

December 20, 2016

BY EMAIL

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and

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Dear Sirs/Mesdames:

**Re: Proposed Amendments to MFDA Rule 1.2.5 (Misleading Business Titles Prohibited)
(the “Proposed Amendments”)**

The Canadian Advocacy Council¹ for Canadian CFA Institute² Societies (the CAC) appreciates the opportunity to comment on the Proposed Amendments.

We are broadly supportive of the initiative of the MFDA to establish minimum standards for Approved Persons who wish to use the title “Financial Planner” as we believe strongly in higher investment education standards.

We are in favour of the general assessment criteria for the use of any specific financial planning designation/certification, and in particular, the requirement for the body that grants the designation/certification to remove it in appropriate circumstances. For any future specified designation/certification, it would be helpful to have an open, transparent process to apply to the MFDA for the use of any such designation/certification, at low/no cost to the applicant.

¹The CAC represents more than 15,000 Canadian members of the CFA Institute and its 12 Member Societies across Canada. The CAC membership includes portfolio managers, analysts and other investment professionals in Canada who review regulatory, legislative, and standard setting developments affecting investors, investment professionals, and the capital markets in Canada. See the CAC's website at <http://www.cfainstitute.org/cac>. Our Code of Ethics and Standards of Professional Conduct can be found at <http://www.cfainstitute.org/ethics/codes/ethics/Pages/index.aspx>.

² CFA Institute is the global association of investment professionals that sets the standard for professional excellence and credentials. The organization is a champion for ethical behavior in investment markets and a respected source of knowledge in the global financial community. The end goal: to create an environment where investors' interests come first, markets function at their best, and economies grow. CFA Institute has more than 135,000 members in 151 countries and territories, including 128,000 CFA charterholders, and 145 member societies. For more information, visit www.cfainstitute.org.

One of the proposed general assessment criteria includes a requirement to have an exam, and course requirements that demonstrate competency in financial planning. We suggest a potential additional requirement might be to hold the exam in-person, instead of permitting on-line examinations, in order to ensure additional rigour and fairness.

In addition to regulating the use of the title, we believe it is important for investor protection to also educate investors with respect to the qualifications and experience required for various designations, and to ensure that titles provide meaningful information to the public. More and more investors, including seniors, are turning to financial planners for advice in a broad number of areas and is it vitally important for those investors to understand the professional and educational background of their advisers in order to make informed decisions.

We appreciate that these proposed changes can take place within a faster time period than broader regulation of financial planners. We would encourage continued dialogue with the Expert Committee to Consider Financial Advisory and Financial Planning Policy Alternatives, as we believe the lack of harmonized regulation of financial planners is an issue across the industry and across the country.

As a general comment, we consider the key issues in protecting end-users of financial planning services to be the adoption of an overall best interest standard of care, as well as the elimination of compensation-driven conflicts of interests. While the regulation of titles is a very positive step forward, any regulation that does not deal with these central issues may not in itself go far enough to protect the end-users of financial planning services.

Concluding Remarks

We thank you for the opportunity to provide these comments. We would be happy to address any questions you may have or to meet with you to discuss these and related issues in greater detail. We appreciate the time you are taking to consider our points of view. Please feel free to contact us at chair@cfaadvocacy.ca on this or any other issue in future.

(Signed) "*Michael Thom*"

Michael Thom, CFA
Chair, Canadian Advocacy Council