Via email August 16th, 2016

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CANADIAN SECURITIES ADMINISTRATORS CONSULTATION PAPER 33-404 PROPOSALS TO ENHANCE THE OBLIGATIONS OF ADVISERS, DEALERS, AND REPRESENTATIVES TOWARD THEIR CLIENTS

http://www.osc.gov.on.ca/en/SecuritiesLaw_csa_20160428_33-404_proposals-enhance-obligations-advisers-dealers-representatives.htm

In the past, I have contributed to a number of CSA consultations and I am pleased to see some of the ideas for improvement finally taking shape. I am also glad to see the viability of the OSC IAP and the OSC's establishment of a Seniors Expert Panel.

I am a retired senior who has endured the advice and the dispute resolution processes so I have first hand experience of what I speak. I appreciate the opportunity to provide the CSA some real world feedback in the hope it will assist in the deliberations.

However, I am somewhat dismayed that the CSA still have a need to request the public's assistance in resolving the subjects covered in the CONSULTATION PAPER 33-404 when, 3-years ago in 2003, the CSA put out CONSULTATION PAPER 33-403 covering much of the same "Best Interest Duty" territory which does not appear to have been resolved. Here is my 2003 CSA 33-403 submission.

https://www.lautorite.qc.ca/files/pdf/consultations/anterieures/valeurs-mobilieres/commentaires_33-403/P-Y-Whitehouse_33-403.pdf

I trust that my views expressed in this latest 33-404 consultation will influence a change in the enforcement disciplines that are so badly needed.

More than ever before, Canadians are increasingly obliged to seek financial advice to compensate for a lack of employer-sponsored pension plans and to take advantage of government-sponsored savings programs for individual savers such as the Registered Educational Savings Plan (RESP), the Registered Retirement Savings Plan (RRSP) and the Tax-Free Savings Account (TFSA). As the needs of investors have changed, so too has the retail investment business, which now offers new and complex products and services including " advice".

At the same time, interest rates and market returns are well below historic levels making the need for professional advice more important than ever. The only financial advice from Investment Dealers that should exist is advice t**hat can be trusted and is free from conflicts of interest.** As this has been universally demonstrated not to be the case, "Best Interests" will drive a strong firm culture and ethos to do the best for clients, something a suitability regime has demonstrated it is wholly incapable of. A "Best Interests" standard is needed . Best interest requires more than a set of rules and regulations, such as the CRM rule framework, buttressed with the proposed targeted reforms. A complete change of firm culture, behaviour and values is required. Tampering around the edges will not provide the necessary level of investor protection that is so badly needed.

It's a given that financial literacy is poor, and the consequences are particularly evident among seniors. They represent one in six Canadians, but because of their higher accumulated wealth and greater vulnerability they account for two in six Canadian victims of shady practices. When a financial loss occurs for a senior the impact can be life altering as the time to recover from a loss is limited. A Best interests standard is needed since the suitability regime has totally failed to protect investors in general and seniors in particular. The CSA provides ample research evidence to this effect.

A recently released study from Vanguard "*Change and opportunity ahead for Canada's financial advice industry: Vanguard Global Advisor Trends"* report found that when asked about the impact of regulatory changes in Canada, including the implementation of Client Relationship Model reforms (CRM), advisors listed greater client communication, demonstration of value and increased trust as some of the positive benefits. Among the negatives, advisors listed decreased profitability and reduced total compensation as their top worries in adapting to the new regulations. Advisors see the industry moving from commission-based business models emphasizing investment selection and specific products to a more holistic fee-based approach that incorporates wealth management best practice.

