:

on medical research, inoculations, vaccinations, (the \$238 million per year that Health Canada spends on Education and Prevention Programs); on our urban infrastructure

systems: water purification, sewage disposal, weekly garbage pick up; food chain inspection, preparation and packaging standards, “best before” dates; auto safety, seat

belts, gun licensing, etc. **BUT**, we have failed miserably to provide adult Canadians and every J.K. to Grade 12 student with a minimum rubric grade level - with their deserved and now very much needed education and survival skills protection - in “Financial Literacy.”

AND, we can't begin to educate “Financial Literacy” in our schools until we first educate our teachers to be able to teach it! **MEANWHILE**, adult “sheeple” consumer/investors are forced to live sheared buck naked under the “*Caveat Emptor*” deflecting mandate failures to “Protect and Educate” of our present thirteen securities commissions.

YES, there really is a distinct society here in Canada: it's those who have had the privilege to pay tuition fees to obtain a college or university education in “Financial Literacy” **versus** those who remain the uneducated “sheeple” food chain of our financial services industry!

2. THE MINIMAL EDUCATION OF OUR FINANCIAL WELL-BEING PRACTITIONERS

Please note the required education standards of our medical well-being physicians:

an undergraduate university degree usually in honours science + 4 years of compulsory medical school + their higher calling Hippocratic Oath + 24-7-365 internship + extra specialization studies + licensing, etc., **versus** our financial well-being advisors: the lion's

share (those selling mutual funds) who have no required post secondary degree(s), are not fully licensed to advise and sell all financial products and who do not pledge an oath that puts the best interests of their investor clients ahead of their own self-interests!

The Oath of Hippocrates

I SWEAR by Apollo the physician and AEsculapius, and Health, and All-heal, and all the gods and goddesses, that, according to my ability and judgment, I will keep this Oath and this stipulation -- to reckon him who taught me this Art equally dear to me as my parents, to share my substance with him, and relieve his necessities if required; to look upon his offspring in the same footing as my own brothers, and to teach them this art, if they shall wish to learn it, without fee or stipulation; and that by precept, lecture, and every other mode of instruction, I will impart a knowledge of the Art to my own sons, and those of my teachers, and to disciples bound by a stipulation and oath according to the law of medicine, but to none others. I will follow that system of regimen which, according to my ability and judgement, I consider for the benefit of my patients, and abstain from whatever is deleterious and mischievous. I will give no deadly medicine to any one if asked, nor suggest any such counsel; and in like manner I will not give to a woman a pessary to produce abortion. With purity and with holiness I will pass my life and practice my Art. I will not cut persons labouring under the stone, but will leave this to be done by men who are practitioners of this work. Into whatever houses I enter, I will go into them for the benefit of the sick, and will abstain from every voluntary act of mischief and corruption; and, further, from the seduction of females or males, of freemen and slaves. Whatever, in connection with my professional service, or not in connection with it, I see or hear, in the life of men, which ought not to be spoken of abroad, I will not divulge, as reckoning that all such should be kept secret. While I continue to keep this Oath unviolated, may it be granted to me to enjoy life and the practice of the art, respected by all men, in all times. But should I trespass and violate this Oath, may the reverse be my lot.

Adult *'beginning'* education in "Financial Literacy"

The lion's share of Canadian adult consumer/investors have received no formal core curriculum and / or adult continuing education in "Financial Literacy." They are "**sheeple**" **consumer/investors**, they **are the food chain** of our financial services industry and they are being sheared buck naked by financial advisors who are a capitalism created breed of predator, a breed of predator driven to create transactions and commissions in order to meet their employer required job retaining and ever escalating annual commission quotas.

PACKAGED FINANCIAL PRODUCTS: mutual funds, wrap accounts, income trusts, even individual strip coupons, etc., are not commodity products for the lion's share of Canadian consumer/investors: they are products that continue to be SOLD not purchased.

MEANWHILE, the February 13, 2003, Financial Services Commission of Ontario / Ontario Securities Commission (FSCO / OSC) joint "Rethinking Point of Sale Disclosures for Segregated Funds and Mutual Funds" Consultation Paper is actually an admission, a signed confession of their combined gross malfeasance failures to proactively "Protect and Educate" sheeple consumer/investors.

IMAGINE if the U.S. Food and Drug Administration (FDA) or our own Health Canada allowed health practices and drugs to be used, prescribed and sold that hadn't been 100% pre-tested and approved. Sadly, for the few, like myself, who have been passionately presenting case study examples of investor impropriety and illegality point-of-sale abusing practices over the last 15+ years while also proactively presenting better educating and safety enhancing systems and practices, this joint FSCO / OSC Consultation Paper is far too little and 15+ years too late to save the millions of Canadian consumer/investors (with real names, faces and dignity trusting souls) who have lost multi-billions of their sacred retirement savings, who have seen their financial well-being forever imploded. The 81-403 "Rethinking" Consultation Paper is actually an admission by the FSCO and OSC of their proactive mandate failures, of their "**breaches of trust and public endangerment**" that has affected millions of Canadians **versus** the thousands of Walkerton e-coli water victims.

THE SAD STATE OF ADULT LITERACY IN CANADA (Exhibit 3 on page 6) speaks to the need for my own Ontario Minister of Finance, the Hon. Janet Ecker, our former Ontario Minister of Education, to immediately hold a public forum where she addresses and clearly articulates the adult consumer/investor education rubric for "Financial Literacy" survival pg. 7

Adult Literacy in Canada ABC Canada Literacy Foundation

- ◆ **Twenty-two per cent (22%) of adult Canadians have serious problems dealing with any printed materials.**
- ◆ **An additional 24% of Canadians can only deal with simple reading tasks.**
- ◆ **A significant number of older Canadians have low literacy skills. Forty per cent (40%) of Canadians over 65 have not completed primary school compared to 4% of Canadians between 26 and 35.** Poor literacy skills may lower the quality of life for seniors and increase their health and safety risks.
- ◆ **Seventy-four per cent (74%) of young Canadians who graduate from high school have strong literacy skills. The remaining percentage, 26%, can handle simple reading and writing tasks. Those who leave school before graduation generally have lower literacy skills.**
- ◆ **There is a strong relationship between educational attainment and literacy level.** Those with more education have higher literacy skills and those with less education have lower literacy skills. On the other hand, about 20% of Canadians have lower literacy skills than their education might indicate, and 16% have higher skills.
- ◆ **Canadians with low literacy skills are more likely to have lower incomes than those with higher skills.** Over 80% of Canadians at the lowest literacy level and over 60% in the second lowest literacy level have no income, or incomes of less than \$27,000.
- ◆ **There is a correlation between literacy and wage levels in Canada. A recent study indicates that each additional year of education a person receives is worth 8.3% on their paycheque. Using an annual base salary of \$30,000, this amounts to an additional \$2,490 per year.**
(Literacy, Numeracy and Labour Market Outcomes in Canada, Statistics Canada, 2001)
- ◆ **Western Canada and Ontario generally have higher literacy skills than Atlantic Canada and Quebec.**
- ◆ **Less than 10% of Canadians who could benefit from literacy upgrading programs actually enrol.** Research indicates that barriers like job or money problems, lack of childcare and transportation are some of reasons preventing people from enrolling.
(Who Wants to Learn?, ABC CANADA Literacy Foundation, 2001)
- ◆ **The proportion of immigrants at the lowest level of literacy is larger than the proportion of those born in Canada who are at this level.** However, there are also proportionally more immigrants at the highest levels of literacy.
- ◆ **Canadians with the lowest literacy skills have higher rates of unemployment (26%) and those with the highest skills have lower rates of unemployment (4%).**

Unless otherwise indicated, this information is derived from results of the International Adult Literacy Survey (IALS), Reading the Future: A Portrait of Literacy in Canada, Statistics Canada, 1996.

