



BICK FINANCIAL SECURITY CORPORATION

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Joint Forum of Financial Market Regulators
Acting Policy Manager
Joint Forum Project Office
5160 Yonge Street
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North York, Ontario
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jointforum@fscsco.gov.on.ca

Dear Sirs/Mesdames:

**Re: Proposed Framework 81-406 Point of Sale Disclosure for Mutual Funds
and Segregated Funds – Published for comment on June 15, 2007**

We at Bick Financial Security Corporation ("BFSC") appreciate the opportunity to provide further comment regarding 81.406 and hope that we continue to identify better and workable solutions around the delivery of the much needed improved disclosure.

We submit the following points and hope that the Joint Forum will take them under consideration;

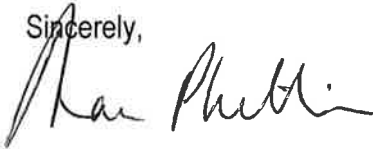
1. The nature of the fund facts document requires that each series of fund will require a separate fund facts document. In a climate where there is downward pressure on the expense ratio of mutual funds, we cannot in all conscience support a proposal that will create a more costly product for our clients. We believe there is a workable solution that can deliver a clear disclosure document without driving up the product cost unnecessarily. This is an unnecessary product increase to our clients and their rate of return will suffer as a result. Furthermore, compliance must then supervise not only if the fund facts was delivered – was the *correct version* delivered.
2. Although we expect that the Joint Forum will allow electronic delivery of the POS, the compliance requirement to provide this disclosure has now shifted to the Advisor. Dealers will need to document and store evidence of delivery for each initial purchase. The infrastructure of human capital, compliance and technology will be crippling to small Dealers and create further unfairness in the Distribution Channels. The reason why there is unfairness in the Distribution Channel is that in the client name environment, this initial delivery can and will be evidenced on the trade ticket by way of client signature. In the nominee environment such a signature is not required. (In fact the fund fact does not require a client signature to evidence delivery). This causes further compliance requirements for nominee environment Advisors. This is an inequitable distribution regulatory burden. What will happen here is very clear. Due to the burdensome

compliance requirements shifted to the Advisor, Advisors (in other distribution channels outside of the MFDA) may choose alternative products for their clients to avoid the compliance burden. As a result, there will be a severe impact to the manufacturing business.

3. Due to the burdensome compliance and supervision requirements, Dealers will be forced to limit their shelf space which results in limiting investor choices. Surely this is contrary to the intent of the proposal.
4. Where we appreciate the need for improved disclosure, we see little difference of "point of sale" and receipt of delivery (transaction confirmation). If the intent of the rule can allow the advisor to sell the product and hand over the fund facts document at the same time, surely the client is not reading the document right then and there. (The advisor has already explained verbally the main components and cost of the product). What is the difference here? There must be a reasonable work around solution.
5. This framework only applies to the sale of mutual funds and segregated funds and does not apply to any other security in the investment industry. This is an unfair and discriminatory practice.

BFSC welcomes the opportunity to comment further on this proposal and will lobby continuously until the Joint Forum understands that, in the current form, the point of sale proposal is a real detriment to Investors, Manufacturers and Distributors.

Sincerely,



Marie Phillips
Chief Compliance Officer
Bick Financial Security Corporation

Cc BFSC Advisors
Ontario Securities Commission
Ted McMeekin MPP Ancaster, ON
David Sweet, MP, Ancaster ON