



May 14, 2018

Genevieve Groat  
Chief Relationship Officer  
Fundserv Inc.  
130 King St W, Suite #1700  
Toronto, ON  
M5X 1E3

RE: Fundserv Notice to Participants on New Rules for Service Providers

We are responding to your request for comments on your proposed rules for new service providers dated April 23, 2018.

The Canadian ETF Association (“CETFA”) is the sole exchange-traded fund association in Canada and represents Canadian ETF providers accounting for approximately 96% of all assets under management of Canadian ETFs as of March 31, 2018.

While we understand your need to ensure that service providers meet a certain level of competency to maintain the reputation of the investment fund industry and Fundserv – we are unsure as to why you would not allow new entrants to the industry the opportunity to test their services prior to marketing their solutions to the industry.

Having a test site for new entrants and/or existing service providers’ new services seems to be an appropriate and needed service to offer for an industry network such as Fundserv. We do not think that forcing these companies to market untested services to potential clients is an equitable solution and certainly does not seem to match how you identify yourself on your website:

“Fundserv is an important link to the investment industry. In addition to its network and workflow applications, Fundserv leads and facilitates industry committees and working groups that promote automation initiatives and establish the industry’s electronic standards.”

“Work with our clients, industry associations, and regulatory bodies to deliver innovative solutions that improve the ease of doing business in the Canadian investment industry.”

73 Simcoe Street, Suite #301  
Toronto, Ontario M5J 1W9  
(416) 619-0499

[www.cetfa.ca](http://www.cetfa.ca)



Both of these statements appear to show Fundserv as an organization that welcomes innovation and wants the financial services industry to succeed and grow through innovation.

We hope that you reconsider your plans and allow new organizations the ability to use your testing environment to test their services prior to going to market.

Yours truly,

Pat Dunwoody  
Executive Director,  
Canadian ETF Association

Cc Sandra Kegie  
Federation of Mutual Fund Dealers

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Toronto, Ontario M5J 1W9  
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