The overwhelming majority of respondents see a shift towards fee-based practices (98%) with 83% believing it is better for their practice while three-quarters of advisors (76%) feeling that fee-based advice is better for their clients."Financial advisors play a fundamental role in providing Canadians with valuable financial advice. But their business model is changing with many advisors shifting towards fee-based business models driven in part by the implementation of Client Relationship Model reforms," said Jason McIntyre, head of distribution for Vanguard Investments Canada Inc. "Advisors see this as a positive development that can lead to greater client trust, fee transparency and an opportunity to communicate value."

https://www.vanguardcanada.ca/advisors/articles/vanguard-news/news-from-vanguard/gat-press-release.htm?lang=en

There has never been a time when trustworthy financial advice is needed more. Increased product complexity, the decline of Defined Benefit pension plans, higher taxes, age demographics and increased longevity have created the perfect storm. It would be irresponsible for Regulators to ignore the realities facing the retirement security of Canadians.

The CSA Consultation paper makes the disturbing observation that: **"The self-regulatory and industry organization investor complaint experience shows there is consistent and ongoing non-compliance with many of the current key regulatory requirements, with the unsuitability of investment recommendations being the primary basis for complaints to OBSI for the past five years, case assessment files for IIROC for the past three years and allegations in MFDA enforcement cases for the past three years".**

The consultation paper also reminds us that there is no explicit requirement to consider product/account costs against the client's investment needs and objectives **and that there is no explicit requirement that the original KYC information, and any material change, is confirmed in writing with a signed copy provided to the client** . We're also told that there is no explicit requirement to consider the investment strategy and other basic financial strategies as part of the product-focused suitability analysis. In effect, we are told the advice provided today is shaky.

In addition , the CSA cite a 2015 OSC IAP paper on risk profiling. In the report, ***Current Practices for Risk Profiling in Canada and Review of Global Best Practices*****,** PlanPlus found many gaps and inconsistencies in how firms approach client risk profiling, the cornerstone of suitability. Specifically, only 11% of firms could confirm that their questionnaires (where they had one) were 'validated' in some manner and only 16.7% of questionnaires reviewed would be considered 'fit for purpose' -- they have too few questions, poorly worded or confusing questions, arbitrary scoring models or outright poor scoring models.

It's not just weak risk profiling that's an issue- the KYC process itself is broken. A defective KYC opens up the opportunity for inappropriate advice to investors.

The Small Investor Protection Association has issued a Report ***The Know Your Client Process Needs an Overhaul***
http://sipa.ca/library/SIPAsubmissions/500%20SIPA%20REPORT%20-%20KYC%20Process%20Needs%20Overhaul%20-%20201607.pdf

This Report summarizes the deficiencies and suggests areas for improvement. Some but not all are included in the proposed targeted reforms.

As a further reference, back in 2004, CARP published a 20-page Report and Recommendations entitled, **"GIVING SMALL INVESTORS A FAIR CHANCE".** This Report detailed many of the inadequacies that needed fixing to reform the mutual fund industry in their relationship to investors. It makes a good read. Judging by recent experiences of documented failures of the regulatory system, it seems that after 12-years, there is still much work to be done.
http://www.osc.gov.on.ca/documents/en/Securities-Category5-Comments/com_20040101_52-111_buells.pdf

Here are some regenerated ideas for improving the client-advisor relationship:

1. Provide Details on Advice service - Investors must be informed as to the nature, scale, scope and limitations of the advice they will receive for the fees paid. It is insufficient for a disclosure merely to state the firm "may" limit investment recommendations without specifically disclosing the extent to which the firm in fact does so. There should be a documented finding that the limitations and restrictions do not prevent advisors from providing advice in those investor's best interest. Greater clarity will allow retail investors to make more informed decisions of the type and level of advice they need, if they need personalized advice at all, or if the cost brings sufficient value. Approved Outside Business Activity should be articulated on the CSA registration check system so clients are made aware of the potential pitfalls .

2. Abusive Sales Practices are not uncommon - I am unfamiliar with NI81-105 *Mutual Fund Sales Practices* but I doubt that the guidance is sufficient given all the imaginative compensation and non-financial inducement approaches that have been introduced since NI81-105 was released in 1998. It is very important that regulators routinely enforce NI81-105 violations and are seen to be doing so.