Source: http://www.abc-canada.org/literacy_facts/

skills that she has set and the targeted minimum grade level(s) plus the expected time line that she is giving the FSCO / OSC Joint Forum Project to achieve these goals.

Ontario consumer/investors also deserve to hear from the Hon. Janet Ecker what the consequences will be if the defined Adult *Beginning* Education and Protection rubric grade level goals and standards of “Financial Literacy” are not achieved and met.

The February 13, 2003, FSCO/OSC joint Consultation Paper proposed four new “point-of-being SOLD/purchase” disclosure documents for segregated funds and mutual funds. Let’s call them Just-in-Time (like Coles Notes) pamphlet doses of material that unfortunately won’t achieve the investor best interests deserved and needed Full Monty “six-sigma” standard of education and safety protection because there isn’t enough time at point-of-sale for the booklets to be read, digested and understood. They also do not contain an interactive point-of-sale educating and safety enhancing component that’s prescribed by the educating thesis contained in the Ancient Chinese Proverb:

Tell me and I forget.

Show me and I remember.

Involve me and I understand.

Investor educating and financial marketplaces safety enhancing better practices will never be achieved unless we immediately adopt and implement ISO 9000 Total Quality and Continuously Improving and Evolving educating practices. We will never achieve a “six-sigma” standard of 3.4 or less dummy, uninformed and “Financial Literacy” uneducated consumers per 1,000,000 investors (**NOTE:** we allow our medical researchers to strive for the 100% eradication of diseases !) unless we adopt, require and implement the use of interactive fill-in the blanks point-of-being SOLD systems:

1. **that deliver** timely, required doses of adult continuing education
2. **that facilitate** decision making
3. **that validate** the advice of transaction/commission driven advisors
4. **that enhance** investor safety and protection, and
5. **that are built upon** fairer play / field leveling foundation practices.

Hmmm interactive point-of-being SOLD/purchase processes that follow the pre-flight educating and safety enhancing **Checklist** practices that pilots are trained and required to go through before each and every take off. **Hmmm . . .**how do we apply this?

The Law of Hippocrates

- 1 Medicine is of all the arts the most noble; but, owing to the ignorance of those who practice it, and of those who, inconsiderately, form a judgment of them, it is at present far behind all the other arts. Their mistake appears to me to arise principally from this, that in the cities there is no punishment connected with the practice of medicine (and with it alone) except disgrace, and that does not hurt those who are familiar with it. Such persons are the figures which are introduced in tragedies, for as they have the shape, and dress, and personal appearance of an actor, but are not actors, so also physicians are many in title but very few in reality.
- 2 Whoever is to acquire a competent knowledge of medicine, ought to be possessed of the following advantages: a natural disposition; instruction; a favorable position for the study; early tuition; love of labour; leisure. First of all, a natural talent is required; for, when Nature leads the way to what is most excellent, instruction in the art takes place, which the student must try to appropriate to himself by reflection, becoming an early pupil in a place well adapted for instruction. He must also bring to the task a love of labour and perseverance, so that the instruction taking root may bring forth proper and abundant fruits.
- 3 Instruction in medicine is like the culture of the productions of the earth. For our natural disposition, is, as it were, the soil; the tenets of our teacher are, as it were, the seed; instruction in youth is like the planting of the seed in the ground at the proper season; the place where the instruction is communicated is like the food imparted to vegetables by the atmosphere; diligent study is like the cultivation of the fields; and it is time which imparts strength to all things and brings them to maturity.
- 4 Having brought all these requisites to the study of medicine, and having acquired a true knowledge of it, we shall thus, in travelling through the cities, be esteemed physicians not only in name but in reality. But inexperience is a bad treasure, and a bad fund to those who possess it, whether in opinion or reality, being devoid of self-reliance and contentedness, and the nurse both of timidity and audacity. For timidity betrays a want of powers, and audacity a lack of skill. They are, indeed, two things, knowledge and opinion, of which the one makes its possessor really to know, the other to be ignorant.
- 5 Those things which are sacred, are to be imparted only to sacred persons; and it is not lawful to impart them to the profane until they have been initiated into the mysteries of the science.

Source: <ftp://ftp.std.com/obi/Hippocrates/Hippocratic.Oath>

“Caveat Emptor” is not an appropriate excuse

When are we going to treat the financial well-being of our core curriculum uneducated in “Financial Literacy” consumer/investors with the same degrees of care, attention, financial resources and society mandate as we treat and attend to our medical well-being issues?

Our FINANCIAL WELL-BEING versus Our MEDICAL WELL-BEING

The Government of Canada and our Province of Ontario have recently demonstrated on a number of high profile occasions both the will and resolve mandates of our society when it comes to issues that threaten our medical well-being:

- 1 the Walkerton e-coli victims saw this first hand in the medical care, attention, medivac helicopter flights and financial damages that the Province of Ontario paid them.
- 2 Health Canada mandated our RCMP to track down every passenger and crew member on the plane that landed in Hamilton 2½ years ago with the extremely sick passenger that they thought and were treating as a potential e-boli plague victim.
- 3 The attention that our Governments have directed at the SARS and Mad Cow issues.

At no time were any of the SARS medical well-being affected victims told that it’s their fault for not exercising and relying upon their own “Caveat Patien” - “Patient Beware” smarts!

Why do we allow our politicians who are responsible and accountable for our J.K. to Grade 12 core curriculum education and our 13 reporting Securities Regulators who are responsible and accountable for investor protection and education systems and practices, etc., why do we allow them to hide behind and use “**Caveat Emptor**” lingo as a defense for their own lack of proactive best practices and mandate fulfilling accountability failures?

ABC Canada Literacy Foundation has clearly validated and documented with statistics the extremely sad state of literacy amongst adult Canadians, adult consumer/investors.

Under what rocks, in what sand banks have our Ministers of Education been burying their heads under for the last six decades when it comes to “Financial Literacy” education? And are our 13 Securities Commissions financially accountable and liable for the billions upon billions in financial well-being losses suffered by “sheeple” uneducated investors? Our 13 securities regulators have allowed, blessed, condoned and participated for decades in “asymmetric information” perpetuating practices that have abused uneducated investors.

**Dentistry****Medicine****Veterinary
Medicine****Nursing****Pharmacy**

The physician, dentist, and veterinarian may prescribe drugs and be primarily interested in the effect of those drugs on the patient, their therapeutic value, and toxicology. The nurse may administer the drug and be concerned with dosage forms, routes of administration, and toxic manifestations.

BUT, the pharmacist is the only expert on the drugs. It is his/her legally granted responsibility to handle drugs. It is his/her professional responsibility to know all about those drugs. No educational program other than that in the pharmacy provides the background to understand completely all there is to understand about drugs.

The pharmacist, and the pharmacist alone, is in that unique position of embracing complete drug expertise.

The Holy Bible Numbers 21 :: *New International Version (NIV)****The Bronze Snake***

4 They traveled from Mount Hor along the route to the Red Sea, to go around Edom. But the people grew impatient on the way; **5** they spoke against God and against Moses, and said, "Why have you brought us up out of Egypt to die in the desert? There is no bread! There is no water! And we detest this miserable food!"

6 Then the LORD sent venomous snakes among them; they bit the people and many Israelites died. **7** The people came to Moses and said, "We sinned when we spoke against the LORD and against you. Pray that the LORD will take the snakes away from us." So Moses prayed for the people.

8 The LORD said to Moses, "Make a snake and put it up on a pole; anyone who is bitten can look at it and live." **9** So Moses made a bronze snake and put it up on a pole. Then when anyone was bitten by a snake and looked at the bronze snake, he lived.

