

September 30, 2016

Via email: comments@osc.gov.on.ca

Alberta Securities Commission
Autorité des marchés financiers
British Columbia Securities Commission
The Manitoba Securities Commission
Financial and Consumer Services Commission (New Brunswick)
Nova Scotia Securities Commission
Ontario Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
c/o Josée Turcotte, Secretary, Ontario Securities Commission

Dear Sirs/Mesdames:

Re: *Comments Regarding CSA Consultation Paper 33 – 404: Proposals to Enhance the Obligations of Advisers, Dealers, and Representatives toward their Clients*

Thank you for the opportunity to respond to this very important initiative, which is in the interests of providing better protection for investors who engage the services of financial or investment advisers.

In Canada, there are currently many advisers/investment companies who have fiduciary duties to their clients. They are currently required to act in their clients' best interests; to put the interests of their clients before their own and their companies (similar to statutory best interest duty). As you are aware, securities commissions regulate these advisers/investment companies and they are registered as "portfolio managers".

I engaged the services of five different advisers/investment companies over 25 years. A few of these were "registered portfolio managers".

For any requirement imposed upon advisers/investment companies: compliance and enforcement are critical to achieving successful outcomes. The only way investors/clients can truly be protected is if securities regulators penalize advisers/companies for their violations. That has not been my experience, however. If there are no consequences for violations, the conduct of advisers/companies will not change - and little will improve for investors/clients. Therefore, a statutory best interest standard/duty for all should only be implemented if there are sincere and serious commitments from securities regulators to enforce it.

Sincerely,



Heather Scherloski

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