

Ontario Securities Commission
Care of:
The Secretary
20 Queen Street West
19th Floor, Box 55
Toronto, Ontario M5H 3S8

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Ontario Securities Commission
SECRETARY'S OFFICE

January 11, 2017

Dear Sir or Madam:

I am writing in response to the recent consultation paper released by the Canadian Securities Administrators regarding the banning of commissions in the financial services industry.

I joined the financial services industry in 2009 after completing a degree in business economics from the University of Saskatchewan. Following this, I completed the Certified Financial Planner designation and now run a small, independent financial service business along side my father and brother. Our business focuses on long- term relationships with our clients helping them navigate any number of financial decisions over their lifetime. Decisions they want to make prudently by seeking out objective counsel.

We have received an overwhelmingly positive response on our approach that focuses on a client's overall financial situation, goals and objectives first and then helps them implement a financial plan based on that client's wants and needs.

Since becoming involved in the industry it has never sat well with me the way our industry portrays itself as a true profession that is essential to Canadians along with lawyers, doctors, accountants, engineers etc. While at the same time operating under a compensation model that is in direct conflict with the ability to objectively perform this important service.

I do not buy the argument against the banning of commissions that it will result in less access to advice. In fact, I have found while attending various meetings and symposiums across country that the misinformation, especially flowing from other jurisdictions experiences such as the UK and Australia, to be based in fear and reminds me more of simply "protecting the status quo."

In our business we have transitioned to operating with only fee-based investment accounts where we receive no third party commissions. This has not precluded us from working with clients from all different income and asset levels and has freed our minds in the ability to give our clients the best possible financial advice and direction.

For example, a client with \$50,000 to invest, in my mind, is either going to pay me (or our dealer) 1% directly through a fee-based account –or- I am going to receive a 1% trailer from a product provider. I do not see any difference in the end other than the direct fee is more transparent and must be negotiated and presented to the client just like they would expect engaging with any other professional service.

Will this change the way advisers and planners run their business? Yes. Attract clients? Yes. Will this change mean we have to re-evaluate how we are going to compete for business over the next 10-20 years? Yes. But it is not the responsibility of a regulator to make it easy for businesses to operate but instead need to create a fair and ethical environment, which I believe the CSA is trying to achieve with these consultations.

In closing I believe the banning of commissions in Canada along with other reforms such as raising education and proficiency standards will enhance the entire financial services industry in the long term.

Sincerely,

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

Taylor Hewson CFP®