

2018 Annual Report of the Ontario Securities Commission's
Investor Advisory Panel

May 2019

Introduction

The Investor Advisory Panel (IAP) is pleased to present our 2018 Annual Report outlining the IAP's activities, submissions, consultations, and meetings during the calendar year.

Since its formation in 2010, the IAP has been an active channel for bringing the needs and concerns of Ontario investors to the attention of policymakers mandated to protect them. We have worked closely with the OSC's Investor Office and with other OSC staff to identify existing and emerging areas of concern and risk for retail investors, engaging at every stage of the policymaking process – from issue identification to policy development to commenting on new rules and processes once they have been drafted and proposed for implementation.

Retail investor input is essential to ensuring a healthy and fair regulatory regime. Today, the IAP stands as an integral policymaking resource for the OSC as it develops and administers rules that protect investors and promote fair and efficient capital markets.

How the Investor Advisory Panel Works

The Panel provides input to the OSC at three critical stages in the regulatory process:

Stage 1 - Issues Identification

We bring investor needs and concerns to the OSC to inform policymaking at the earliest stages, sharing insights through face-to-face meetings with key staff. When needed, we follow up with concrete recommendations to add necessary context and clarity on emerging issues.

Stage 2 - Input on Policy Development

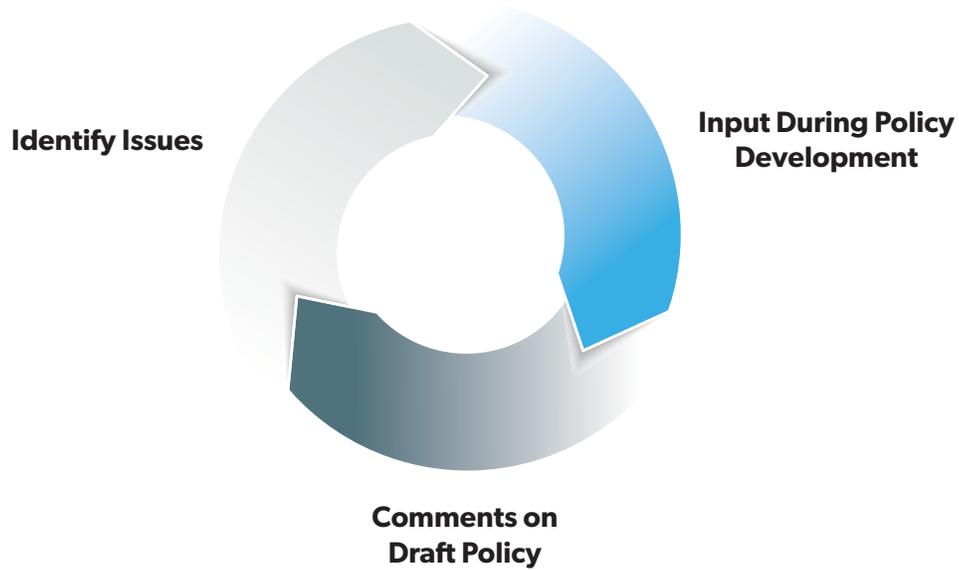
We provide the OSC with an investor viewpoint on regulatory policy as it takes shape through face-to-face meetings and in follow up communications. Through ongoing discussions with OSC staff we offer a forum for constructive and thoughtful dialogue regarding investor issues.

Stage 3 - Policy Proposals and Discussion Papers

We regularly provide input on policy proposals once they have been released for comment to ensure the investor voice is reflected in final outcomes.

The IAP brings an investor voice to policymaking

How the IAP Engages with the OSC



Key numbers for 2018

12 Meetings

9 Submissions to the OSC/CSA

7 Submissions to other bodies

2018 in Review

In 2018, the IAP directed its efforts towards advancing investor protection initiatives with the OSC and other policymakers. Several important themes and issues drove our work as we sought to have the greatest impact on improving the protection of investors in Ontario and across Canada.

