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BY EMAIL

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Dear Sirs/Mesdames:

Re: Request for Comments on IIROC Notice 17-0095 - Continuing Education Consultation on Plain Language Rule Proposals and Ongoing Review (the “Proposed CE Review”)

The Canadian Advocacy Council¹ for Canadian CFA Institute² Societies (the CAC) appreciates the opportunity to comment on the Proposed CE Review. Our comments focus specifically on the broader review of continuing education requirements and not on the proposals regarding the plain language rule rewrite.

Continuing education (CE) among IIROC Approved Persons, similar to other regulated professions, is a positive requirement for membership. CE can play a vital role in investor protection since it enables persons advising and dealing in securities to remain appropriately qualified throughout their years of service. We agree with IIROC’s view that an effective CE program ought to be relevant and principles based.

First, relevancy and a requisite standard of proficiency are key components to an effective CE program. We think that streamlining and recognizing CE requirements among various regulated platforms may yield great benefits to IIROC Approved Persons and lessen any confusion from the public’s perspective given the wide array of CE courses currently offered. However, while we support IIROC’s consideration of CE requirements in other regulated platforms such as in the financial planning context, it is important that each

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.cfasociety.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 149,603 members in 163 countries, including 143,386 CFA charterholders and 148 member societies. For more information, visit www.cfainstitute.org.

program is evaluated on a case-by-case basis, focusing on the standard of proficiency and relevancy for a person dealing and advising in securities.

Second, we support IIROC's proposal to bring the substantive CE course review and accreditation function in-house. While we acknowledge that the CFA Institute offers CE courses of its own, the current arrangement between IIROC and CSI creates certain inherent conflicts (notwithstanding disclosure of same), and appears to have resulted in few course offerings and accreditation. If IIROC conducts the CE course review and accreditation in-house, it may foster more competition among outside organizations offering courses for accreditation.

Third, the Voluntary Participation Program (VPP) is useful in permitting formerly Approved Persons and persons who have not yet been approved on the IIROC platform to extend the validity period of the Canadian Securities Course (CSC). This enhanced means of access could save market participants costs. We agree with the proposal that the VPP be restricted to the CSC and not be available with respect to the Conduct and Practices Handbook (CPH). We recognize that CPH deals with matters relating to ethics and conduct and we think market participants would benefit from having taken CPH currently.

Finally, the extension of CE requirements to different categories of Approved Persons, such as institutional registrants, may be valuable. To the extent that there are significant differences between the retail and institutional segments of the market, we think CE requirements ought to follow suit and be tailored toward each particular segment in order to be relevant and meet the requisite standard of proficiency.

Concluding Remarks

We thank you for the opportunity to provide these comments. We would be happy to address any questions you may have and 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