“Tied advice / tied sale” trailer fee commissions

The mutual fund trailer fee commission contains many extremely sophisticated “asymmetric information” perpetuating caveats that abuse consumer/investor best interests far more egregiously than the banned “tied selling” practices now contained in our GOC Bank Act. But sadly, the lack of dollars and cents educating and safety enhancing transparency to consumer/investors of the fund manager deducted MERs and the trailer fee commission component of the MER paid by the fund manager to financial advisors / discount brokers is a consumer/investor best interest abusing practice that our all 13 securities commissions have allowed, condoned and blessed!

The lack of dollars and cents transparency to investors of the “trailer fee commission” (some fund companies call them “annual service fees”) creates and masks many financial advisor independent advice skewing caveats that blatantly abuse consumer/investor best interests. **Trailer fees have “tied advice /tied sale” attributes. WHY?**

① the trailer fee commission is only ever mentioned once, maybe twice in the Simplified Prospectus, an “Owner’s Manual” that can be as thick as a phone book, a document that few, if any, investors ever take the time to read until there is a problem! **WHY?** My AIM Trimark prospectus is 315 pages long. The can be variable trailer fee is never broken out in the monthly performance listings in the business press. It’s included in the annual MER which the fund manager deducts prior to the daily NAV calculation. **ALSO:** WHY are there never any dollars and cents itemized amounts per fund holding of the MER (that the fund manager deducted on a pro-rata daily basis prior to the daily Net Asset Value (NAV) calculation) and the “trailer fee commission” component of the MER prominently displayed on consumer/investor quarterly statements with lagging 6 month and annual 12 month totals too?

Who is actually responsible and accountable for these “consumerism” and “investorism” overlapping lack of dollars and cents trailer fee deserved transparencies that educate and enhance investor protection? Do we deserve to know their names?

② the trailer fee commission amounts paid vary between mutual fund companies, the method of sale (front-end, DSC, no-load, low load, zero transaction commission), third party fund **versus** proprietary (house brand) fund and the particular fund: equity, **versus** diversified, fixed income, money market and hedge funds that have performance sharing kickers. An equity fund can pay up to 1.70% **versus** a money market fund that

may pay ZERO % to a limbo low ¼% trailer fee. Financial advisors always know the percentage amount of the trailer fee commission and how their own supposed advice (independent and NOD NOD WINK WINK fiduciary) can go from a BIG to BIGGEST or to a ZERO % trailer fee commission.

With the lack of dollars and cents transparency of the trailer fees, investors are never told / never see and definitely don't know how abusive these advisor advice skewing caveats are!

NOTE: the trailer fee is a commission, it's NOT an investment management fee !!!!

③ the commission payout grid system in place at bank owned stock brokers can and does skew supposed independent fiduciary advice. Financial advisors (they are really only sales reps with fancy you can "trust me" deceiving and deceptive titles !) always know their employer's commission payout break points and where they are standing on the grid. I was trained by Merrill Lynch to be a financial mechanic. I was taught to never ever give financial advice that would take me down the commission grid payout ladder!

④ investors also don't know about the retirement gratuity incentive formulas being offered to their financial advisors. One formula promises 1 x the last year's gross commissions (including trailer fees), while another firm's formula offers 2½ x last year's trailer fees. The redemption / switch transaction advice commission segment is HUGE!! "Trust me" financial advisors are advising their clients to redeem (sell) limbo-low trailer fee paying funds (like the temporary performance dragging 30 basis point annual trailer commission fee paying Trimark Canadian Fund) in order to be SOLD (switch to) a much higher trailer fee paying proprietary fund or wrap account offered by their employer !

⑤ **There are no securities regulators prescribed and / or financial industry verbiage standards being used to describe the "trailer / service commission fee."**

Fidelity, Dynamic and CIBC call it an annual "service fee", Trimark calls it a "trailing commission fee". Royal Mutual Funds and CIBC really deceive consumer/investors with their securities regulator blessed, condoned, approved and allowed "asymmetric information" perpetuating use of encompassing verbiage that lacks fund specific salient details of the amount of trailer/service commission fee paid per fund such that investors will never ever know and/or be able to calculate what their financial advisor is being paid / earning on their funds.

- ◆ **"We pay dealers a quarterly commission based on the total unit value of Series A units their clients hold in the funds. The quarterly commission is no more than 1/4 of 1.15 per cent of this value for all funds. We may also pay some dealers sales commissions when units of some funds are sold. These commissions are based upon the unit value of the units sold and are no more than 5.00 per cent of this value. We pay these commissions, not you or the funds."**
—ROYAL MUTUAL FUNDS, July 16, 2002
- ◆ **"Service Commissions may be paid to registered dealers and brokers based on the value of Funds held by their clients of up to 1.50% per year. Before we pay service commissions, a client must own units of a Fund for 90 days. We may waive this requirement at our discretion."**
—CIBC MUTUAL FUNDS, August 9, 2002

LOOKING FORWARD: preserving our weakest link

Canada is one of the most envied nations in the world. Our Canadian sovereignty is very rare and extremely special. Our Canadian pedigree is our vast landscapes, unique foot print regions that are glued together by the annual natural seeding and rooting of our maple leaf flag which flies proudly from coast to coast. The trust that Canadians have in the honesty of our fellow Canadians, our Canadian way of life, our blind trust in the safety and integrity of our governments and financial institutions is extremely scary as it is also quickly becoming our weakest link if we fail to choose wisely and we implement an inappropriate system that serves the minority, not our majority needs.

Whatever consensus securities commission system that wisest Canadians decide to democratically adopt and implement (a national **versus** a modified provincial passport system, etc.), we must always remember the following key decision making criteria:

- 1 our first priority is to preserve our sovereignty as an independent nation.
- 2 our second priority is that our few decision makers must always remember the best interest needs of our uneducated in "Financial Literacy" and securities issues unknowing individual consumer/investors - an uneducated and unknowing constituency that knows nothing while at the same time being a constituency that has extended their trust to their fellow Canadians to provide the safety, integrity and delivery of their sacred retirement savings and promised pension plans.
- 3 our third priority is to implement an economical securities system that recognizes prudent economies of scale issues as whatever system we choose, it will ultimately be funded by fees levied upon and transaction tariffs paid by consumer/investors.

If I had brought with me this morning our Canadian Bank Act, our Canadian and Provincial Business Corporation Acts, our Provincial and Territorial Securities Acts, etc., I would be buried behind a mountain of paper and you wouldn't be able to see me. And until Martha Stewart came along, some of you might comment, "And that's a good thing!" It would be a natural understatement for me to now tell you that capitalism is full of warts and imperfections that we are required to precisely define, coral, legislate and make always evolving new laws in order to properly regulate its ever percolating over exuberance symptoms of greed, power plus Cicero's "good of the people" undermining tendencies, a regulating process that usually ends up being reactive **versus** proactive.

Prior to 1990 our Canadian financial marketplaces were clearly defined by four pillars and we had a much more simplified investment landscape than we have today. Canada was full of Canada Savings Bond and CDIC insured GIC deposit account investors. Packaged product mutual funds accounted for less than \$40 billion in total assets. Fast forward to today and we are living in a uncharted waters where capitalism abuses are being de-coupled: CA's from Consulting, CEO's from Chairman, anylsts from under-writers. We need to immediately autopsy and debate whether or not non-CDIC insured proprietary market based packaged products need to be de-coupled from our banks.

During my 1977-1979 Western MBA, I was taught that there was an extremely valuable vote attached to owning voting share common stocks and that this vote was an extremely significant material fact and depending upon how many votes one owned and / or controlled, these votes could spell POWER, CONTROL and GREED. **BUT**, none of these fund prospectuses say anything whatsoever about the fund manager voting stock!

