

How To Find Your Cost Factor

Grab your statement and search the internet for the exact name of the investment on your statement. Try to find the Fund Fact.

Here is how the Ontario Securities Commission describes a fund fact:

<https://www.getsmarteraboutmoney.ca/tools/fund-facts-interactive-sample/>. In this example total cost is MER + TER = 2.3% per year. This is found near the bottom of fund fact. It is Canadian law for each non-insurance fund to maintain and present a Fund Fact.

If you hold more than one fund your total cost factor will be a weighted average of the total cost of each fund. For example, let's say you hold \$50,000 in fund A with a cost of 2.10% and \$25,000 in fund B with a cost of 1.85%, then total portfolio cost is 2.02% per year.

Do you have any potential DSC charges? Every purchase may come with its own 7 or 8 year DSC schedule. The purchase made 10 years ago is fee free but the purchase made last year may have 6 or 7 years to go before becoming fee free. You can call your current institutions client service line and ask how much are the total charges to move your portfolio. Also ask if there are redemption charges. If so, you determine whether it is worth it to trigger the charges or to wait out the schedules.

There will likely be an annoying account closing fee.