As a senior I am particularly concerned about “Free lunch” seminars, false advertising, commission grids and deceptive titles like Seniors Specialist or Retirement Expert.

The CSA should narrow down the list to a few meaningful titles and **enforce** their use.

As a mutual fund investor, I am concerned that the deceptive disclosure of risk in Fund Facts will lead seniors into the wrong investments. These ratings have been demonstrated to be misleading, incomplete and not robust, but are used in pre-sale solicitations to justify fund purchases and during complaints to justify risky investments. Equating volatility to risk is nonsense.

3. Best Interests - I support the statutory Best Interests proposal –it is long overdue. The CSA can't possibly create detailed rules to cover every possible client-advisor interaction. That is why I support an overarching BI standard governing the relationship between clients and their advisors . The defined principles should assist in the interpretation of specified rules and well as acting as a effective guide in addressing unique situations, new products or the constantly evolving market place .

4. Dealer Complaint Handling - I believe that much better redress mechanisms are needed. Current dealer complaint handling is adversarial and unfair to complainants. The IIROC complaint handling rules need to reflect today’s investor protection needs.

The problem with the present IIROC complaint handling policies is that they have unbridled discretionary freedom to **NOT** review and investigate complaint cases which they deem to be of lesser importance. This is even when a complaint is supported with legitimate evidence of wrongful acts with violations of Securities Regulations, Laws, Rules and Guidelines by an Investment Dealer and/or its "Advisor" employees. From experience, once IIROC have made a complaint rejection at a lower management level, every management level upwards, right to the top, still **unjustifiably** protects the lower level views. With the IIROC lack of interest to acknowledge that such cases need their attention, one has to wonder exactly how much dedication to adjudication fairness and competence and job description obligations goes with this operation.

It is interesting to note that our personal criticisms of the IIROC operating culture cannot be interpreted as sour grapes. Please refer to the below link which is a response letter from the OSC Investor Advisory Panel (IAP) to the recent IIROC request for public comments on the IIROC Strategic Plan. The IAP August 8th 2016 letter submission confirms that there are IIROC systemic policies and practices that are badly faulted that need to be fixed.
Here is the link -

http://www.osc.gov.on.ca/documents/en/iap_20160808_comment-letter-iiroc.pdf

As regards the OBSI, according to the OBSI independent reviewer's report , in 2015, 18% of non-backlog complainants who OBSI considered should receive compensation received less than OBSI recommended (on average $41,927 less); including 3.5% who were at risk of receiving nothing. When OBSI is not involved and retail investors are on their own the figures must be frightening. This is why the present regulatory system is not providing clients the anticipated regulatory outcomes. Fair and timely complaint investigation is a critical dealer obligation to clients and is entirely consistent with a Best interests Standard of Care.

Furthermore, the OBSI August 9th 2016 news release explaining that an Investment Dealer has, and is able for the fourth time to reject the OBSI recommendation for restitution, makes a farce out of the SRO oversight redress in the Canadian system. Here is the news release -

https://www.obsi.ca/en/news-and-publications/refusal-to-compensate/sentinel-financial-management-aug2016

The footnote to this OBSI news release reads, "OBSI has an excellent record of acceptance of recommendations from both firms and complainants: over 99% of the thousands of complaints brought to our office have been successfully resolved" This is an astounding claim that needs to substantiated with statistics because there are two unrelated claims that are enjoined in this one statement which could be construed as being confusing and questionable. One talks about "acceptance of OBSI recommendations" and the other talks about "over 99% of the thousands of complaints brought to our office have been successfully resolved".

First it says, "OBSI has an excellent record of acceptance of recommendations from both firms and complainants" - QUESTIONS: How many recommendations for restitution did OBSI make ? How many were successful ?

Second it says, "over 99% of the thousands of complaints brought to our office have been successfully resolved" - QUESTION: The veracity of this statistic needs to be validated. How many complaints were filed with OBSI in the past 5-years ? How many complaints did OBSI determine to be valid and were successfully resolved ? How many complaints did the OBSI determine to be invalid complaints and were rejected by OBSI ?

