

Via email

March 17, 2020

The Secretary  
Ontario Securities Commission  
20 Queen Street West 22nd Floor  
Toronto, Ontario M5H 3S8  
Fax: (416) 593-2318  
[comments@osc.gov.on.ca](mailto:comments@osc.gov.on.ca)

ONTARIO SECURITIES COMMISSION NOTICE AND REQUEST FOR COMMENT:  
PROPOSED ONTARIO SECURITIES COMMISSION RULE 81-502  
RESTRICTIONS ON THE USE OF THE DEFERRED SALES CHARGE OPTION FOR MUTUAL  
FUNDS

It is shocking that the OSC must consult on a topic when its own research provides the answer. It is impossible to mitigate the conflicts of interest inherent in the sale of a Deferred Sales Charge mutual fund. All other provincial regulators know this and are taking steps to ban the DSC fund.

The most vocal public supporters of DSC are Fidelity, Advocis and Primerica. All of these entities benefit from DSC sales. On the other hand, not one consumer group supports the DSC including the Ontario Securities Commission's own Investor Advisory Panel.

Ontario families of modest income need to focus on sticking to a budget, cutting down debt, and building up a cash reserve. This is the kind of advice DSC focused mutual fund salespersons are highly unlikely to recommend .

In turbulent markets, the DSC is especially harmful. The need to go to cash should not be constrained by an early redemption penalty.

I am extremely disappointed with the Ford government's refusal to eliminate DSC fees like all other provinces. The issue of better access for small investors is a feeble excuse for price gouging. Small investors have access to ETFs, Robo- Advisors, index funds and no-load funds through their bank; what they do not need is mutual funds and insurance companies feasting on their retirement savings. This should be a legacy issue for Ford: standing up for investors and retirees, but instead it's a disgraceful pandering to the fund industry.

I trust some sense will come to Government leaders and the DSC will be banned.

That would be in the best interests of all Ontarians.

Sincerely,

Sophia Fortier