



February 22nd 2013

By Electronic Mail: comments@osc.gov.on.ca consultation-en-cours@lautorite.qc.ca

British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Financial Services Commission
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
New Brunswick Securities Commission
Superintendent of Securities, Prince Edward Island
Nova Scotia Securities Commission
Superintendent of Securities, Newfoundland and Labrador
Superintendent of Securities, Northwest Territories
Superintendent of Securities, Yukon Territory
Superintendent of Securities, Nunavut

The Secretary
Ontario Securities Commission
20 Queen Street West, Suite 1903, Box 55
Toronto, ON M5H 3S8

Me Anne-Marie Beaudoin
Corporate Secretary
Autorité des marchés financiers
800, square Victoria, 22e étage
C.P. 246, tour de la Bourse
Montréal (Québec) H4Z 1G3

Dear Sirs / Mesdames:

RE: Canadian Securities Administrators Consultation Paper 33-403: *The Standard of Conduct for Advisors and Dealers: Exploring the Appropriateness of Introducing a Statutory Best Interest Duty When Advice is Provided to Retail Clients*

Founded in 2000, the Association of Canadian Compliance Professionals (“ACCP”) is an organization representing over 100 individuals across Canada who have chosen

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compliance as their career and who are dedicated to improving compliance operations within the financial services industry.

The ACCP wishes to advise that it agrees with and supports the comment letter submitted to you by the Federation of Mutual Fund Dealers on February 22nd (attached for your information) with respect to the above captioned Consultation Paper (the "Paper")

In particular, we are in full agreement with the following comments made by the Federation:

- *"A clear definition of 'best interests' and the proposed 'fiduciary standard' in context are absolutely essential so that the industry understands what the differences are on the practical side as well as the settlement side i.e. fiduciary differences on product-selling/selecting versus advice-providing activities."*
- *"Contrary to the Paper's contention that the CSA "is mindful that potential cost increases for such advisors and dealers may occur" we do not believe that the CSA is prepared to accept the real, and significant costs to the industry and ultimately to the client. This is evidenced by the Paper's contention that "Although a precise cost-benefit analysis is not feasible at this stage..." The CSA has yet to provide a cost benefit analysis to any proposed policy in spite of the statutory requirement to do so. We would argue that the CSA could avoid The SEC's misstep and demonstrate first where the harm is/what is broken currently, and second, as we have requested in other submissions to the CSA, conduct your own cost benefit analysis based on the Canadian market experience and would remind you of the statutory obligation to provide such an analysis with proposed policies."*
- *"As the cost to bring any product to market rises the inevitable occurs; the product is priced beyond what some consumers may be able to afford or want to pay for. This is a real concern for us and should be for the CSA if investor protection is at the heart of what we do. The small and arguably unsophisticated and perhaps financially illiterate investor will not be able to afford the fees associated with investing and advisors will not be able to service accounts under a certain amount. This watermark will vary from firm to firm however, it will be there. This particular 'unintended consequence' should not be acceptable to anyone. And we would agree with the "SIFMA Study, retail investors would experience "reduced product and service availability and higher costs" under a uniform standard of care for investment advisors and broker-dealers "that does not appropriately recognize the important distinctions among business models."*

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We appreciate the opportunity to provide comments. Should you have any questions or concerns do not hesitate to contact the undersigned.

Regards,

A handwritten signature in black ink, appearing to read 'Skegie', is written over a light blue circular background.

Sandra L. Kegie,
Executive Director

Attach.