

September 30, 2021

VIA EMAIL

Financial and Consumer Affairs Authority of Saskatchewan
Insurance and Real Estate Division
Suite 601, 1919 Saskatchewan Drive
Regina, SK S4P 4H2
Email: finplannerconsult@gov.sk.ca

Re: Notice of Proposed Regulations and Request for Comment – Proposed Regulations [2021-001] The Financial Planners and Financial Advisors Regulations (collectively, the “Proposed Regulations”)

The Canadian Advocacy Council of CFA Societies Canada¹ (the “CAC”) appreciates the opportunity to provide the following general comments on the Proposed Regulations. We are supportive of the FCAA’s intent to create minimum standards that entities will have to meet to obtain approval as a credentialing body, as well as to obtain approval of an acceptable financial planner or financial advisor credential.

We appreciate the statement made by the FCAA relating to the importance of harmonizing its legislation and regulation with that of other jurisdictions to reduce regulatory burden and enhance compliance. We broadly support the framework adopted in the province of Ontario², and our comments below include suggestions that the Proposed Regulations be as consistent as possible with the title protection frameworks in other Canadian jurisdictions, as well as provide reciprocity for credentialing bodies already recognized in another such jurisdiction.

The FCAA notes that activities carried out by a financial planner or financial advisor credential holder will continue to be overseen by the relevant regulatory bodies as well as the credentialing body who issued the credential holder’s credential. While the

¹ The CAC is an advocacy council for CFA Societies Canada, representing the 12 CFA Institute Member Societies across Canada and over 19,000 Canadian CFA Charterholders. The council includes investment professionals across Canada who review regulatory, legislative, and standard setting developments affecting investors, investment professionals, and the capital markets in Canada. Visit www.cfacanada.org to access the advocacy work of the CAC.

CFA Institute is the global association of investment professionals that sets the standard for professional excellence and credentials. The organization is a champion of ethical behavior in investment markets and a respected source of knowledge in the global financial community. Our aim is to create an environment where investors’ interests come first, markets function at their best, and economies grow. There are more than 178,000 CFA Charterholders worldwide in over 160 markets. CFA Institute has nine offices worldwide and there are 160 local member societies. For more information, visit www.cfainstitute.org.

² Please see our comment letter on the FSRA proposal released in May 2021 with respect to the Amended proposals re Financial Professionals Title Protection Rule and Guidance: [CAC Comment Letter](#) and the earlier 2020 initial consultation: [CAC Comment Letter Title Framework](#)

Proposed Regulations are intended to be complementary of all existing regulatory frameworks (and avoid duplication), we reiterate that should also be the case with respect to the title protection frameworks that are being put into place in other jurisdictions such as Ontario. It is important that Saskatchewan and other jurisdictions adopting similar regulatory frameworks have either a reciprocal regulatory regime or a simplified process for approving credentialing bodies that have already been approved elsewhere in order to help reduce the regulatory burden. Presumably, when the fees for applications under the framework are being developed, the fact that credentialing bodies may operate throughout the country and thus will be subject to other provincial fees relating to title protection will be taken into consideration.

We are **strongly** supportive of the FCAA's view that investors' interests should not be subservient to the interests of others, and of the incorporation of such best interest standard when making suitability determinations into the Proposed Regulations.

Financial planner and financial advisor title users should have to disclose to their clients the credential they hold. Such disclosure could be similar to the type of disclosure required by securities registrants to be provided as part of their relationship disclosure obligations, and clearly identify and explain the credential and the credentialing body from which it was obtained. Investors / consumers could then easily confirm that the credentialing body has been approved by the FCAA by checking the list planned to be posted on the FCAA website. It is most helpful for end-users to be able to locate information about credential holders in one location, while minimizing the potential for confusion arising from fragmented information sources. As noted in our comment letter to the FSRA, we would encourage the FCAA to explore information exchange or other such agreements with other regulatory agencies and credentialing bodies. Such information exchange should include the Canadian Securities Administrators, for links to or information from its National Registration Database, so that consumers receive a more complete presentation of the conduct, credentials and regulatory coverage of credential holders.

We understand that the title restrictions will extend to titles that could reasonably be confused with the financial planner or financial advisor title. We do believe that additional guidance on examples of confusing titles, while not exhaustive, would be beneficial for both industry and investor advocates. However, such document should not provide a list of "acceptable" non-covered titles, as it may unintentionally provide a tacit road map to titles that will not garner regulatory scrutiny in circumstances where it may be warranted on the basis of the intent behind such use. We think it is more helpful to either prohibit the use of certain specific titles or note them as reasonably confused with a protected title (and subject them to the same regulation), including "financial consultant", as we understand is currently the case in Quebec. When setting out parameters to avoid confusion in the marketplace, the FCAA should provide additional guidance while retaining flexibility to undertake enforcement measures against those persons intending to deceive the public through clever title usage and intentional regulatory avoidance.

With respect to transition periods, given the attention provided to the title protection issue amongst market participants, we believe that the currently proposed four-year transition period for the financial planner title and two-year transition period for the financial advisor title from the date the Proposed Regulation is in force could each be shortened by at least one year.

It is important that consumers of financial advice and financial planning services understand the purpose of the credentialing regulation and process, the recognized credentials, and permitted use of titles. The FCAA and other such regulators should be responsible for such consumer educational initiatives for consistency in messaging.

Concluding Remarks

We support efforts to regulate the use of the financial planner and financial advisor titles in Saskatchewan and other jurisdictions as an investor protection measure. As noted above, it is important that jurisdictions implementing such frameworks include measures for reciprocity to reduce the regulatory burden, including application fees, relating to the application process for credentialing bodies and recognized credentials in multiple jurisdictions.

We thank you for the opportunity to provide these comments and would be happy to address any questions you may have. Please feel free to contact us at cac@cfacanada.org on this or any other issue in future.

(Signed) *The Canadian Advocacy Council of
CFA Societies Canada*

**The Canadian Advocacy Council of
CFA Societies Canada**