

Lesson 2

Chapter 3: How to invest

Today's topic: Investing fees explained

Grade level: 9–12

Duration: 60 minutes

Learning objectives

- Identify and explain the common types of fees associated with DIY (do-it-yourself) investing platforms, including
 - commission fees
 - maintenance fees
 - withdrawal and inactivity fees
- Differentiate between the types of sales commissions charged by financial advisors, including
 - front-end load
 - back-end load (deferred sales charge)
 - level load fees
- Understand the management expense ratio (MER) in mutual funds and ETFs, including its key components
- Recognize the role of brokers in both DIY and advisor-assisted investing, and compare brokerage fee structures (e.g., commission-based vs. commission-free platforms).
- Analyze key considerations when managing investment costs.
- Apply knowledge of fees and tax rules to make informed decisions that help maximize investment returns over time.



Cross-curricular connections

MATH/FINANCIAL LITERACY

- Understanding fees: Use algebraic operations to calculate percentages and costs (e.g., calculating MER, commissions, trailer loads, and taxes).
- Critical thinking: Evaluate financial strategies (e.g., fee-reduction strategies) to minimize costs and maximize returns over time.

LITERACY

- Communicate financial concepts clearly in written or oral presentations (e.g., slideshows or reports).
- Organization and structure: Structure financial reports or presentations logically, using evidence and reasoning to support recommendations.

CAREERS

- Financial decision making: Make informed decisions about personal finances, savings and investments using mathematical and financial knowledge.
- Career exploration: Understand the role of fees and taxes in the work of financial advisors, accountants and investors.
- Career pathways: Investigate careers in financial planning and investment management by applying skills learned in class (e.g., budgeting, financial analysis, investing).

ACCOUNTING

- Financial analysis: Identify and evaluate costs associated with various investment options (e.g., stock trading, mutual funds, RRSPs) and calculate their impact on long-term returns.
- Investment costs: Understand and calculate common investment fees and commissions and how they affect overall investment performance.
- Cost reduction strategies: Apply accounting knowledge to recommend strategies for reducing investment-related costs, such as switching funds or adjusting trading behaviour.

21st-century skills**COLLABORATION**

- Working in groups to solve fee-related challenges.
- Sharing tasks and building a group presentation.

CRITICAL THINKING

- Analyzing investor profiles.
- Calculating hidden fees and financial impacts.
- Comparing fee structures and identifying better investment strategies.

COMMUNICATION

- Presenting findings clearly to the class.
- Explaining financial concepts in a way peers can understand.
- Engaging in discussion and defending recommendations.

Materials needed

- [Video](#) from Fidelity: "Investing fees explained."
- Projector.
- PowerPoint from Fidelity to be used throughout lesson.
- Lesson 2 video handout (digital or printed) – one per student.
- Fee detective profiles (digital or printed) – split into teams of six or 12 depending on class size and desired group size.
- Chart paper and markers or devices for slideshow use.
- Calculators – one per team or per student.



MINDS ON

ACTIVITY: VIDEO HANDOUT

Video duration: 8:36

MATERIALS:

- Fidelity PowerPoint.
- Video handout (printed or digital) – one per student.

Total duration with take up: 15 minutes

INSTRUCTIONS:

Students are to watch the “Fees explained” video and fill in the blanks as they watch. Answer Key is provided in Chapter 3 Video Handout document, and can be taken up using the slideshow. The teacher can engage students by asking them to fill in the blanks before revealing the answers on the slideshow.

MAIN LESSON

ACTIVITY: FEE DETECTIVE

Handout duration: 30 minutes

MATERIALS:

- Fee detective profiles (digital or printed) – six profiles; can be used twice to accommodate size of class. Split class up evenly to accommodate six or 12 profiles. Each team will have one of the profiles.
- Calculators.

INSTRUCTIONS:

Split the class into six groups. Assign one profile per group from the provided “Fee detective case studies” handout.

Each group will act as “fee detectives” for their assigned investor and will

Step 1: Identify and calculate all applicable fees (commissions, MER, account fees, trailer loads, withdrawal fees, taxes).

Step 2: Calculate total fees paid this year for their investor profile.

Step 3: Analyze and recommend cost-saving strategies to reduce those fees.

Step 4: Answer the reflection question for their profile to investigate potential savings.

CONSOLIDATION

ACTIVITY: PRESENTATION AND REFLECTION

Duration: 15 minutes (can be extended if another period is available for presentations)

Materials: If presenting: chart paper, devices for slideshow making or whiteboards. If not presenting: detective handout from lesson.

Instructions: Each group presents its findings. If there is extended time, students can prepare a visual presentation using slideshows, chart paper or whiteboards, having each group member share a part of the work.

If there is limited time, all or some groups can present their findings from the handout itself, having each group member share a part of the work.

After all presentations, the teacher can ask students “Which profile faced the highest costs?”, “Which strategies were most effective in reducing fees?” and “Final insights?” Use the slideshow to create discussion with the class, and use the slide after the question to go through the answer key.

Citations

Ontario Ministry of Education. (2023). *B1. Oral and non-verbal communication*. In *The Ontario curriculum: English, Grade 9 (ENL1W)*. Retrieved April 29, 2025, from <https://www.dcp.edu.gov.on.ca/en/curriculum/secondary-english/courses/enl1w/b/b1>

Ontario Ministry of Education. (2019). *The Ontario curriculum: Career studies, grade 10, open (GLC2O)*. <https://www.edu.gov.on.ca/eng/curriculum/secondary/career-studies-grade10.pdf>

Ontario Ministry of Education. (2007). *Business Studies, Grades 11 and 12: The Ontario Curriculum, Grades 11-12* (revised). Ontario Ministry of Education. <https://www.edu.gov.on.ca/eng/curriculum/secondary/business1112currb.pdf>