Regarding Bank internal "Ombudsman" -, Bank- owned dealers should **NOT** be permitted to direct victims to internal Bank "Ombudsman ". There are too many opportunities for abuse in that approach, it eats up valuable limitation clock time and keeps a number of victims away from the independent Ombudsman OBSI. Allowing Bank-owned Investment Dealers to direct complainants to the Bank internal Ombudsman is an **extension of abuse through the imbalance of power and control used by the Dealer,** against the disparity of the limited resources of most small unsuspecting investors.

5. Know Your Client - In various OSC and IIROC sweeps, **r**egulators have identified inadequate collection, documentation, and updating of Know Your Client (KYC) information as an issue, saying that it "continues to be a significant and common deficiency" in the industry.

Compliance reviews found delinquent advisors who **did not** collect data about their clients' other investments, among other pieces of critical information. Without such information, the OSC cautions that "a registrant [the "Advisor"] does not have an adequate understanding of the client's financial situation and whether the proposed transaction may result in undue concentration risk in securities of a single issuer, group of related issuers, or industry.

This whole KYC documentation process is totally undisciplined by the Regulators. I can attest to that observation. At the time our "Advisor" opened up our new RRIF accounts with the TD Waterhouse Investment Dealer, ***the "Advisor"*** manually completed a form entitled "Investment Advice Account Application"

On page-2 of the Application is a small sub-heading reads "Your investment and Financial Information". **This is supposed to be the KYC information.** There is no mention that this is a combination account application with a limited smattering of personal financial information that will be used to determine the type and appropriateness of RRIF investments to be sold to us by the "Advisor". **This limited information is devoid of vital personal information on which to more accurately judge the right kind of RRIF risk and investment objectives.** No other personal information was gathered and documented, yet the "Advisor" wrote in the Application document that 50% of our investments should be High Risk and 50% should be Low Risk. This kind of influence from the TDW PIA Investment "Advisor" raises questions about the correctness when we were 70 and 72-years old and going into the distribution phase of our RRIF investments. There were serious detrimental consequences for us due to this lack of thoroughness and deception on which I will not digress to at this time.

While it may be said that this is past history and the CSA are looking for advice going forward, where were the Regulators 10-years ago when they did not lay down rules of documentation, so that there was one set of standard wording formats and documents that all Investment Dealers were mandated to use ?

The solution - In order to protect the best interests of the investor, the CSA should create a requirement for a more controlled and effective documentation that all Advisors are legally required to complete. There should be three separate documents created **with the titles as shown and *completed in the following order.*** The investor would sign these forms and the Investment Dealer Management would sign confirming the Dealer is satisfied with the information contained therein (This then clearly places future accountability and responsibility on Dealer Management). Completed copies would be supplied to the investor and the investor would sign acknowledging receipt thereof.

Here are the suggested forms -

A. New Account Application Form - This form shows the account number, defines the type of account, name, address, etc. and the name of the Dealer Representative, etc.

B. Investor Personal Investment Portfolio Profile- In addition to identifying name, address, etc.,there should be a questionnaire of information of the investor's financial assets, liabilities, investment preferences, investment goals, income needs, investing personality, taxes, etc., (I am prepared to provide a more comprehensive list)

C. Know Your Client (KYC) - This is the form that is used by the "Advisor" to interpret the information gleaned from the investor in the #2 form. The interpretation details defined on this form will be the principles used to make appropriate and suitable investments by the "Advisor" on behalf of the investor. **The Advisor would sign this document under a pledge to place the investor's best interests ahead of the Advisor's own self-interests.**

The wording of the details and layout included in the above described standardized documents and questionnaire would be authored by the CSA for consistency. In this way, all members of the financial services industry would measure the investor's investment influencing characteristics with the same precise details. At the same time it should reduce the laxity by some Investment Dealer Advisor employees, which in turn results in adversarial situations that are detrimental to the investor's "Best Interests".