Key themes:

Best Interest Standard

Throughout 2018, the IAP continued to focus on advancing the formulation and adoption of a best interest standard. Early in the year, we used [our response](#) to the [OSC's Draft Statement of Priorities for 2018-2019](#) to highlight the widely-researched benefits of a best interest standard, urging the OSC to translate that knowledge into something concrete: a fully-formed rule and detailed guidance that would finally take the best interest standard beyond the conceptual and make it a reality. We advised that incorporating best interest principles into targeted reforms would be no substitute for adopting an overarching best interest rule. Rather, we noted a best interest standard *"is necessary to provide foundational clarity and interpretive guidance to fill the gaps that inevitably will arise in situations not envisioned or anticipated by the targeted reforms' specific provisions."*

Ultimately, the CSA proposals – contained in *Client Focused Reforms: Proposed Amendments to National Instrument 31-103 and Companion Policy 31-103CP* – fell short of adopting an overarching best interest standard.

However, they infused best interest principles into key areas of the advisor-client relationship, including know-your-client, know-your-product, suitability and conflict of interest mitigation. The IAP acknowledged that this will advance investor protection, but we urged the CSA to remain steadfast in implementing and enforcing these changes: *“[R]obust oversight and rigorous enforcement will be needed to give meaningful effect to your intended infusion of best interest principles into the areas of know-your-client, know-your-product, suitability and conflict of interest mitigation.”*

For the proposals to succeed and truly improve outcomes for retail investors without a best interest rule, we said, *“they must engender a new mindset where conflicts of interest are no longer normalized and where disclosure is not viewed as an appropriate tool for addressing them.”* Conflicts of interest must be eliminated across every area of advice giving – and that means putting client interests first at all times.

Discontinuing Embedded Commissions

The IAP has for years urged regulators to eliminate conflict-inducing, harmful compensation practices such as embedded commissions and deferred sales charges. Moreover, we have read and commented on a very long list of research papers that have consistently shown the detrimental effects of such practices on investors over time.

In [our response](#) to CSA Staff Notice 81-330 Status Report on Embedded Commissions and Next Steps, we expressed our impatience with what we perceived as a slow pace on the part of regulators in moving forward to ban embedded commissions: *“We encourage regulators to get on with the task of eliminating embedded commissions, notwithstanding the adjustments to existing business models this will precipitate. These business models are already being redesigned (in response to disruptive effects of fintech, robo-advisers and ETFs), so now is actually an opportune moment for incorporating changes necessary to provide fundamental investor protection.”* We were therefore very pleased to see the CSA deliver its Proposed Amendments to National Instrument 81-105 Mutual Fund Sales Practices and Related Consequential Amendments containing a prohibition on the payment of trailing commissions to order-execution-only (OEO) dealers, in addition to a ban on mutual fund deferred sales charges. In [our response](#) we commended the CSA for putting these proposals forward.

Our response also makes reference to the **statement** from the Ontario government refusing to support the proposals as drafted. While we look forward to seeing the government's revisions, we remain confident that the CSA's proposals constitute "smart" regulations that will generate benefits and encourage growth across the investment industry. Rather than adding a regulatory burden, they create opportunities for new, more consumer-centric business models to evolve, compete, and thrive.

Conflicts of Interest

Conflicts of interest remained a key theme during the year. We addressed this topic in **our response** to the Financial Planners Standards Council's *Proposed Amendments to the Standards of Professional Responsibility – Conflicts of Interest*. The IAP commended the FPSC on their proposals, which we feel clearly contribute to the wellbeing of investors by requiring the highest levels of proficiency and integrity in financial planning. In particular, the IAP pointed to the FPSC's simple and clear wording on the duty of loyalty and conflicts of interest: "*Disclose and mitigate conflicts of interest in the client's favour.*" At the time, we recommended the CSA look to the wording used by the FPSC as a model of clarity, and adopt it to establish a uniform standard for mitigating conflicts of interest.

Risk Profiling

In 2015 the IAP released an independent report prepared on its behalf by PlanPlus on how risk profiling is done by registrants. The report uncovered a lack of standard definitions and risk concepts as well as a lack of understanding of valid risk profiling methodologies in the industry. As part of our response to the CSA's Client-Focused Reforms, we recommended regulators use the PlanPlus report as a springboard for developing a valid, standardized risk profiling methodology and tool for the industry. This would go some way to further reducing the opacity of suitability assessments and foster consistency across the industry. We recommended such an assessment tool be based on a relatively small number of core questions and best practices such as psychometrics. We also recommended upgraded advisor proficiency for interpreting questionnaires.