Killoran's 05-14-98 baker's dozen "investorism" wish list

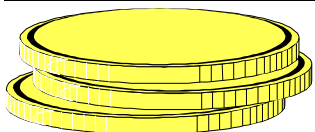
"We believe mutual funds are sold, not bought."—ARTHUR LABATT, IE, Sept. 1997

- ❶ we need to implement a required investorism interactive educating, safety enhancing, protecting and salient transaction details transparency disclosing point-of-sale document process for all packaged securities fund products, wrap accounts and even ETF's too!
- ❷ we need to implement a comprehensive investorism transaction / commission educating, salient transaction details disclosing and fairer play / field leveling **"Redemption / Switch Disclosure Document"** process for all packaged products mentioned in point ❶ above!
- ❸ our securities regulators must licence and monitor the transaction inducing and media legitimized personality seminar "shills" to ensure that they present prudent "know your client suitability" investment strategies and that the seminar sponsors are financially liable!
- ❹ we need to implement a substance abuse terms of employment certificate of health program amongst our financial well-being practitioners, especially those who are 100% transaction / commission remunerated registrants, in order to enhance investor protection!
- ❺ we need to implement an anonymity guaranteed(!) financial industry white collar **TRUTHSAYER protecting laws** with appropriate rewards for the reporting of impropriety and illegal practices + a companion market registrants' **"Code of Ethics"** that requires them to report improprieties and illegalities amongst their colleagues to appropriate authorities!

"Most Canadians are not as sophisticated as Americans and so are less likely to want to make their own investment decisions." —ARTHUR LABATT, IE, Sept. 1997

- ❻ we must require third party institutional money managers to electronically extend to the common stock vote to beneficial unitholder owners, trust account beneficiaries, pension plan members, etc., so that they can exercise their franchise to vote their owned shares!
- ❼ when someone is found dead on public lands or dies under questionable circumstances we always do an autopsy to establish the cause of death. We must clone this practice and require the trustees counting shareholder votes to always issue a detailed public autopsy of the vote, including how many shares institutional managers vote + how they voted!
- ❽ we must require institutional money managers to issue quarterly cumulative ownership and liquidity rankings by collective positions owned reports + individual portfolio risk / reward analysis per fund under their management umbrellas!
- ❾ we must lower our 10% insider reporting level to match the U.S.'s 5% or the UK's 3% level. Our 10% Bank Act ownership limit level is an unacceptable level for insider trading.
- ❿ we must require corporations to list in their annual reports to shareholders the funding details on employee defined benefit pension plans, i.e. surpluses, deficits; investment manager rankings; portfolio voting records on special situation votes, etc.
11. we must appoint a Federal Minister of Investorism and fund several Stromberg Chairs in Investorism at our best Business Schools, Chairs that will do proactive investor research.
12. we must immediately adopt and apply Jack Welch's GE capitalism approved mantras, on behalf of investorism: **"boundaryless behaviour" "speed" "stretch" "six-sigma", total quality, continuous improvement: "how can it be done better", etc. practices!**
13. we need a Marshall McLuhan, "the media sets the agenda" accountability mechanism!

AN: Educating, decision facilitating, advice validating, safety enhancing .



investorism.com

© **FUND ✓ CHECKLIST: "Better Disclosure, A Better Way!"®**

KNOW YOUR CLIENT \$UITABILITY: A\$SET MIX + RISK\$ versus REWARD\$

I / We understand that _____ fund investment strategies range from conservative low to aggressive high risk. I / We have ___ personally determined and established or I / we have discussed, determined and established with ___ my / our investment advisor, my / our overall investment needs, objectives and _____ fund RISK/REWARD tolerances as follows:

A\$SET MIX	RISK\$ vs. REWARD\$
___ % Value	___ % Invest. Grade
___ % Growth	___ % Good Quality
___ % Income	___ % Speculative
___ % Momentum	___ % High Risk
100 % Total	100 % Total

Fund Name: _____ **Managed By:** _____ **Since:** ___ / ___ / ___

I / We acknowledge that I / we have received from my / our financial products salesperson, fee advisor, fund distributor, etc., the ___ page Simplified Prospectus for _____ Fund(s).
PERFORMANCE COMPARISON TO THE END OF: M M M / 2 _ _ _
 Fund being recommended / purchased: _____ : ___ % 1 YR, ___ % 2 YR, ___ % 3 YR, ___ % 5 YR
 Benchmark comparable index to fund: _____ : ___ % 1 YR, ___ % 2 YR, ___ % 3 YR, ___ % 5 YR

15 MOST COMMON INVESTMENT FUND RISK PERFORMANCE TERM\$ & RANKING CRITERIA

- | | |
|---------------------------------|-------------------------------|
| 1. Alpha: _____ | 9. Mean: _____ |
| 2. Beta: _____ | 10. R-Squared: _____ |
| 3. Correlation Benchmark: _____ | 11. Sharpe Ratio: _____ |
| 4. Downside Risk: _____ | 12. Skewness: _____ |
| 5. Downside Frequency: _____ | 13. Sortino Ratio: _____ |
| 6. Downside Magnitude: _____ | 14. Standard Deviation: _____ |
| 7. Jensen's Measure: _____ | 15. Treynor's Measure: _____ |
| 8. Mornigstar Rating: _____ | |

\$ALIENT TRAN\$ATION DETAIL\$: CO\$T\$ + ADVI\$OR REMUNERATION

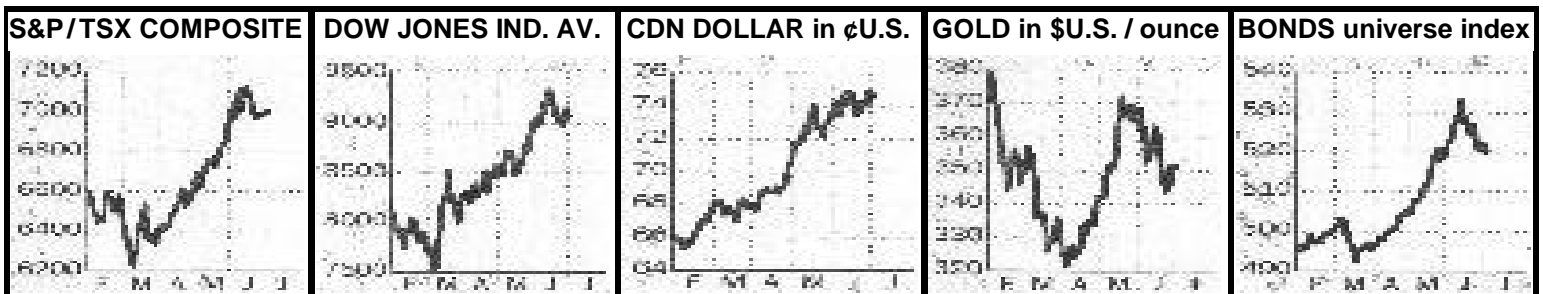
Sales Acquisition Commissions Paid: ___ % Front-End Load \$ ___
 ___ % F-E Low-Load \$ ___
 ___ No-Load No-Fee \$ ZERO
 ___ % Rear-End D\$C* \$ ___
 *a Deferred Sales Charge begins at ___ % on: ___ Price Paid or ___ NAV falling to zero in ___ Yrs.
① D\$C Rebate _____ %
② Admin. Co\$t To Buy: \$ ___
③ Monthly Account Fee: \$ ___
④ Early Withdrawal Penalty: is ___ % within ___ days.
⑤ Directions To Sell Must Be: ___ in Person and / or by: ___ Fax ___ Phone ___ Writing ___ E-mail ___ Other before ___: ___ M to receive same day closing price.
⑥ Admin. Co\$t To Sell: \$ _____

Management Expense Ratio (MER): The fund manager deducts an annual MER of ___ % on a pro-rata basis before the fund's NAV is calculated. **The fundmanager pay\$ a Trailer Fee Commi\$\$ion of ___ % from the MER to your salesperson / advisor / distributor.**
① MER/Trailer Fee Rebate ___ %
② EXTRA Advisory Fees: Fund of fund\$/Wrap: ___ %
③ MER Performance Bonus: ___ % above ___ benchmark.
④ This is an ___ Arm's Length **or a** ___ Proprietary Fund.

