

May 6, 2016

**BY EMAIL**

Robert Day, Senior Specialist Business Planning  
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Dear Sirs/Mesdames:

**Re: Ontario Securities Commission Notice 11-774 – Statement of Priorities (the “Draft Statement of Priorities”)**

The Canadian Advocacy Council<sup>1</sup> for Canadian CFA Institute<sup>2</sup> Societies (the CAC) appreciates the opportunity to comment on the Draft Statement of Priorities.

The CAC appreciates the diligence staff have undertaken to be responsive to previous comments requesting that the goals set out in the Draft Statement of Priorities be clear and measurable. As a general comment, it would be helpful to readers, where possible, to have a specific timeline next to the major goals indicating, for example, when a new instrument or order was first published for comment and, to the extent possible, the timeline during which the next version will be published for comment or in final form.

We support a number of the OSC’s important initiatives included in its list of priorities for the upcoming fiscal year, particularly with respect to the emphasis on its investor protection proposals.

With respect to addressing compensation arrangements in mutual funds, while a next step includes the development of proposals to address conflicts of interest created by compensation arrangements, there does not appear to be a set time limit for the proposed publication of those proposals, and the “expected outcomes” only refers to an action plan and recommendation. We believe that a specific deadline should be set and we would welcome action to move this initiative forward as quickly as possible. We urge the OSC to try to work with its counterparts in other jurisdictions to complete their analysis as soon as possible such that new rules, if any, can also be published for comment as soon as possible.

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<sup>1</sup>The 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.cfainstitute.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 135,000 members in 151 countries and territories, including 128,000 CFA charterholders, and 145 member societies. For more information, visit [www.cfainstitute.org](http://www.cfainstitute.org).

We continue to believe it would be helpful for market participants if there were clear, published criteria for measuring the success of a particular new rule or guidance. If the success of a new rule is measurable and monitored, consideration of any necessary amendments can take place in a timely manner. Roundtables are a practical, efficient method of collecting information from market participants when formulating new rules or amendments, and we would be pleased to continue to participate on a going forward basis.

### **Concluding Remarks**

We thank you for the opportunity to provide these comments. We would be happy to address any questions you may have or to meet with you to discuss these and related issues in greater detail. We appreciate the time you are taking to consider our points of view. Please feel free to contact us at [chair@cfaadvocacy.ca](mailto:chair@cfaadvocacy.ca) on this or any other issue in future.

(Signed) *Michael Thom*

**Michael Thom, CFA**  
**Chair, Canadian Advocacy Council**