Misleading Titles

The IAP was pleased to see proposals tabled during the year to address the use of misleading titles in the industry. Given that the OSC's mystery shopping report found 48 different titles used across various investment industry platforms, we've long been concerned that the unregulated use of titles puts investors seeking professional and qualified advice at a disadvantage. [We welcomed](#) in particular the fact that the Ministry of Finance addressed title issues in responding to recommendations from the Expert Committee to Consider Financial Advisory and Financial Planning Policy Alternatives. However, we did voice concerns about who would ultimately be responsible for overseeing these reforms and whether introducing an additional regulator would be wise given the many regulatory players already in existence.

In its Seniors Strategy, the OSC identifies misleading titles and designations as an issue that is especially concerning for older investors who may be "more vulnerable to business titles that imply specialty skills." Particularly worrying is the proliferation of empty titles such as "seniors specialist" or "wealth manager" and other terms that don't relate to real expertise or education. In [our response](#) to the Seniors Strategy, the IAP urged the OSC to expedite title reform and revise current proficiency requirements in a way that leads to greater professionalism, particularly for interactions with older, more vulnerable investors.

Proficiency

Hand-in-hand with the problem of misleading titles is the issue of inadequate training and questionable qualification standards. The IAP has repeatedly drawn attention to the uneven approach to proficiency that exists in different segments of the investment industry. We were pleased, therefore, to see proficiency addressed as part of the Client-Focused Reforms. Investor outcomes will not be improved unless advice transitions away from being a sales-driven, product-selling exercise to a professional practice dominated by people with appropriate expertise and training and who put the needs of their investor clients first. Proficiency is at the very heart of professionalism.

In **our response**, we voiced our concern that the proposed amendments fell short in two key areas:

- *They do not fully introduce higher proficiency requirements that would equip registrants to integrate enhanced KYC information into suitability analyses.*
- *They do not require registrants to approach suitability assessment through general knowledge of investment alternatives beyond their firm's product shelf.*

We urged regulators to address these issues in order to ensure that any increased requirements in fact lead to greater proficiency, better professionalism and a culture that puts client needs first.

The Mutual Fund Dealers Association also focused on proficiency during the year through the introduction of its *Proposed Amendments to MFDA Rules 1.2 (Definitions), 1.2.6 (Continuing Education), and MFDA Policy No. 9 – Continuing Education (CE) Requirements*. These changes aim to establish a continuing education requirement for MFDA members and approved persons as well as minimum standards for complying with those requirements. This is a welcome move towards greater professionalization of the industry – and it comes at a time when other securities regulators are seeking to do the same. At the same time the IAP **voiced concerns**, particularly with the proposal that Member firms, insurance companies, industry associations and even individual sales representatives can be course content providers who can issue self-accreditation of the courses they provide. The Panel instead suggested: *“consideration be given to making the accreditation and oversight process more prescriptive, with better controls. We recommend that the MFDA retain sole authority to approve accreditation based on a strict and robust set of criteria to evaluate accreditation applications.”*

Cooperative Capital Markets Regulator

During the year, we continued to call for adoption of more robust investor protection and investor-focused governance features in the design of the CMRA prior to its launch. We remain dismayed by the continued lack of an Investor Office in the design as well as the absence of a mechanism for retail investor policy input in the form of an investor advisory body similar to ours. This does not encourage optimism about the future of securities regulation in Canada and the potential for a national regulator appropriately focused on a mandate to protect investors and foster market integrity.

Ombudsman for Banking Services and Investments (OBSI)

During the year we continued to voice our strong belief that OBSI must have binding decision-making authority to better allow it to secure fair redress for investors. Absent this authority its ability to provide investors with effective resolutions of complaints will be constrained. OBSI's governance structure is also problematic. Its board has industry representation but has no designated investor representation. Without formal investor representation, OBSI's ability to promote the interests of investors is compromised. We expressed these concerns in [our comment letter](#) on *CSA Staff Notice 31-353 - OBSI Joint Regulators Committee Annual Report for 2017*:

"The IAP believes that we are well beyond the time for monitoring and taking note. These issues have been identified by a number of observers over a number of years and in the interests of fairness and efficiency it is important that they be addressed now. Complex as some of these issues may be, the process of dealing with them must be started. Continued monitoring by the JRC without substantive action will jeopardize its responsibility to promote investor protection and confidence in the external dispute resolution system."

Perplexingly, the JRC's report also failed to address any of the other 19 recommendations that were included in the 2016 Independent Evaluation Report. We will continue to follow up on this important matter.