\$tmt of Investment Policy:	As At
<u>A\$set Mix Guideline Ranges</u>	___ / ___ / ___
Cash ___ to ___ %	___ %
Fixed Income* ___ to ___ %	___ %
CDN Equities ___ to ___ %	___ %
Intern. Equities ___ to ___ %	___ %
Real Estate ___ to ___ %	___ %
Derivatives ___ to ___ %	___ %
Max. Short Sales to ___ %	___ %
Max. Leverage to ___ %	___ %
Portfolio Turnover: ___ % / Yr.	
<u>Unit Values</u> <u>*Fixed Income</u>	
Book \$ _____	Av. Term _____
NAV \$ _____	Duration _____
% Capital _____	Min. Cr. Rating _____
Gains _____ %	

"Better disclosure induces 'investorism' and enhances industry integrity!"

- ① Educating differences between "Mutual" "Segregated" "Wrap" "Pooled" "Hedge", etc. funds:** "Caveat emptor" isn't good enough when consumer/investors have never been taught their now needed "Financial Literacy Survival" curriculum. Financial products are **not all** created equally: they do **not all** meet the same regulatory rules, regulations, terms and /OR FINE PRINT EXCEPTION(S) conditions! **The cure:** better "point-of-being-SOLD/purchase" interactive educating one-pagers!
- ② There is a "Need To Know" both the Fund's Taxable Book + NAV Market Unit Values:** With two-thirds of the monies invested in Canadian investment funds being taxable investments (*i.e.* only one-third are tax shielded RRSP, RPP, RRIF, DPSP, RESP, etc.), there is a need for fund companies /distributors to disclose both *market* and *book* values: it's the annual capital gains pay me in advance surprise! This is a due diligence and fiduciary point-of-sale imperative!
- ③ There are conflicts of interests "Tied Advice" issues in the "trailer fee commission:** IF fund companies & distributors were required to show the dollars (\$\$) and cents (¢¢) amounts of the MERs deducted + the trailer fee commission components paid to whom NAME on consumer/investors quarterly statements + a financial advisor's employer remuneration payout grid levels + how a particular fund's trailer fee compares to the high, low, median, and average category ranges + any advisor trailer based retirement gratuity formula(s) + the low trailers paid on money market funds, consumer/investors would clearly see "tied advice" skewing issues!
- ④ Relative versus Absolute Fund Manager Performance Remuneration Bonus Formula:** Prospectuses rarely disclose the relative formula(s) that may be /are used to calculate a fund manager's market performance based remuneration bonus! These formulas are usually based on a fund manager's ability to beat a peer group and /or portfolio related market indices, *i.e.* if the comparable TSE 35 index is -30% and the fund is -25% = a 100% market performance bonus!
- ⑤ The Undisclosed Cumulative Power, Politics & Governance Vote That Investment Funds Are Allowed:** We give discretion to a fund manager to invest our sacred "financial euthanasia avoiding" savings in order to achieve above average returns with limited risk while also providing us with a simplified prospectus, audited statements, quarterly portfolios, trading records, an Annual Information Statement, etc. **BUT**, nowhere in the prospectus do our securities regulators require the fund manager to disclose when they vote the "material fact" common stock shares that are owned by a fund's unitholders. Nor is there any requirement that the fund manager must disclose how many shares they vote, how and why on specially designated issues and proposals!



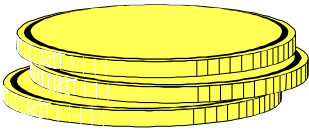
A CONSERVATIVE ACTUARIAL ASSET MIX LIFECYCLE GUIDELINE

YEARS BEFORE RETIREMENT	GROWTH (EQUITY)	GROWTH & FIXED INCOME	BONDS / FIXED INCOME	SHORT-TERM ASSETS
0 - 5 YEARS	10%	20%	55%	15%
5 - 10 YEARS	20%	25%	40%	15%
10 - 15 YEARS	30%	30%	30%	10%
15 - 20 YEARS	50%	20%	20%	10%
20+ YEARS	60%	15%	15%	10%

GOC BOND DURATION VOLATILITY

10 YEAR PAR GOC BOND		
INTEREST YIELD	DURATION	NAV / MKT VALUE
RISE 2% to 7.36%	7.21	86.75
COUPON 5.36%	7.48	100 PAR
FALL 2% to 3.36%	7.75	116.00
20 YEAR PAR GOC BOND		
INTEREST YIELD	DURATION	NAV / MKT VALUE
RISE 2% to 7.80%	9.66	82.00
COUPON 5.80%	10.44	100 PAR
FALL 2% to 3.80%	11.22	123.75
30 YEAR PAR GOC BOND		
INTEREST YIELD	DURATION	NAV / MKT VALUE
RISE 2% to 7.58%	11.44	78.00
COUPON 5.58%	13.37	100 PAR
FALL 2% to 3.58%	15.50	133.25

DON'T trust any advice until you autopsy the **PROFILE** of the practitioner behind it!



investorism.com

PROFILE: Financial Products Salesperson or Fee Advisor

NAME: _____ LICENCE(S): _____ (__ / __ / __)

TOTAL Client Assets: \$ _____ GROSS Annual Comm.: \$ _____ Yr: _____

TOTAL Client Assets By Dollar (\$) Amounts Within The Following Investment Categories	TOTAL Client \$\$ Assets By % Per Asset Category	TOTAL Annual Income by % Yr. Ending __ / __ / __
--	--	--

FUNDS: Mutual, Index, Pooled, Wrap, Labour (# _____) _____ %

AIM Trimark	55%		
Fidelity	30%		
Templeton	10%		
Other	____%		
Total	100%	= Mutual _____% + Index _____% + Pooled _____% + Wrap _____% + Labour _____%	

COMMON STOCKS (# _____) _____ %

ETF's	15%		
TSE	35%		
NYSE/AMEX	24%		
NASDAQ	18%		
Other	____%		
Total	100%		

FIXED INCOME _____ %

Strips	35%		
MBS	30%		
Bonds	20%		
Income Trusts	5%		
Other	____%		
Total	100%		

SHORT SALES _____ %

OPTIONS, DERIVATIVES, FUTURES _____ %

Covered Calls	100%
Futures	NIL%
All Other	____%
Total	100%

LIMITED TAX PARTNERSHIPS _____ %

REAL ESTATE INVESTMENT TRUST'S _____ %

INSURANCE PRODUCTS _____ %

Annuities	55%
Life & Health	25%
Property	10%
Disability	5%
Other	____%
Total	100%

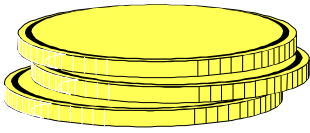
TOTALS 100% 100%

FROM # _____ Names of Insurance Companies Where Policies Are Placed. The Lion's Share Are With:

<u>Annuities</u>		<u>Life & Health</u>		<u>Property</u>		<u>Disability</u>	
Ind. Alliance	45%	TransAmer	65%	ABCD	80%	Paul Rev	100%
Crown Life	30%	Canada Life	25%	EFGH	15%		
Standard	20%						
Other	____%	Other	____%	Other	____%	Other	____%
Total	100%	Total	100%	Total	100%	Total	100%

"Better disclosure induces 'investorism' and enhances industry integrity!"