6. Suitability - The suitability definition means that high cost marginally suitable products can be sold to Canadians free of any chance of accountability. The fuzzy nature of suitability boundaries is not appropriate for 21st century advice giving . More often than not, it really just boils down to not providing unsuitable recommendations. The wide spectrum of "suitable "choices complicates complaint disputes for investors. Shrewd dealers are immunized from accountability in all but the most obvious cases of unsuitable advice. Since it doesn't include product cost, a key parameter in determining portfolio performance it has led to the use of more expensive products .

7. Increase advisor Proficiency - When there are no appropriate proficiency standards, a "Best Interest" standard is meaningless. Proficiency should include analytical competency and skills to translate KYC information into good financial plans and cost-effective portfolios. Advisors need training in how to develop and document an Investment Policy Statement (IPS), a key tool in improving client-advisor communications. However, there is still the issue of dealing with an "Advisor's" IPS that promises principles of "trust" and "ethics", but then fails tp deliver on the promised principles. **For retirement accounts advisors need additional training to competently advise on de-accumulating accounts like RRIFs.**

8. Knowledge of Tax Code - Tax issues are integral to a KYC/suitability analysis. Non--investment considerations such as tax, government benefit programs and estate planning are also becoming key aspects of the advice relationship. With Canada's high tax rates, income taxes must be a key consideration in investment decisions including account location.

9. OBSI - As regards OBSI, I totally support the Independent Reviewers Report namely: https://www.obsi.ca/assets/2016-Independent-Evaluation-Investment-Mandate-1465218315-e9fa5.pdf The recommendations show the needs and wants of retail investors. Name and Shame and lowball offers make it clear just how the industry thumbs their noses at the regulators and how this harms investors.

I certainly hope the CSA and the OBSI Board will adopt these well researched recommendations, especially the one regarding binding decisions, as part of an integrated approach to improving the client-registrant relationship.

10. Regulatory arbitrage - There are published reports that dual licensed "advisors" appear to be moving client assets to Segregated funds that are more loosely regulated and have less demanding reporting and disclosure requirements. Regulators should take steps to curtail this practice by making enforcement policies with insurance regulators.

In Summary - I believe the planned targeted reforms accompanied by the proposed Best interests principles will go a long way towards making the taking of advice more safe for retail investors. As noted by the CSA, many of the required actions are not routinely being applied to protect investor savings. Dealers will also have to make some investments in better tools and IT systems if they wish to match the promises made in their wealth management marketing materials.

Dealers need to be held accountable for the actions of their representatives. Wrist slap fines and a overweighting of mitigating factors over aggravating factors is not making the industry any better. And of course, the sanctions against individuals do not get at core problems and when the fines remain uncollected, the entire regulatory regime loses credibility and investor trust. The deterrence value is zero, possibly negative .Finally, the entire system breaks down when OBSI is shamed by its inability to act as a true Ombudsman and victims fail to obtain a fair resolution of their complaints. Major reforms are needed if the wealth management industry is to be trusted. With the rapid increase in seniors and other vulnerable investors, we are headed for a real crisis if the known problems aren't attended to with a real sense of urgency.

Canadians have been exposed to relentless industry stonewalling and abuse. Definitive action is needed in 2016 after more than a decade of waffling by regulators- there is more than enough information and hard facts to make the necessary regulatory reforms as other counties have already done. The time for regulatory reform is NOW. It is in the Public interest to take Steps to protect retail investors by introducing a Best interests standard and increased advisor proficiency. The status quo is simply unacceptable. We remain optimistic that even if the CSA won't do it- Ontario/OSC will.
I sincerely hope this feedback will be of use to the CSA in amending NI31-103.

I agree to public posting of this Comment Letter.

Sincerely,

Peter Whitehouse

HERE ARE SOME RESEARCH DOCUMENTS

The Canadian Securities Administrators 2016 Investor Education Survey https://www.securities-administrators.ca/aboutcsa.aspx?id=1475 revealed that there has been a steady increase since 2006 in the percentage of Canadians working with a financial advisor, from 43 per cent in 2006 up to 56 per cent this year. Assuming there are 12 million Canadian investors, this means that over 6 million Canadians are entrusting their life savings cash with an advisor.

