

December 2022

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Chair Summary

Canadian Advocacy Council



Barb Bauer, CFA, CFE
Chair, Canadian
Advocacy Council

As 2022 comes to an end, I want to thank our Council volunteers for their continued dedication and commitment. We were able to reconnect in-person along with our external stakeholders throughout the year to continue the meaningful work of this Council.

While we have numerous letters in draft, I want to take this space to encourage all to take a break to enjoy time with family and friends. Laugh loudly, play games, sing with your heart, and share all the joy of this season with everyone you encounter.

I look forward to an exciting and productive 2023 and best wishes to all.

Response Drafting In Progress

Canadian Advocacy Council

OSC Notice 11-797- Request for Comments Regarding Statement of Priorities for Financial Year to End March 31, 2024 (Due December 22, 2022)

About the notice

The draft statement of priorities is similar to prior years, and sets out four goals: Building Trust and Fairness in Ontario's Capital Markets, Strengthening Investor Satisfaction, Adapting Regulation to Align with Innovation and Evolving Markets, and Enabling the OSC to Deliver Effective Regulation. It includes a few new specific items the CAC has commented on in the past, such as advancing work on ESG requirements for reporting issuers; considering broader diversity on boards and in executive roles at reporting issuers; and incorporating Indigenous peoples' issues and perspectives into CSA policy work.

CSA - Proposed Amendments and Proposed Changes to Implement an Access-Based Model for Investment Fund Reporting Issuers (Due December 26, 2022)

About the notice

The proposed amendments to various national instruments would provide new alternatives for investment funds that are reporting issuers in delivering financial statements and management reports of fund performance to unitholders. The purpose of these changes is to modernize the method by which these documents are made available to investors and would replace mandated/default delivery with a requirement to post the documents on a designated website, issue, file on SEDAR and post a news release announcing the availability of the documents, and a requirement to deliver the documents upon request or upon standing instructions. Reporting issuer funds would no longer have to send an annual reminder or annual notice to rely on standing instructions regarding the delivery of financial statements. Investors could still request or provide standing instructions to receive the documents in either paper or electronic format.

IIROC - Consultation Paper (Phase III) — Competency Profiles for Supervisors, Traders, Associate Portfolio Managers and Portfolio Managers (Due December 28, 2022)

About the notice

Investment Industry Regulatory Organization of Canada (IIROC) is in the process of developing and publishing competency profiles for all IIROC individual approval categories as a multi-year policy project. Last year, they published competency profiles for their Director, Executive, Ultimate Designated Person (UDP), Chief Compliance Officer (CCO) and Chief Financial Officer (CFO) categories. In 2020, they published for comment the first phase of this project, which involved the development of competency profiles for their Registered Representative (RR) and Investment Representative (IR) categories.

The third (and current) phase of this project is this publication of a Consultation Paper to solicit feedback on their proposed competency profiles for Supervisors, Traders, Associate Portfolio Managers (APMs), and Portfolio Managers (PMs).

OBSI - Governance Review - Request for Public Comment (Due January 31, 2023)

About the notice

The Ombudsman for Banking Services and Investments (OBSI) is seeking input from stakeholders and the public in relation to its organizational governance. This consultation is focused on understanding how OBSI's board can best ensure that it has the opportunity to consider the perspectives of stakeholders with financial service industry expertise and consumer advocacy expertise in its decision making. OBSI is committed to ensuring a deep knowledge of these perspectives at the board level because they are crucial to ensuring that the organization is able to continue to fulfill its mission of helping to ensure a fair, effective and trusted financial services sector.

AMF - Second Consultation - Regulation Respecting Complaint Processing and Dispute Resolution in the Financial Sector (Due February 6, 2023)

About the notice

The AMF has published for consultation a new version of the draft Regulation respecting complaint processing and dispute resolution in the financial sector. The Notice of Consultation as well as the draft Regulation are available in the "Public Consultations" section of the AMF Website. The first version of this draft Regulation, published in the fall of 2021, generated many comments, particularly regarding the regulatory compliance burden it imposed. Thus, some rules and practices have been reviewed in order to allow greater flexibility for financial institutions, financial intermediaries and credit assessment agents in the processing of complaints, while maintaining the AMF's objective to ensure that consumer complaints are processed fairly.

The AMF plans to hold a meeting early January 2023 to discuss the changes and answer questions from participants. It also plans to address the new rules applicable to the reporting of complaints to the AMF.