DON'T trust advice until you autopsy the **PROFILE** of the practitioner! / /



investorism.com

PROFILE: Financial Products Salesperson or Fee Advisor

NAME: _____ LICENCE(S): _____ (_ / _ / _)

TOTAL Client Assets: \$ _____ GROSS Annual Comm.: \$ _____ Yr: _____

TOTAL Client Assets By Dollar (\$) Amounts Within The Following Investment Categories	TOTAL Client \$\$ Assets By % Per Asset Category	TOTAL Annual Income by % Yr. Ending _ / _ / _
--	--	---

FUNDS: Mutual, Index, Pooled, Wrap, Labour (# _____) _____ %

_____ %
 _____ %
 _____ %
 Other _____ %
 Total 100% = Mutual _____ % + Index _____ % + Pooled _____ % + Wrap _____ % + Labour _____ %

COMMON STOCKS (# _____) _____ %

ETF's _____ %
 TSE _____ %
 NYSE/AMEX _____ %
 NASDAQ _____ %
 Other _____ %
 Total 100%

FIXED INCOME _____ %

Strips _____ %
 MBS _____ %
 Bonds _____ %
 Income Trusts _____ %
 Other _____ %
 Total 100%

SHORT SALES _____ %

OPTIONS, DERIVATIVES, FUTURES _____ %

Covered Calls _____ %
 Futures _____ %
 All Other _____ %
 Total 100%

LIMITED TAX PARTNERSHIPS _____ %

REAL ESTATE INVESTMENT TRUST'S _____ %

INSURANCE PRODUCTS _____ %

Annuities _____ %
 Life & Health _____ %
 Property _____ %
 Disability _____ %
 Other _____ %
 Total 100%

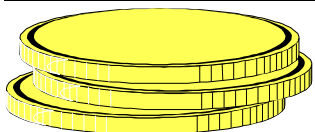
TOTALS 100% 100%

FROM # _____ Names of Insurance Companies Where Policies Are Placed. The Lion's Share Are With:

<u>Annuities</u>	<u>Life & Health</u>	<u>Property</u>	<u>Disability</u>
_____ %	_____ %	_____ %	_____ %
_____ %	_____ %	_____ %	_____ %
_____ %	_____ %	_____ %	_____ %
Other _____ %	Other _____ %	Other _____ %	Other _____ %
Total 100%	Total 100%	Total 100%	Total 100%

"Better disclosure induces 'investorism' and enhances industry integrity!"

AN: Educating, decision facilitating, advice validating, safety enhancing .



investorism.com

© **FUND\$: "Redemption/Switch Disclosure Document!"®**

FUND BEING REDEEMED/\$OLD

FUND NAME: _____

Managed By: _____ Since: _____

Cost(s) to \$ELL: \$ _____ Admin., \$ _____ D\$C

IF taxable money: Capital gains \$ _____

NEW FUND BEING PURCHASED

FUND NAME: _____

Managed By: _____ Since: _____

I'm being advised to Redeem & \$witch funds:
 Yes No WHY? _____

PREVIOUS PERFORMANCE COMPARISON

	<u>6 Mo.</u>	<u>1 Yr.</u>	<u>3 Yr.</u>	<u>5 Yr.</u>	<u>7 Yr.</u>	<u>10 Yr.</u>
Fund Being \$OLD:	____%	____%	____%	____%	____%	____%
BUYING NEW Fund:	____%	____%	____%	____%	____%	____%

LOOKING BACKWARD - COMPARING PORTFOLIOS

Apples to Apples (circle) Comparison Period:

1 Year 2 Years 3 Years 4 Years 5 Years

The 5 holdings that contributed the MOST portfolio GROWTH in declining order from BEST - contributed MOST to the 5th BEST.

The 5 holdings that contributed the LOWEST portfolio gains in ascending order from WORST LOSS - LEAST GAIN - to the 5th WORST.

	<u>FUND BEING \$OLD</u>	<u>NEW FUND</u>
BEST:	_____	_____
2nd Best:	_____	_____
3rd Best:	_____	_____
4th Best:	_____	_____
5th Best:	_____	_____

BEST
\$
T
VER
\$
C
\$
U
\$
W
R
\$
O
R
\$
T

	<u>FUND BEING \$OLD</u>	<u>NEW FUND</u>
WORST:	_____	_____
2nd Worst:	_____	_____
3rd Worst:	_____	_____
4th Worst:	_____	_____
5th Worst:	_____	_____

"Better disclosure induces 'investorism' and enhances industry integrity!"

LOOKING FORWARD LARGEST PORTFOLIO HOLDINGS

FUND BEING REDEEMED / SOLD

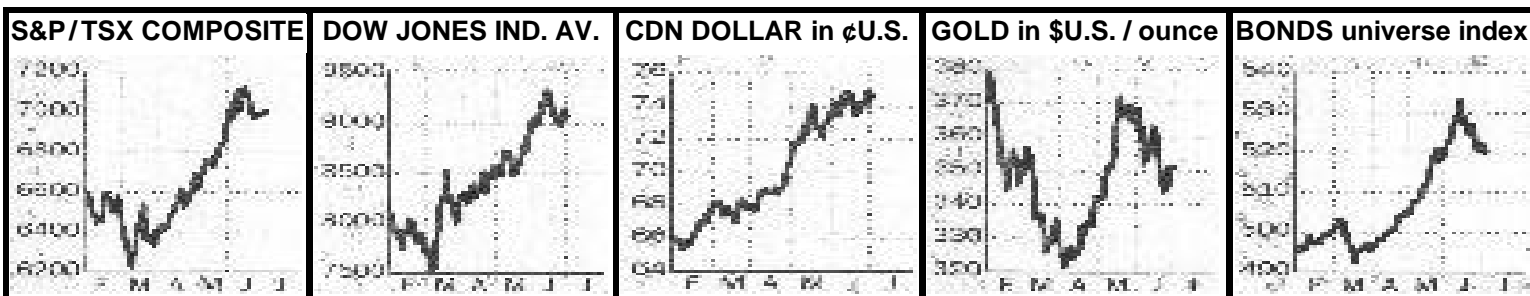
- | | |
|----------|-----------|
| 1. _____ | 6. _____ |
| 2. _____ | 7. _____ |
| 3. _____ | 8. _____ |
| 4. _____ | 9. _____ |
| 5. _____ | 10. _____ |

Morningstar Rating: _____

NEW FUND BEING PURCHASED

- | | |
|----------|-----------|
| 1. _____ | 6. _____ |
| 2. _____ | 7. _____ |
| 3. _____ | 8. _____ |
| 4. _____ | 9. _____ |
| 5. _____ | 10. _____ |

Morningstar Rating: _____



NEW FUND: ASSET MIX, RISKS versus REWARDS and SALIENT DETAILS

I / We understand that _____ fund investment strategies range from conservative low to aggressive high risk. I / We have _____ personally determined and established or I / we have discussed, determined and established with _____ my / our investment advisor, my / our overall investment needs, objectives and _____ fund RISK/REWARD tolerances as follows:

ASSET MIX	RISKS vs. REWARDS
____ % Value	____ % Invest. Grade
____ % Growth	____ % Good Quality
____ % Income	____ % Speculative
____ % Momentum	____ % High Risk
100 % Total	100 % Total

Sales Acquisition Commissions Paid: _____ % Front-End Load \$ _____
 _____ % F-E Low-Load \$ _____
 _____ No-Load No-Fee \$ ZERO
 _____ % Rear-End D\$C* \$ _____

*a Deferred Sales Charge begins at _____ % on: _____ Price Paid or _____ NAV falling to zero in _____ Yrs.

- ① D\$C Rebate _____ %
- ② Admin. Cost To Buy: \$ _____
- ③ Monthly Acc. Fee: \$ _____
- ④ Early Withdrawal Penalty: _____ is _____ % within _____ days.
- ⑤ Directions To Sell Must Be: _____ in Person and / or by: _____ Fax _____ Phone _____ Writing _____ E-mail _____ Other before _____: _____ M to receive same day closing price.
- ⑥ Admin. Cost To Sell: \$ _____

Management Expense Ratio (MER): The fund manager deducts an annual MER of _____ % on a pro-rata basis before the fund's NAV is calculated.