Retirement Security - theZoomer: Television For Boomers With Zip!
Great feature story on advisors and retirement security - Lawyer Harold Geller, Alan Goldhar, Keith Ambachtsheer, John DeGoey, FPSC's Cary List and Peter Whitehouse (me) explain the sorry situation. A strong argument for "Best Interests" is made.

http://www.thezoomertv.com/videos/retirement-security/

Some of the following are repeat references from other Submissions sent to the CSA -

CARP calls for a Fiduciary Duty for advice givers
http://www.carp.ca/wp-content/uploads/2013/12/CSA-Consultation-Paper-33-403-Fiduciary-Duty.pdf?e4b50d

The Best Interests Advice Standard - Canadian MoneySaver
https://www.canadianmoneysaver.ca/the-best-interests-advice-standard/

advisor.ca **REGULATORY ARBITRAGE: HOW BANNED IIROC AND MFDA ADVISORS CAN STILL SELL INSURANCE**
http://www.advisor.ca/news/industry-news/hidden-in-plain-sight-how-banned-iiroc-and-mfda-advisors-can-still-sell-insurance-207496 cross sector enforcement and collaboration is weak. Among other things the investigation identified nine cases between 2013 and 2015 where reps were permanently banned by their securities SRO but remained authorized to sell life insurance products for periods ranging from six months to years after. Of those nine, six are still authorized to sell today (June 14, 2016).

A Guide For Seniors :Protect Yourself Against Investment Fraud
https://investor.gov/sites/default/files/guideforseniors_0.pdf

Suitability , Minimum standards and Fiduciary Duty : Andrew Teasdale CFA
http://www.moneymanagedproperly.com/newsletters/Suitability,%20Minimum%20Standards%20&%20Fiduciary%20duty.pdf

Is Conflicted Investment Advice Better than No Advice?
https://www2.bc.edu/~reuterj/research/ORP_201503.pdf

Protecting Senior Investors : IIAC
http://iiac.ca/wp-content/uploads/IIAC-Working-to-Protect-Senior-Investors.pdf

Failure to address suitability processes is in itself a breach of a regulatory fiduciary duty : A. Teasdale CFA . http://blog.moneymanagedproperly.com/?p=1977

Many Canadian investors unaware of fees they're paying to invest: Tangerine

"..When the survey narrowed in on the 67 per cent of investors who use a financial advisor, 24 per cent of those surveyed said they don't pay fees or commissions for their advisor's services, and another 13 per cent were unsure. Furthermore, of those who were aware of fees for their advisor's services, when asked how well they understood the fee structure, nearly 40 per cent said "not very well" or "not at all." This lack of knowledge around investing fees may help explain why Canadians pay some of the highest mutual fund fees in the world, and also why industry regulators have been phasing in a series of reforms called CRM2 over the past three years, designed to bring more transparency and disclosure to the industry.

The most significant requirements of CRM2 come into effect on July 15, 2016 and will result in investors receiving two new annual reports from their investment dealer later this year.

One report details the specific account charges and dealer compensation associated with their investments, and the other provides visibility to investors' personal portfolio performance...." http://www.newswire.ca/news-releases/many-canadian-investors-unaware-of-fees-theyre-paying-to-invest-586603691.html

"**Held to a Higher Standard" – Should Canada's Financial Advisors Be Held to a Fiduciary Standard?** The implementation of a fiduciary standard would have widespread implications for the financial industry, as advisors would be required to ensure that all recommendations were in the best interest of their clients, including the minimization of all fees and expenses, which is typically at odds with the advisor's goal of maximizing revenue from a client account. This literature review will explore the various issues associated with the fiduciary standard debate in Canada, with commentary, analysis, and perspectives from both the consumers and providers of financial advice. It also includes findings from a variety of academic sources on the subject of a fiduciary standard, and its potential impact on the financial advice industry. http://dtpr.lib.athabascau.ca/action/download.php?filename=mba-15/open/punkon-aprj-final.pdf