Cost Disclosure

Investors all too often aren't aware of what they are paying for their investments or the impact those costs will have on their returns over time. The industry has not traditionally been much help in this regard. This issue was highlighted in a discussion paper on *Expanding Cost Reporting* issued by the MFDA. In [our comment](#) letter, the IAP recommended that a plain-language statement on the long-term compounded impact of fees should be part of all cost disclosure: *"Since the potentially significant effect of compounding is not intuitive, limiting disclosure to annual fees and other costs is not sufficiently transparent for most retail investors."* Instead, we advised the MFDA to look to the UK for an example of how to accurately provide this information in a way that is meaningful for investors and impactful on the decisions they make. We outlined this clearly in our comment letter and urged the MFDA to look further afield at best practices from other jurisdictions as guidance for this important policy.

The Rise of Technology

The IAP spent time during the year learning from industry experts about new and innovative technology that could disrupt the client-advisor relationship and the way investments are bought and sold. Robo-advisors in particular offer an interesting development in the advice landscape – their focus on access to advice at a low cost is ground-breaking in a country where change has been slow to come. Technology could be the next step in finally addressing the asymmetry that exists between investors and the industry and a true path to empowerment for retail investors in Canada.

Other Notable Submissions in 2018

MFDA Sanction Guidelines

During the year, the MFDA proposed new Sanction Guidelines “to promote consistency, fairness and transparency by providing a framework to guide the exercise of discretion in determining sanctions in MFDA disciplinary proceedings”. In [our response](#) we expressed our view that most of the Sanction Guidelines are relevant and appropriate considerations in a disciplinary context, however we noted they could be improved if their focus was broadened from promoting a fair and consistent disciplinary process to include achieving fair and equitable investor outcomes.

IIROC alternative forms of disciplinary action

The IAP took the opportunity to comment on IIROC’s public consultation on proposals designed to address disciplinary cases in a more appropriate and timely manner. In [our response](#), the IAP pointed out that the consultation paper would have benefitted from the inclusion of some historic IIROC enforcement data to allow commenters to better assess the potential impact of these proposals. We also felt the consultation paper lacked an explicit cost/benefit analysis. Given this deficiency, we were unable to endorse these IIROC proposals.

Eliminating trailing commission payments to OEO dealers

The IAP continued to urge securities regulators to eliminate trailing commission payments to order-execution-only (OEO) dealers. In [our response](#) to *Proposed Amendments to National Instrument 81-105 Mutual Fund Sales Practices and Related Consequential Amendments*, we stated plainly that “*the inappropriate and unwarranted practice of their receiving these commissions needs to be stopped.*” However, we recognized that trailer-free versions of all mutual funds are not yet available. As an interim measure, therefore, we recommended that OEO dealers rebate trailer fees to the client and arrange for conversion of the client’s unit holdings to a trailer-free version at no cost if and when it becomes available.

Non-GAAP financial disclosure

During the year, the CSA introduced *Proposed National Instrument 52-112 Non-GAAP and Other Financial Measures Disclosure* meant to promote more transparent and informative corporate disclosure. While **we expressed support** for the Proposed Rule and its heightened focus on current disclosure practices surrounding non-GAAP financial measures, we stressed that the success of this initiative will depend on continued allocation of sufficient resources at the compliance review and enforcement levels.

Soliciting dealer arrangements

Soliciting dealer arrangements are common in Canada, where bidders will often pay fees to dealers that incentivize securityholders to vote when security holder approval is required, or to tender securities connected to a merger or takeover bid. *CSA Staff Notice 61-303 and Request for Comment – Soliciting Dealer Arrangements* aimed to address conflicts of interest that can arise when fees are payable only when a securityholder votes in a particular way (success fees). In **our response**, we urged the CSA to ban success fees because we do not believe the conflicts of interest they engender can be managed.

Response to OSC Statement of Priorities 2018-2019

In our **response to the OSC's Statement of Priorities**, we supported the Commission's balanced agenda and key focus areas, particularly investor protection-focused initiatives such as title reform, proficiency requirements, and the implementation of a new Seniors Strategy to reduce the financial exploitation of older investors. The IAP also welcomed the introduction of educational outreach for new Canadians and the OSC's assumption of oversight of syndicated mortgages. We did however raise concerns about the slow pace of regulatory change and urged the OSC to prioritize the introduction of a best interest standard and targeted reforms as well as action on embedded commissions and compensation for harmed investors through OBSI.