The fundmanager pays a Trailer Fee Commission of _____ % from the MER to your salesperson / advisor / distributor.

- ① MER/Trailer Fee Rebate _____ %
- ② EXTRA Advisory Fees: _____ Fund of funds/Wrap: _____ %
- ③ MER Performance Bonus: _____ % above _____ benchmark.
- ④ This is an _____ Arm's Length or a _____ Proprietary Fund.

\$tmt of Investment Policy: Asset Mix Guideline Ranges

Cash	_____ to _____	_____ %
Fixed Income*	_____ to _____ %	_____ %
CDN Equities	_____ to _____ %	_____ %
Intern. Equities	_____ to _____ %	_____ %
Real Estate	_____ to _____ %	_____ %
Derivatives	_____ to _____ %	_____ %
Max. Short Sales	to _____ %	_____ %
Max. Leverage	to _____ %	_____ %

Portfolio Turnover: _____ % / Yr.

Unit Values	*Fixed Income
Book \$ _____	Av. Term _____
NAV \$ _____	Duration _____
% Capital Gains _____ %	Min. Cr. Rating _____

As At _____ / _____ / _____

_____ %
_____ %
_____ %
_____ %
_____ %
_____ %
_____ %

Fund's Sharpe Volatility Rating

----- Original Message ----- **From:** [Joseph Killoran](#)

To: [Hon. Paul Martin Jr., M.P.](#) ; [Hon. Brian Tobin, M.P.](#) ; [Hon. James Flaherty, M.P.P.](#) ; [Hon. Jim Peterson, M.P.](#)

Cc: [Ed Waitzer](#) ; [Arthur Labatt, O.C., C.A.](#) ; [Glorianne Stromberg](#) ; [Andrew Allentuck](#) ; [Angela \(ROB\) Barnes](#) ; [Paul \(Schwab\) Bates](#) ; [Robert \(NP\) Benzie](#) ; [Paul \(LFP\) Berton](#) ; [Richard \(ROB\) Blackwell](#) ; [Bob \(CSA\) Bouchard](#) ; [Patrick \(ROB \) Brethour](#) ; [David \(OSC Chairman\) Brown](#) ; [Stan \(SIPA\) Buell, P.Eng](#) ; [Hon. Senator Catherine Callbeck](#) ; [John Campion](#) ; [Canadian Democracy and Corporate Accountability Commission](#) ; [Rob \(ROB\) Carrick](#) ; [CBC Markeplace](#) ; [fifth estate CBC](#) ; [Jon \(The FP\) Chevreau](#) ; [Terry \(FP\) Corcoran](#) ; [Sandra \(CP\) Cordon](#) ; [Rebecca \(OSC\) Cowdery](#) ; [John \(advisor.ca\) Craig](#) ; [Barry \(The FP\) Critchley](#) ; [Dean Ron \(MFDA SRO\) Daniels](#) ; [James \(STAR\) Daw](#) ; [Derek \(FP\) DeCloet](#) ; [Paul \(Gazette \) DeLean](#) ; [Dave \(ROB\) Ebner](#) ; [Hon. Janet \(M.P.P.\) Ecker](#) ; [Rob \(STAR\) Ferguson](#) ; [Diane \(The FP\) Francis](#) ; [Jack \(OSC\) Geller](#) ; [Ned \(Dynamic\) Goodman](#) ; [J. \(The FP\) Greenwood](#) ; [Ivan B. Grose, M.P.](#) ; [Jonathan \(FP \) Harris](#) ; [Michael \(SUN\) Harris](#) ; [Susan \(The FP\) Heinrich](#) ; [John \(G&M\) Heinzl](#) ; [Mark \(Dow Jones\) Heinzl](#) ; [Hon. Thomas \(IFIC\) Hockin](#) ; [Karen \(ROB\) Howlett](#) ; [Robert \(BC-CSA\) Hudson](#) ; [Joe \(RCMP\) Hull](#) ; [Joan \(CCC \) Huzar](#) ; [Doug \(BCSC\) Hyndman](#) ; [Michael \(Southam \) Kane](#) ; [Signe \(CBC\) Katz](#) ; [David \(fifth estate\) Kaufman](#) ; [Don \(RCMP\) Kerr](#) ; [Ken \(STAR\) Kidd](#) ; [Hon. Senator Michael Kirby](#) ; [Bill \(FCAC\) Knight](#) ; [Hon. Senator Leo Kolber](#) ; [Michele \(Star \) Landsberg](#) ; [James \(IE\) Langton](#) ; [R. Michael Lauber, FCA](#) ; [Shelley \(LFP\) Lawson](#) ; [Linda Leatherdale](#) ; [Rudy Luukko](#) ; [Linden MacIntyre](#) ; [Katherine \(Macleans\) Macklem](#) ; [Hon. John Manley, M.P.](#) ; [Garry \(The FP\) Marr](#) ; [Keith \(ROB\) McArthur](#) ; [Shawn \(G&M\) McCarthy](#) ; [Barrie \(G&M\) McKenna](#) ; [Hon. Dennis Mills, M.P.](#) ; [Canadian Moneysaver](#) ; [David \(EthicScan\) Nitkin](#) ; [Dean Margot \(MFDA SRO\) Northey](#) ; [Stephen Northfield](#) ; [Joe \(IDA\) Oliver](#) ; [Dina \(BMO NB\) Palozzi](#) ; [John \(G&M\) Partridge](#) ; [Dr. John, Pattison, Sr. V.P. Compliance CIBC](#) ; [Janet \(MFDA SRO\) Pau, CFA](#) ; [Don \(CBC\) Pittis](#) ; [Gordon \(ROB\) Pitts](#) ; [Alex \(IDA\) Popovic](#) ; [Gordon Powers](#) ; [Eric \(G&M\) Reguly](#) ; [Ellen \(STAR\) Roseman](#) ; [John \(G&M\) Saunders](#) ; [Daniel Stoffman](#) ; [Theresa Tedesco](#) ; [Alan \(The NP\) Toulon](#) ; [J. \(CP\) Valorzi](#) ; [Michael \(G&M\) Valpy](#) ; [David \(IC\) Waite](#) ; [Larry \(MFDA SRO COO\) Waite](#) ; [Michael \(OSC\) Watson](#) ; [Doug \(advisor.ca\) Watt](#) ; [Andrew \(G&M\) Willis](#) ; [Tessa \(IE editor\) Wilmott](#) ; [Shirley \(G&M\) Won](#) ; [Bob \(MFDA SRO\) Wright](#)

Sent: November 9, 2001 9:37 AM

Subject: **PRESS RELEASE: My gift to educate all Canadians**

PRESS RELEASE DATED: Oshawa, Ontario, Canada, November 9, 2001

TO: Hon. Paul Martin Jr., GOC Minister of Finance
Hon. Brian Tobin, GOC Minister Industry Canada
Hon. James Flaherty, ON Minister of Finance
Hon. Jim Peterson, GOC Secretary of State for Financial Institutions

FROM: Joseph W.A. Killoran, 1979 Ethical Western (now Ivey monikered) MBA

SUBJECT: **My gift to all Canadians of my investment funds
J-i-T point-of-sale interactive educating one-pagers**

In the memory of my late father, Cameron J.L. Killoran Q.C., who was seriously injured in the Second World War fighting with the Canadian Regiment of the 48th Highlanders in Italy to preserve our Canadian political freedoms and democracy, I would like to donate to all Canadians (via my Governments of Canada and Ontario) my investment funds Just-in-Time (J-i-T) point-of-sale interactive educating Checklist, Redemption / Switch Disclosure and Advisor PROFILE one-pagers plus my related www.investorism.com URL web site.

