



September 22, 2020

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
Superintendent of Securities, Newfoundland and Labrador
Registrar of Securities, Northwest Territories
Registrar of Securities, Yukon Territory
Superintendent of Securities, Nunavut

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Re: CSA Staff Notice 31-358 – Guidance on Registration Requirements for Chief Compliance Officers and Request for Comments

OVERVIEW

The Portfolio Management Association of Canada (**PMAC**), through its Industry, Regulation & Tax Committee, is pleased to have the opportunity to submit the following comments regarding CSA Staff Notice 31-358 – Guidance on Registration Requirements for Chief Compliance Officers and Request for Comments (the **Staff Notice** and the **Consultation**, respectively).

PMAC represents over [280 investment management firms](#) registered to do business in Canada as portfolio managers. In addition to this primary registration, most of our members are also registered as investment fund managers and/or exempt market dealers. PMAC's members encompass both large and small firms managing total assets in excess of \$2.8 trillion for institutional and private client portfolios.

PMAC WELCOMES THE STAFF NOTICE

PMAC welcomes the guidance outlined in the Staff Notice and views it as an important part of the work being undertaken by the various members of the CSA to reduce regulatory burden while maintaining investor protection. Members view the Staff Notice as a sensible way to provide flexible solutions for firms that avoids a “one-size-fits” all approach and that is cognizant of the different needs, budgets and business models of a variety of firms.

While not all firms will wish to avail themselves of the various CCO models set out by the CSA, our members found the Staff Notice, including the questions in the Appendices, to be clear and sufficiently detailed so as to allow them to assess their eligibility to make an application for one of the three potential CCO models.

The primary purpose of this submission is to state our support for the guidance in the Staff Notice. Additionally, we have the following questions with respect to the shared and multiple CCO models:

1. Shared CCO Model

We note that the shared model permits a firm to choose to have the CCO as either an employee or an independent contractor of the firm. In the event that a firm hires the CCO on an independent contractor basis, would the CSA then also permit the CCO to have employees supporting him or her? Put another way, could a firm hire a CCO that has a compliance team working for the CCO?

Additionally, members noted that there could be potential NRD access issues faced by CCOs servicing multiple firms. As we understand it, NRD access only allows for one person to access NRD for a single firm. In order to accommodate the shared CCO model, we encourage the CSA working group tasked with the Systems Renewal Project to consider a CCO’s NRD access needs.

2. Multiple CCO Model

Under the Multiple CCO model, members are wondering whether one of the CCOs can be designated as a lead or primary CCO such that the lead CCO would have access to the board, or whether the expectation be that all CCOs engage with the board and generate separate annual CCO reports to the board.

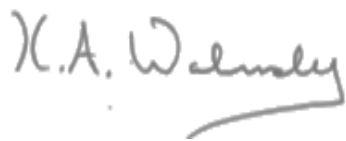
CONCLUSION

We would like to thank the CSA for the opportunity to respond to this Consultation.

If you have any questions regarding the comments set out above, please do not hesitate to contact Katie Walmsley at (416) 504-7018.

Yours truly,

PORTFOLIO MANAGEMENT ASSOCIATION OF CANADA



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President



Margaret Gunawan
Director
Chair of Industry, Regulation & Tax
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Managing Director – Head of Canada
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