CSA - 21-403 – Access to Real-Time Market Data (Due February 10, 2023)

About the notice

The consultation goes through the CSA's findings with respect to their review of concerns raised by market participants in Canada about accessing real-time market data. They are seeking feedback on a two-stage set of options that may be considered in future to deal with the concerns raised. Initial options look at using standardized terminology to describe data products and how they are accessed, enhancing the transparency of any proposed fee changes by marketplaces, and reviewing the current methodology the CSA uses to allocate fees amongst marketplaces, while longer-term, the CSA is considering overhauling the whole regime. Potentials include leveraging the current IP model, or introducing an entirely new model for data consolidation. There are a number of embedded questions which get quite granular with respect to current fees.

FRSA - Consultation on Proposed Amendments to the UDAP rule - Deferred sales charges (Due February 23, 2023)

About the notice

FRSA has released a short consultation that proposes amendments to its Unfair or Deceptive Acts or Practices Rule. The amendments would eliminate DSCs on new segregated fund contracts effective as of June 1, 2023. For contracts that are pre-existing, new requirements would include customer disclosure and limits on the use of existing DSC options. The consultation has a one-page appendix flow chart that is a good illustration of what FRSA's expectations are of insurers in various circumstances.

IIROC - Review of the IIROC Arbitration Program (Due March 6, 2023)

About the notice

IIROC is undergoing a review of their arbitration program (last reviewed in 2011), which requires dealers to participate in binding arbitration at a request of a client. The consultation is in response to 17 recommendations made by an independent working group, which range from changes that can immediately be put in place to those changes that will require further public consultation. IIROC proposes to maintain the program alongside OBSI's dispute resolution services and the availability of litigation as avenues of redress for clients. As the arbitration program is intended to be an alternative to litigation, focusing on complex and large claims, IIROC is considering having the program available only for claims above OBSI's claim threshold (except in Québec). Recommendations for immediate implementation include revising program materials to use plain language and increase public awareness of the program, as well as allowing parties to pick their own arbitrator and establishing shorter timelines for certain case resolutions. A pilot program is suggested for certain procedural changes, including case management and mandatory mediation. Public consultation is suggested for items such as the potential publication of arbitration decisions and an increased award limit.

IIROC/CSA - Joint CSA and IIROC Staff Notice 23-329 - Short Selling in Canada (Due March 6, 2023)

About the notice

The Canadian Securities Administrators (CSA) and the Investment Industry Regulatory Organization of Canada (IIROC) are seeking input from investors, industry and the public on the current regulatory framework surrounding short selling in Canada. In a published staff notice, the CSA and IIROC:

- Offer an overview of the existing regulatory landscape for short selling, including rules governing failure to settle trades,
- Provide an update on current related initiatives, and
- Request public feedback on areas for regulatory consideration

The staff notice also describes recent international developments and highlights the results of a study completed by IIROC on failed trades. The CSA also published a summary of comments and responses to CSA Staff Consultation Paper 25-403 Activist Short Selling. This consultation paper was published on December 3, 2020 to facilitate the discussion about concerns relating to activist short selling and its potential impact on capital markets.

If you would like to participate or provide comments to ongoing initiatives, please contact cac@cfacanada.org

Volunteer Spotlight

Canadian Advocacy Council



Milos Vukovic, CFA

Milos has served on the CAC since January 2015.

Milos is Vice President, Investment Policy at RBC Global Asset Management. He joined RBC in 2003, and is now responsible for overseeing various investment management related activities including new solution design and development, performance analytics and trade cost analysis. He is also responsible for developing and monitoring investment policy statements and implementing tactical asset allocation for various RBC GAM investment solutions. Prior to joining RBC Global Asset Management, Milos had gained extensive experience in the financial services industry working with PricewaterhouseCoopers, TD Securities and Fidelity Investments.

Milos holds a Master of Business Administration degree from Schulich School of Business at York University, and earned the Chartered Financial Analyst designation in 2004. Milos is a Board member of the Canadian Buy-Side Investment Management Association, and a member of IIROC's Market Structure Advisory Committee.

What is it about volunteering with the CAC that appealed to you most?

Working with other industry professionals and being able to learn from them and exchange ideas about topics which are important to Canadian investors and clients.

What would you tell another Canadian CFA charterholder about the CAC?

We are in the exciting times and regulators in Canada are working hard on modernizing and improving capital markets and regulation. CAC is a way for Canadian CFA charterholders to have our voices heard, and to advise and educate regulators in the process. CAC consists of volunteers who unselfishly offer their time and expertise to help our advocacy efforts.

News

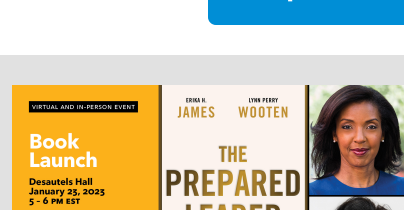
CFA Societies Canada Launches New Website

We are very pleased to announce the launch of our new website! Some of the new features of the site include:

- A consolidated upcoming events calendar for Canadian societies
- Improved access to learning resources and events
- Simplified site navigation
- French language option

Please let us know if you have any [feedback](#) you wish to share with us.