I have been told that the man that I had and knew as a father was a fraction of the man who went to Europe to fight in the Great War to preserve our Canadian political freedoms and democracy. Dad's 95% Department of Veterans Affairs (DVA) pension never healed his war injuries, it never make him the whole man who went to war to fight for Canada's political freedoms and democracy.

I was honoured and humbled when Glorianne Stromberg adopted, validated and recommended the need for a consumer/investor best interests investment fund educating Just-in-Time point-of-being SOLD/purchase Checklist and Redemption / Switch Disclosure documents in Sections 17.8 & 17.9 and 21.1 & 21.2 respectively of her 1999 "**Investment Funds in Canada and Consumer Protection: Strategies for the Millennium**" Report, a report that was commissioned by the Hon. John Manley, our then GOC Industry Canada Minister. <http://strategis.ic.gc.ca/SSG/ca01120e.html>

I now trust, hope and pray that my Governments of Canada and Ontario will accept my most sincere and genuine offer and that they understand their mandates to provide every Canadian consumer/investor with their deserved and needed "4th 'R' in Investing" education in "financial literacy", an education that must begin during our core curriculum Junior Kindergarten to Grade 12 education and that is completed through the use of interactive [**the adult continuing education key is the process of filling-in the blanks**] J-I-T point-of-sale documents that, besides educating, also:

1. **facilitate decision making,**
2. **validate independent advice,**
3. **enhance safety protection, and**
4. **make the playing field fairer and more level.**

With **ABC Canada Literacy Foundation** (www.abc-canada.org) identifying how serious the identified literacy disability malaise really is amongst adult Canadians:

- 26% of adult Canadians have a problem understanding simple documents like an owner's manual , and**
- 5 million adult Canadians have serious problems with reading, writing and math,**

these identified learning disabilities effectively negate the age old "**caveat emptor**" excuses when it comes to the degrees of safety and protection that must be given to our sacred retirement savings, especially amongst our learning disabilities identified adult Canadians who are uneducated and unknowing when it comes to having received their deserved and needed core curriculum education in "**Financial Literacy**".

I trust that my Governments of Canada and Ontario will accept my genuine and most sincere gifts of my investment fund Just-in-Time point-of-sale interactive educating systems. They can be used not only to educate every Canadian about what they should know, deserve to know, must know about investment funds in order to preserve their sacred retirement savings, but that my Governments will have the wherewithal to clone their J-I-T point-of-sale educating:

**Tell me and I forget.
Show me and I remember.
Involve me and I understand.**

thesis so that it can be used to educate consumer/investors about their RESP's, Retirement Options: Annuities, RRIFs, LIF's LRIF's, Reverse Mortgages, Insurance Products: home, auto, Term versus Universal Life Policies, regular Mortgages, etc.

I trust that my gift of my interactive educating investment funds J-I-T point-of-sale documents and systems process will allow my Governments of Canada and Ontario to achieve their mandates to provide all Canadian consumer/investors with their missed and now very much needed and deserved education in financial literacy. We will naturally have to immediately benchmark investor knowledge. This can be done by cloning the very successful annual Education Quality and Accountability Office testing procedures that our Hon. Janet Ecker, ON Minister of Education, uses annually to test our grade 3, 6, 9 and 10 students. We won't have to recreate the wheel when it comes to testing and benchmarking financial literacy amongst consumer/investors.

I have two realizable dreams that I would like to share with you.

My **first dream** can be realized very quickly. My goal of Canada achieving a Jack Welch GE "six-sigma" standard of 3.4 or less dummy, uneducated and unknowing consumer/investors per 1,000,000 investors is not just a dream. It can be achieved using my interactive point-of-sale educating systems and processes. By educating all Canadian consumer/investors to a doable "six-sigma" standard, Canada will not only enhance our sovereignty, we will achieve a standard of economic stability that will be the envy of our global investment community. Please remember, it's not how old an idea is, it's how new it becomes that counts!

The process of "financial literacy" education is one of the ways for Canada to effectively kill and forever eradicate what economists call "**asymmetric information**": the symptom that received the Nobel related Economics Award during the of Fall 2001:

- when sellers know more about the nature of financial products and what the financial services are than the buyers generally do, and**
- the malaise where uneducated and unknowing consumer/investors end up paying more for goods and services (their sacred retirement savings !) than educated, knowledgeable and informed consumer/investors do.**

The outcome result when Governments don't provide everybody with their deserved and needed education in "Financial Literacy" is a marketplace that's filled with "**informational asymmetry**": **low quality financial products at too high a price!**

My **second dream** can't be realized without the help and education enlightenment of all Canadians so that we can bring democracy to capitalism. I need everyone's help so that we can finally and forever enhance and preserve the memories of our finest and most courageous Canadians who have risked and / or paid the ultimate sacrifices of their lives fighting to preserve our Canadian political freedoms and democracy. Without the sacrifices of our finest Canadians, we wouldn't have the opportunity and / or be allowed today to have the opportunity to bring democracy to capitalism in Canada. Specifically, I'm speaking about the present undisclosed practice of material fact voting of common stocks by third party institutional (includes mutual fund, pension plan, insurance company, etc.) money managers. To bring democracy to capitalism, we must require the voting of stocks philosophies of third party institutional money managers to not only be disclosed in the fund prospectuses, pension plan documents,

etc., but to also be transparent on specially designated votes. Our third party institutional money managers have a moral and ethical obligation:

- they must be required to disclose to the beneficial unitholder owners of the money, the pension plan recipients, etc., how many shares they voted, how they voted and of course, the governance accountability reasons why they voted how.

Thank you Canada for providing me with the freedom and the privilege to give my genuine and most sincere gift to all Canadians so that my dreams of achieving a "six-sigma" goal of consumer/investor education and democracy in capitalism through the implementation of better transparencies can be realized.

**"We can easily forgive a child who is afraid of the dark;
the real tragedy of life is when men are afraid of the light."
—PLATO, 427 - 347 B.C.**

Best regards,

Joe Killoran, Investor Advocate, 1979 Ethical Western MBA
84 Cadillac Avenue South
Oshawa, ON, Canada, L1H 5Z2
Home / office: (905) 571-6048
Bell Mobility PCS: (905) 767-7747
URL: www.investorism.com

ADDENDUM: July 8, 2003

On behalf of the best interests of every uneducated in "Financial Literacy" and securities industry issues unknowing Canadian consumer/investor, I would appreciate very much if this Wise Persons' Committee would convey to the Honourable John Manley that my November 9, 2001, offer to give my "investorism" web site and three investment funds point-of-sale educating and safety enhancing one-pagers to my Government of Canada was genuine, most sincere and that it remains firmly in place.

Please tell Mr. Manley that I would be honoured and delighted to share my investorism vision with him and his staff and that I offer my help, my creativity and my assistance to him to clone and expand my existing series of interactive point-of-sale educating and safety enhancing one-pagers so that every financial product category can be covered: from GIC's to mortgages, to RESP's, to RRSP's, to insurance products (home, auto, term versus universal life), RRSP's, Defined Benefit versus Defined Contribution pension plans, RRIF's, LIF's, annuities, reverse mortgages, etc.

I would also be honoured and delighted to help and assist my GOC to create, define and implement a Federal Ministry of Investorism that will complement the present longer life expectancy extending mandate of Health Canada, a new Investorism Ministry with the mandate and powers to focus upon individual investor education plus the safety and integrity of the sacred retirement savings of every Canadian consumer/investor.

The raison d'être behind my offer to give my investorism creativity to Canada is genuine and it's driven, not by any expected personal recognition, but rather by my desire to help every Canadian to enjoy the dignity of self-funding their longer life expectancies.