The Year Ahead

In 2019, the IAP remains focused on supporting key investor protection developments as they move from the proposal stage and become concrete policy. We also will focus on three key initiatives that help promote the interests of retail investors and contribute to a healthy and well-functioning investment industry in Ontario:

Investor Empowerment

The IAP will continue to address the current imbalance between industry and investor influence by fostering national, broadly representative, and well-funded investor advocacy in Canada – advocacy positioned to participate in an effective and sustainable manner with government, regulators (including the new CCMR and the SROs) and industry in the development and articulation of future regulatory policy.

Mass Market Survey

The IAP will seek to obtain data that paints a picture of the advice being provided to mass market investors and the nature, extent, depth and frequency of that advice. We believe this initiative will clarify concerns over the emergence of an advice gap in Canada and the perceived risk that Canadian investors with small accounts stand to lose access to impactful advice once embedded commissions are removed and they are asked to pay directly for the advice they receive.

Horizon Project

We continue to explore how emerging disruptive technologies and other innovations may impact investor protection (either negatively or positively). In this context, the IAP will evaluate whether existing regulations:

- are adequate to protect investors when those disruptions occur, and
- will nurture, or impede, the investor protection benefits those innovations may be able to provide.

We are also interested to learn what technology is being developed – beyond robo-advisory portfolio management and open banking – that has the potential to help consumers comprehensively optimize all aspects of their personal finances, for example: investments, savings, financial planning, tax planning, cash flow, bill payment and debt management, mortgages, insurance and pensions, among others.

About the IAP

The IAP is an independent advisory panel to the Ontario Securities Commission.

Our Mandate

Our mandate is to solicit and represent the views of investors on the Commission's policy and rule making initiatives. In order to fulfill our mandate, the IAP will:

- Advise and comment in writing on proposed rules, policies, concept papers and discussion drafts, including the Commission's annual Statement of Priorities;
- Consider views representative of a broad range of investors through consultation with and input from investors and organizations representing investors in formulating its advice and written submissions to the Commission;
- Bring forward for the Commission's consideration policy issues that may emerge as a result of the IAP's investor consultation activities and comments on the potential implications for investors posed by those issues; and
- Advise and comment in writing on the effectiveness of the investor protection initiatives implemented by the Commission.

Investors are welcome to contact the IAP by email at:

iap@osc.gov.on.ca or by writing to:

Investor Advisory Panel
c/o The Investor Office
Ontario Securities Commission
20 Queen Street West, 22nd Floor
Toronto, ON M5H 3S8

Our Membership

The IAP is comprised of 9 members appointed by the Chair of the Commission following a public application process and on the advice of a selection committee consisting of two Commissioners and a Vice-Chair. Members of the IAP are appointed for terms of up to two years, with possible reappointment for one additional term.

How We Operate

The IAP meets monthly, either in person or by conference call. We maintain frequent contact between meetings to develop our written submissions and to share and exchange views on developments in securities law and other relevant matters. During our meetings, we discuss upcoming submissions and plans for future outreach, research and consultation.

Our work plan is set to a large extent by the Commission's priorities and current developments in the investment industry. Our meeting agendas often will focus on specific OSC initiatives, including the Commission's annual Statement of Priorities and business plan, policy and rule proposals, and ongoing or under-development investor protection initiatives.

Independence

The IAP conducts its activities without direction or influence from the Commission.

The OSC Investor Office serves as the general liaison between the IAP and the Commission and serves as secretariat to the IAP. The Investor Office provides administrative support to IAP activities and facilitates our requests for staff briefings or research information conducted by, or available to, the Commission on specific policy and rule-making initiatives.

Transparency

Transparency of our work is important. We provide regular reporting through our [Investor Advisory Panel website](#), through our published reports, submissions, letters to the Commission and our Annual Report. We publish all meeting agendas on our webpage.

Consultations

To assist us in fulfilling our mandate, we regularly consult with organizations and financial and legal experts, industry associations, and investor advocacy bodies.