Explore the New Website



Rotman Book Launch Series for CFA Society Members

We are pleased to announce that CFA Societies Canada and the University of Toronto - Rotman School of Management have scheduled the date for their second co-presented book launch!

The next great read in this series is *"The Prepared Leader"* by Erika H. James and Lynn Perry Wooten.

From their unique perch at the top of two most prestigious educational institutions in the United States, Erika H. James and Lynn Perry Wooten provide a roadmap for leaders to help them lead through any crisis.

The next crisis might be here now, or it might be around the corner. In *The Prepared Leader: Emerge from Any Crisis More Resilient Than Before*, two history-making experts in crisis leadership—James, dean of The Wharton School of the University of Pennsylvania, and Wooten, president of Simmons University—forcefully argue that the time to prepare is always.

In their fast-reading and actionable book, James and Wooten provide tools and frameworks for addressing and learning from crises, and they provide insight into what you need to know to become a Prepared Leader.

Event Details:
January 23, 2023 5:00 pm - 6:00 pm (EST)
Price: \$42.99 + HST (CFA Society Member Price: \$37.99 + HST)
Includes a copy of the book shipped complimentary post-event.

Contact your [local society](#) for your discount code!

Register Here

Mawer Investment Management becomes signatory to CFA Institute's DEI Code

Diversity, equity, and inclusion are crucial elements in the future of the investment industry and the success of investment firms. CFA Institute recognizes that a diversity of perspectives will lead to better investor outcomes; an inclusive investment industry will better serve our diverse society. In response, CFA Institute has developed a voluntary code to guide DEI, beginning in the United States and Canada.

Congratulations to **Mawer Investment Management** on becoming a signatory to CFA Institute's DEI Code! Thank you for your commitment to meaningful progress.



Learn More



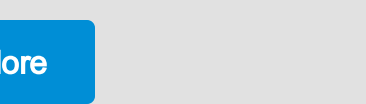
OSC announces new Registrant Advisory Committee members

Congratulations to **Christopher Keeley**, CFA of Inukshuk Capital Management and **Dave Santiago**, CFA of Trinity Compliance Partners Inc., on your appointments to the Registrant Advisory Committee (RAC) of the Ontario Securities Commission for the 2023-2024 term!

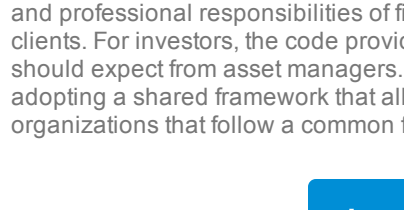
Read More

CDPQ Becomes First Canadian Pension Fund of the 'Maple 8' to Adopt CFA Institute Asset Manager Code

CDPQ announced its compliance with the CFA Institute [Asset Manager Code™ \(the Code\)](#), becoming the first Canadian "Maple 8" pension fund to achieve this milestone. The Asset Manager Code clearly outlines the ethical and professional responsibilities of firms that manage assets on behalf of clients. For investors, the code provides a benchmark of ethical conduct they should expect from asset managers. By adhering to the code, CDPQ is adopting a shared framework that allows clients to quickly identify organizations that follow a common foundation of ethical principles.



Learn More



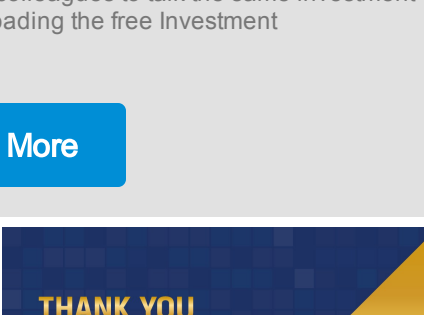
Investment Foundations Glossary

The Investment Foundations® Certificate is coming back! The newly refreshed foundational certificate is designed for those aspiring to – or currently working within – support roles across the finance industry such as Marketing, Compliance, Regulation, Accounting, HR, IT, Operations, and Legal, making it easier for all industry colleagues to talk the same investment language. Get started today by downloading the free Investment Foundations Glossary linked below.

Learn More

CFA Institute celebrates its 75th anniversary

To celebrate its 75th anniversary, [CFA Institute](#) members get an additional USD \$75 off online course this December. Catch up on your learning, plan for the new year, and use remaining 2022 professional development dollars.



Learn More

The Canadian Advocacy Council, on behalf of CFA Societies Canada, advances investor protection, industry professionalism, market integrity and transparency to the benefit of society.



Follow us on LinkedIn!

Next CAC Meeting Scheduled: Tuesday, January 10, 2023 at 4:15 pm EST

Contact Us

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