

VIA E-MAIL: gsmith@bcsc.bc.ca, consultation-en-cours@lautorite.qc.ca

February 13, 2012

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

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Re: CSA Staff Consultation Notice 45-401 – Review of Minimum Amount and Accredited Investor Exemptions

We are writing to provide comments to CSA Staff Consultation Notice 45-401 – Review of Minimum Amount and Accredited Investor Exemptions, published November 10, 2011.

We appreciate the opportunity to provide comments at this time. Rather than comment on each question specifically, we are providing our response to you in general terms.

Corporate Overview

Independent Planning Group Inc. is an independently owned Canadian level four mutual fund dealer and EMD. We sponsor mutual fund licenses for approximately two hundred financial advisors and manage \$2.5 Billion of assets with approximately 63,000 client accounts. Our average account size is \$39,682.

We have an affiliated company, IPG Insurance Inc., which is a managing general agency (MGA) for life insurance and living benefit products such as disability insurance.

The majority of our 200 financial advisors are dual licensed for mutual funds and life insurance. They are permitted to place their insurance business through several MGA's.

Adjustments to Minimum Amount Exemption and AI Exemption

At this time we do not feel that any changes to *lower* the current minimum exemption amounts are necessary. In fact, perhaps consideration should be given towards increasing the minimum exemption levels so as to keep up with the changes in inflation that have occurred since these minimum levels were established.

EMD's Selling Prospectus Qualified Securities

EMD's should be prohibited from selling prospectus qualified securities such as mutual funds and exchange traded funds to accredited investors. Currently, EMD's are able to hold themselves out as full service financial product providers and sell the same products as MFDA and IIROC dealers without being subject to the same level of regulation and oversight. This creates an uneven playing field in the industry and additional risks for investors.

Disclosure at Point of Sale

In our experience we have seen many complex, high risk, and illiquid products being sold through the EMD channel. We agree that enhanced and specific disclosure at point of sale would go a long way towards protecting the interests of all parties.

Please feel free to contact me with any questions.

Sincerely,

Vince Valenti
President
Independent Planning Group Inc.