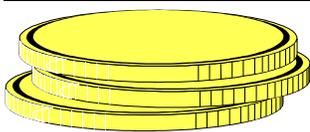


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“Better Disclosure, A Better Way” - DON'T buy or be \$OLD a ____ fund without it!

MEMORANDUM

VIA ELECTRONIC EMAIL: comments@osc.gov.on.ca consultation-en-cours@lautorite.qc.ca

TO: **British Columbia Securities Commission**
Alberta Securities Commission
Saskatchewan Financial Services Commission
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
New Brunswick Securities Commission
Superintendent of Securities, Prince Edward Island
Nova Scotia Securities Commission
Superintendent of Securities, Newfoundland and Labrador
Superintendent of Securities, Northwest Territories
Superintendent of Securities, Yukon Territory
Superintendent of Securities, Nunavut

The Secretary
Ontario Securities Commission
65 Queen Street West 19th Floor, Box 55
Toronto, ON, M5H 3S8

Me Anne-Marie Beaudoin
Corporate Secretary
Autorité des marchés financiers
800, square Victoria, 22e étage
C.P. 246, tour de la bourse
Montreal (Quebec), H4Z 1G3

FROM: Joe Killoran, Investor Advocate, 1979 *Ethical Ivey* MBA

DATE: September 14, 2012

SUBJECT: **Re: Proposed Amendments to National Instrument 31-103:**
Cost Disclosure and Performance Reporting

I am again formally and officially writing to provide my comments to the second publication of proposed amendments to National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations: Cost Disclosure, Performance Reporting and Client Statements (the “Proposals”), published on June 14, 2012.

Evolved From the October 1994 issue of The Frugal Bugle

3. There are beyond immoral — should be made illegal — “Tied Advice / Tied Sale” conflicts of interests issues inherent in the “trailer fee commission”:

IF fund companies and securities dealers were required to show the dollars (\$\$) and cents (¢¢) amounts of the MERs deducted + the trailer fee commission (\$\$.¢¢) component amounts of the MER paid to whom _____ **salesperson NAME** _____ on consumer / investors quarterly, semi- and annual statements + a financial salesperson’s employer remuneration payout grid levels + how a particular fund’s trailer fee commission compares to the high, low, median, and average category ranges + any “salesperson” trailer fee commission-based retirement gratuity formula (s) + the low trailers paid on money market funds, etc., consumer / investors would clearly see, understand and know about the beyond immoral and unethical — should be illegal ideals attached to the “*tied advice / tied sale*” trailer fee skewing commissions !!

I began sharing my trailer fee commission “Tied Advice / Tied Sale” thesis with then OSC Chairman, Ed Waitzer, and Glorianne Stromberg in October 1994.

My first formal and official submission of my trailer fee commission “Tied Advice / Tied Sale” thesis to the OSC was on October 16, 1996.

Sadly, everybody beginning with Ed Waitzer in 1994 at the OSC, our other commissions, SRO regulatory bodies, advocates and business press too — have all knowingly refused to publicly address and / or comment on my “Tied Advice / Tied Sale” thesis, except Adam Zimmerman, who was and is still one of Canada’s most highly respected corporate elite truth-tellers.

On June 5, 2005, Adam Zimmerman told me that not only had I nailed trailer fee commissions with my 1994 “Tied Advice / Tied Sale” thesis, but also that our Holy Trinity: Parliament Hill, Bay Street and Queen’s Park were worried about me and my thesis being given any transparency validating illuminations.

Sadly, like many other examples of the meritocracy of *'Made-in-Canada'* ideas being mercilessly undermined, argumentum ad hominem character assassinated, never being allowed to see or be given any transparency illuminations within Canada, etc., which would have allowed Canada to live and lead by example globally with moral and ethical values securities practices, I have been told that my 1994 trailer fee commission "Tied Advice / Tied Sale" thesis was used by a number of other Commonwealth Nations (GB, Australia, etc.) in their respective recent banning and / or making their trailer fee commissions practices illegal.

Best regards,

**Joe Killoran, 1979 *Ethical Ivey* MBA
Independent Financial Analyst**