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December 4, 2015

Mutual Fund Dealers Association of Canada
121 King St. West, Suite 1000
Toronto, ON M5H 3T9

Attention: Ken Woodard
Director, Communications & Membership Services
Email: kwoodard@mfd.ca

Dear Mr. Woodard,

Subject: Consultation Paper on Standards for Use of the Title “Financial Planner”

Independent Financial Brokers of Canada (IFB) appreciates the opportunity to provide comments on the proposed Rule which, if approved, would prohibit Approved Persons from using the title ‘financial planner’ unless they have the appropriate proficiency.

IFB is a national, not-for-profit professional association representing the interests of its members, who are licensed financial advisors and often registered as MFDA Approved Persons. For more information on IFB, please visit our website, www.ifbc.ca

We agree that consumers should be assured, when engaging a financial planner, that the individual has met the requirements of the profession, and is held accountable for meeting ongoing proficiency standards. Accrediting financial planning as a profession, such as through attainment of the CFP, has gained prominence globally and within Canada, as it creates a recognized, uniform set of standards and competencies. IFB has long held the position that only those who are duly accredited should hold themselves out to the public as a Financial Planner.

IFB is actively participating in the financial planning review underway in Ontario. The recommendations from the Expert Committee, tasked with developing these recommendations, are expected to be made public in early 2016. It is, therefore, important that any action taken by the MFDA, or any other regulator, dovetails with the direction the Ontario government takes on this matter. To do otherwise, will simply add to the confusion in the marketplace that exists today.

While IFB is generally supportive of a holding out provision that would restrict use of the title ‘financial planner’, there is overlap in the processes an AP is required to conduct under securities and insurance regulation, to establish the suitability of a recommendation or advice provided to a client, and the processes involved in “financial planning”. As examples, the needs/suitability assessment and KYC processes would fall into this category. Provided the advisor is not holding out as a “financial planner”, such activities should not be viewed as constituting financial planning, or require a financial planning designation.

Questions

1. *Are the designations listed in Appendix ‘A’ appropriate and are there other designations that might be appropriate?*

If use of the title ‘financial planner’ is to be restricted, we support recognizing a streamlined set of standards that encompass the entirety of financial planning proficiencies. Any designation under consideration should be required to meet this test. Extending the list of appropriate designations to those which incorporate relatively minor aspects of financial planning will not achieve the intended objective of reducing consumer confusion. Recognizing, of course, that other credentials earned by an advisor can offer a client expertise in a specialized area, which may be more suitable for that client’s circumstances than financial planning.

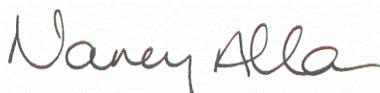
2. *Should amendments to Rule 1.2.1(d) include a grandfathering provision?*

We would support a grandfathering provision, or some reasonable transition period, to either recognize those individuals who have significant expertise in the field, or to allow those without sufficient credentials to upgrade to the new standard. We would consider a reasonable period to be at least 2 years.

Thank you for the opportunity to contribute our comments. We look forward to participating further in this discussion, as the MFDA considers the responses it receives.

Should you have any questions, please contact either myself, or Susan Allemang, Director Policy & Regulatory Affairs (email: sallemang@ifbc.ca).

Yours truly,



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