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**BY EMAIL**

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Dear Sirs/Mesdames:

**Re: OSC Staff Notice 11-779 *Seniors Strategy* (the “Notice”)**

The Canadian Advocacy Council<sup>1</sup> for Canadian CFA Institute<sup>2</sup> Societies (the CAC) appreciates the opportunity to comment on the Notice. We strongly support the initiatives set out in the Notice as a means to achieve better investor protection and responsive regulation for all Ontario seniors and seek to secure a better financial future for them.

We support the initiatives aimed at education and outreach for both industry participants and seniors. Older Canadians would benefit from more outreach activities,

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<sup>1</sup>The CAC represents more than 15,000 Canadian members of 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>.

<sup>2</sup> 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 155,000 members in 165 countries, including more than 148,900 CFA charterholders and 149 member societies. For more information, visit [www.cfainstitute.org](http://www.cfainstitute.org).

including providing resources for families, friends and caregivers to better engage in financial planning with seniors and to recognize signs of financial exploitation. In addition, it would be helpful for dealers and advisers to obtain training or contact resources to assist in dealing with vulnerable clients (for example, the Alzheimer's Society checklist) that provide a broader understanding of issues facing seniors. It is important for advisors to be attuned to working with all types of vulnerable clients, and to adequately assess pressure by friends or family members influencing a vulnerable client's decision. In fact, education on dealing with vulnerable clients could be a useful mandatory component to the successful completion of proficiency exams for investment advisors.

In addition to education, one of the best ways to protect vulnerable clients, along with other investors, is by implementing a regulatory best interest standard on all persons providing investment advice.

Initiatives aimed at breaking down silos between advisors regulated by different entities are key to the successful execution of the OSC's strategy for seniors. Breaking down silos includes: (i) dealing with inconsistencies around the information captured in the know-your-client processes (e.g. with respect to risk tolerance classifications between SRO regulated firms and firms regulated directly by a CSA regulator); (ii) addressing challenges associated with powers of attorney in various advisory channels and ensuring such powers are not abused and (iii) the overall standardization (especially in titles) across IROC and MFDA registrants so seniors can better understand the expertise of the advisor. If these rules were more harmonized, it would help clients hear aligned language from their trusted advisors, regardless of the delivery channel. It is also important that marketing materials of advisors be written in plain language and reflect the true expertise and licensing of advisers and planners.

We recognize the importance of research studies, and are happy to reach out to our membership for study and survey purposes if that would be helpful. Future notices would benefit from a clear outline of the studies to be undertaken, such as with respect to the effects of fintech on older Canadians. It is also important that the OSC collaborates with other international regulators and academics, particularly in understanding cognitive behaviour and biases.

We support the OSC's efforts to strengthen the relationship with the Ombudsman for Banking Services and Investments (OBSI) and in seeking to provide a robust oversight framework including sharing data bilaterally. OBSI is an important dispute mechanism as stated in the Notice, with over half of the complainants on unfair practices made by those 60 years of age or older.

Finally, it would be useful to provide guidance for dealings with vulnerable clients on topics in addition to policies, communication and marketing. For example, it is not

always clear what the expectations are for books and records (e.g. how much documentation is required and exactly what should be recorded).

### **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 [cac@cfacanada.org](mailto:cac@cfacanada.org) on this or any other issue in future.

(Signed) *The Canadian Advocacy Council for  
Canadian CFA Institute Societies*

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