TR14/4 – Risks to customers from financial incentives – an update –U.K. Financial Conduct Authority
https://www.fca.org.uk/news/tr14-4-risks-to-customers-from-financial-incentives

The Flaws In Canada's Financial Adviser System
http://www.highviewfin.com/blog/the-flaws-in-canadas-financial-adviser-system/

Why A Fiduciary Standard For Investment Advisers Is Urgent And Crucial
http://faircanada.ca/wp-content/uploads/2012/06/Why-A-Fiduciary-Standard_-Kivenko.pdf

OSC Investor Advisory Panel Survey Findings on Adviser/Investor Relationship (2013)

Highlights of the study include:

- While investors generally trust the advice of their financial advisors, two things highlight the scepticism that many investors feel. Only 20% of investors strongly agree that they generally trust their financial adviser's advice and 25% strongly agree (39% agree- 64% overall) that how a financial adviser is paid impacts the recommendations that they receive. Advisors need to give their clients greater assurance that their best interest is being served.

- There is strong support for a statutory best interest duty: 93% agree that it is needed (with 59% strongly agreeing that it is needed).

- **Investors want strengthened regulation of financial advisors, including clearer professional standards on use of the title, rigorous educational requirements and ethics training, and stricter regulatory enforcement of the rules.**

- An investor/adviser power imbalance exists for most but is particularly problematic for those who lack confidence in their financial literacy. This places advisors in a powerful position. The majority (58%) rely on their financial adviser as their main source of information. More than four in ten do not know how their adviser is being paid.

http://www.osc.gov.on.ca/en/Investors_nr_20130318_iap-adviser-investor-relationship.htm

The value of advice: An investor viewpoint Kenmar Associates
http://www.investingforme.com/pdfs/reports-studies/Advice-An-Investor-View.pdf

Canadian Fund Watch: **The Great Debate- Should Trailer Commissions be Prohibited?**
http://www.canadianfundwatch.com/2013/07/the-great-debate-should-trailer.html

SEC.gov | **Protecting the Financial Future of Seniors and Retirees**
https://www.sec.gov/News/Speech/Detail/Speech/1370540744550

REP 240 Compensation for retail investors: The social impact of monetary loss | ASIC - Australian Securities and Investments Commission
http://asic.gov.au/regulatory-resources/find-a-document/reports/rep-240-compensation-for-retail-investors-the-social-impact-of-monetary-loss/
The Best interest standard and the Elderly : Canadian Fund Watch
http://www.canadianfundwatch.com/2013/07/the-best-interest-standard-and-elderly.html

OSC report airs concerns over advice to seniors :WP
“Through recent compliance reviews or investor complaints, CRR and the Investor Office, have detected concerns related to the provision of investment advisory services or sales of products to vulnerable investors; in particular, senior investors, but also investors with other vulnerabilities (e.g. a diminished cognitive capacity, a severe or long term illness, a physical disability, mental health problems, a language barrier). Senior investors, especially those who may have diminished capacity, are vulnerable to investment advice that is unsuitable, investment fraud and financial abuse. OSC staff is concerned with issues related to senior investors because: they are growing as a demographic, both in terms of population and also in terms of household investable assets, they are relying on investments to fund retirement costs, and in some instances agreeing to invest in high-risk products to generate a desired level of income, and they may have a reduced investment time horizon to recover from financial losses, they may not understand the risks and investment features of the product they have invested in.
We are prepared to take serious regulatory action when we find unsuitable investments.”
http://www.wealthprofessional.ca/news/osc-report-airs-concerns-over-advice-to-seniors-other-regulatory-red-flags-211059.aspx Report at
http://www.osc.gov.on.ca/documents/en/Securities-Category3/20160721_sn_33-747_annual-rpt-dealers-advisers.pdf