

I want to express my concern with the potential banning of embedded commissions. My concerns are tied specifically to the rise in popularity of so called "robo advisors". "Wealth Simple" is one company in particular that has been gaining in popularity. I am 34 years old and many of my peers have asked me about Wealth Simple. Wealth Simple has been very aggressive in it's marketing and has been doing presentations at many companies as well as invests heavily in advertising on social media and on the STM (Bus & Metro). It clearly has a target market: people of my age range that are comfortable investing online. I explored the service myself in order to gain an understanding of it. If you invest over \$100,000, you have the option of having an advisor visit you to provide added value. Otherwise, an algorithm provides you with a portfolio based on your risk tolerance.

This is my concern: If embedded omissions are banned, clients that invest less than \$100,000 (which is the majority of Quebecers) will not receive any guidance. The advisors that remain in the business under a fee based practice will focus on the larger accounts. Online robo-advisors like Wealth Simple will also discriminate based on assets. This will result in many investors with no where to turn.

Just yesterday, my client who has about \$75,000 in her RRSP looked at me and said "I honestly could not and would not have been able to save this much without your guidance, your encouragement and your support". This is the reality for many investors, they rely on the guidance of their advisors, especially those with smaller accounts.

I worry that the banning of embedded commissions, albeit a move which may have good intentions, will result in the ever-broadening gap between the rich and the poor. Wealthier investors will have many avenues at their disposal while smaller investors will have no where to turn.

As regulators, we should we looking for ideas which make the investment landscape more accessible to everyone. If we move to bad embedded commissions, it truly would be a sad day for the average person who is trying to improve their financial situation in life.

Thank you for reading and I wish you the wisdom and the courage to make the right choices.

-Daniel Enayatzadeh