IAP Members - 2018

Jacqueline Allen

Jacqueline Allen brings 25 years of experience in capital markets and financial services including tax, accounting and risk management. Her professional career spans from New York to Toronto with roles at KPMG, SK Group, and Bank of America Merrill Lynch. Ms. Allen most recently served as the Head of Portfolio and Electronic Trading Sales at Bank of America Merrill Lynch Canada, with a focus on institutional asset managers, pension funds and mutual funds investors.

Ms. Allen holds an MBA from the New York University Stern School of Business.

Larry Bates

Larry Bates has spent 30 years in the fixed income markets, holding key positions at major financial institutions in both Canada and the United Kingdom. He has recently shifted his focus to investor advocacy with the publication of his book, *Beat the Bank: The Canadian Guide to Simply Successful Investing*, focused on providing Canadians with a better understanding of investment basics.

Mr. Bates is the creator of the 'T-REX' score, which is a value used to express an investor's total investment gain after all fees are paid.

Paul Bates

Paul Bates has been a lawyer for over 30 years, with a diverse legal practice concentrating on complex commercial litigation, including securities litigation and claims against financial advisors and portfolio managers. He currently focuses on investor protection from the point of view of retail and institutional investors.

Mr. Bates has volunteered as a member of both the Consumer Council of Canada's Board of Directors and the Financial Services Tribunal's Legal Advisory Committee.

Patti Best

Patti Best is a former senior executive in the investment industry, bringing over 40 years of experience from client-facing senior-level positions with brokerage firms, mutual fund dealerships and investment fund companies. She has a diverse background in client relations, investment product operations and administration, as well as systems and product development.

In 2016, Ms. Best retired from her position as Senior Vice President, Client Experience from Mackenzie Investments.

Neil Gross, Chair

Neil Gross is the former Executive Director of the Canadian Foundation for Advancement of Investor Rights (FAIR Canada) and a lawyer with over 30 years of experience, focusing on investor protection issues. He currently runs Component Strategies, a consulting firm providing advice on public policy development, responses to capital markets regulation and initiatives that benefit the investment community by fostering professionalism in financial services.

Mr. Gross also serves as a director of a portfolio management firm, a member of a mutual fund company's independent review committee, a member of the Vulnerable Investor Task Force convened by the Investment Funds Institute of Canada and a member of the selection panel for the Portfolio Management Association of Canada annual award of excellence in financial journalism.

Malcolm Heins

Malcolm Heins is the former Chair of the Ontario Expert Committee to Consider Financial Advisory and Financial Planning Policy Alternatives, and the former CEO of the Law Society of Upper Canada. He is currently a director of Lawyers' Professional Indemnity Company, the Ontario Municipal Insurance Exchange, Cancer Care Ontario and a lawyer with over 40 years' experience, over which he has received numerous awards for his contribution to the legal profession, including the Law Society Medal from the Law Society of Upper Canada and the Metro Toronto Lawyers Association Award of Distinction.

Harvey Naglie

Harvey Naglie holds over 40 years of experience in both the public and private sectors, with a focus on financial services. He is a former Senior Policy Advisor for the Ontario Ministry of Finance's Financial Services Policy Division, where he participated in developing and implementing policies related to securities regulation and investor protection.

Mr. Naglie holds an LL.M. in securities law from York University, an MBA from the University of Western Ontario Ivey School of Business and an MA in economics from Johns Hopkins University. Mr. Naglie is a member of OBSI's Consumer and Investor Advisory Council.

Incoming Members

Daniel Brunet

Daniel Brunet has served as National Director on the Board of Directors for the National Association of the Federal Retirees since 2017. He previously served on the Disciplinary Council and Equivalences Committee of the Quebec Bar. Prior to his retirement from the Federal Public Service in 2014, he held various positions including: Director of Legal Services at the Office of the Information Commissioner of Canada and Crown Prosecutor for Gouvernement du Québec, Ministère de la Justice, and the Attorney General of Ontario.

Ilana Singer

Ilana Singer is the Vice-President and Corporate Secretary at the Canadian Investor Protection Fund. She is Chair of the Toronto Centre (TC) Securities Advisory Board, and a long serving multilingual TC Program Leader. She also serves as a Securities Expert for the International Monetary Fund, and was previously Chief Operating Officer and Deputy Director at FAIR Canada.

Ms. Singer has also held several positions at the OSC, including: Senior Advisor, International Affairs and Legal Counsel, Corporate Finance. She began her career over 20 years ago at McMillan LLP.

Outgoing Members

We would like to acknowledge and thank the following retiring members for their contributions and service on the IAP:

Letty Dewar

Louise Tardiff

The IAP in 2018

Consultation – External Organizations

Canadian EFT Association (CETFA)

- **Pat Dunwoody**, Executive Director

Consumers Council of Canada

- **Ken Whitehurst**, Executive Director

Financial Planning Standards Council (FPSC)

- **Damienne Lebrun-Reid**, Managing Director, Standards

Financial Services Regulatory Authority (FSRA)

- **Cathy Mallove**, Communications Consultant
- **Sandy Roberts**, Special Advisor
- **Mark White**, CEO

Investment Funds Institute of Canada (IFIC)

- **Paul Bourque**, President and CEO

Investment Industry Regulatory Organization of Canada (IIROC)

- **Lucy Becker**, Vice-President, Public Affairs and Member Education Services
- **Sandra Blake**, Vice-President, Business Conduct Compliance
- **Doug Harris**, Vice-President, General Counsel and Corporate Secretary
- **Marianne Harris**, Chair of the Board
- **Andrew Kriegler**, President and CEO
- **Elsa Renzella**, Senior Vice-President, Registration and Enforcement

Kenmar Associates

- **Ken Kivenko**, President

Mutual Fund Dealers Association (MFDA)

- **Shaun Devlin**, Senior Vice-President, Member Regulation, Enforcement
- **Karen McGuinness**, Senior Vice-President, Member Regulation, Compliance
- **Ian Strulovitch**, Director, Public Affairs

Questrade

- **Mary Joyce Empensando**, Chief Compliance Officer

Consultation – Ontario Securities Commission Staff

Discussed the following topics:

- Behavioural Insights
- Best Interest Standard
- Client Focused Reforms
- CMRA
- CSA Staff Notice 81-330 *Status Report on Consultation on Embedded Commissions and Next Steps*
- IIROC Oversight Report
- Investor Research
- Seniors Strategy
- MFDA Oversight Report
- OSC Staff Notice 33-749 Compliance and Registrant Regulation – Annual Summary Report for Dealers, Advisers and Investment Fund Managers
- Proposals on Non-GAAP and Other Financial Measures
- Women on Boards

The IAP met with the following branches:

- Chief Accountant's Office
- Commissioners' Office
- Compliance and Registrant Regulation
- Corporate Finance
- Enforcement
- Executive Office
- General Counsel's Office
- Investment Funds and Structured Products
- Investor Office
- Market Regulation

Submissions and Letters

- **November 30, 2018**
Proposed Amendments to NI 81-105 *Mutual Fund Sales Practices and Related Consequential Amendments*
- **November 20, 2018**
Proposed NI 52-112 *Non-GAAP and Other Financial Measures Disclosure*
- **October 16, 2018**
Client Focused Reforms: Proposed Amendments to NI 31-103 and Companion Policy NI 31-103CP
- **September 14, 2018**
Response to Request for Comments on Proposed Amendments to the Standards of Professional Responsibility - Conflicts of Interest
- **August 20, 2018**
CSA Staff Notice 81-330 *Status Report on Consultation on Embedded Commissions and Next Steps*
- **June 14, 2018**
Response to Request for Comment on Proposed MFDA Sanction Guidelines

- **June 13, 2018**
Comments on Proposed Amendments to MFDA Rules 1.2 (Definitions), 1.2.6 (Continuing Education), and MFDA Policy No. 9 - Continuing Education (CE) Requirements
- **June 13, 2018**
Response to MFDA Discussion Paper on Expanding Cost Reporting
- **June 7, 2018**
CSA Staff Notice 61-303 and Request for Comment - *Soliciting Dealer Arrangements*
- **May 8, 2018**
CSA Staff Notice 31-353 - OBSI Joint Regulators Committee Annual Report for 2017
- **April 27, 2018**
OSC Notice 11-780 - *Statement of Priorities for 2018-2019*
- **April 26, 2018**
Response to IIROC's Request for Comment on Enforcement Alternative Forms of Disciplinary Action
- **April 25, 2018**
2017 Annual Report of the OSC's Investor Advisory Panel
- **April 23, 2018**
Comments on 2017 OBSI Annual Report
- **April 18, 2018**
OSC Staff Notice 11-779 *Seniors Strategy*
- **April 16, 2018**
Response to Regulation of Financial Planners – Consultation Paper

