



October 4, 2021

**SUBMITTED VIA EMAIL**

Alberta Securities Commission  
Autorité des marchés financiers  
British Columbia Securities Commission  
Financial and Consumer Services Commission (New Brunswick)  
Financial and Consumer Affairs Authority of Saskatchewan  
Manitoba Securities Commission  
Nova Scotia Securities Commission  
Nunavut Securities Office  
Office of the Superintendent of Securities, Newfoundland and Labrador  
Office of the Superintendent of Securities, Northwest Territories  
Office of the Yukon Superintendent of Securities  
Ontario Securities Commission  
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward Island

**Attention:**

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

M<sup>e</sup> Philippe Lebel, Corporate Secretary  
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Dear Sirs/Mesdames:

**RE: CSA Position Paper 25-404 – *New Self-Regulatory Organization Framework* (the “Position Paper”)**

This comment letter is being submitted on behalf of RBC Dominion Securities Inc., RBC Direct Investing Inc., Royal Mutual Funds Inc., RBC Global Asset Management Inc., RBC Phillips, Hager & North Investment Counsel Inc., RBC InvestEase Inc. and Phillips, Hager & North Investment Funds Ltd.; each of which is a registered firm providing investment products, services, and/or advice to Canadians. We will refer to these firms collectively as “RBC.”

RBC supports the CSA's objectives of establishing a new self-regulatory organization (the "New SRO") and consolidating the current investor protection funds into a single, independently operated investor protection fund. RBC has participated in both the IIAC and IFIC working groups and generally supports the comments raised in their submissions. Additionally, we welcome this opportunity to provide some of our own initial comments on the Position Paper with a view to engaging in an ongoing dialogue with the CSA throughout the New SRO's development and implementation.

First and foremost, we believe that the establishment of the New SRO should be driven by what is best for investors, ensuring the broadest possible access to meaningful investment advice and services. We are aligned with the CSA in prioritizing as guiding principles underpinning the framework for the New SRO: (1) increasing regulatory efficiencies, accommodating innovation and ensuring flexibility and responsiveness to the future needs of evolving capital markets; and (2) not imposing barriers to registrants providing access to advice and products for investors of different demographics. We also support the CSA's objective of supporting the development of a regulatory framework that has a clear public interest mandate and fosters capital markets that are fair and efficient.

In our view, Canadians currently benefit from a range of service offerings that meet their unique needs, experiences, and circumstances, which stands to be further enhanced by the full implementation of the Client Focused Reforms and a thoughtfully-developed framework for the New SRO. We caution against changes to registration and proficiency standards that could unduly disrupt the current advice delivery landscape. We are mindful of lessons learned from other jurisdictions, where regulatory reforms resulted in making meaningful investment advice less accessible for average investors. Furthermore, any regulatory changes should be deliberately made following considered input from all stakeholders, not ancillary to the adoption of the New SRO governance model.

We acknowledge the CSA's concerns and objectives in respect of independence from industry from a governance perspective. That said, we believe that the New SRO will be best positioned to meet its objectives by leveraging the expertise of industry participants, both as a part of the Integrated Working Committee and post implementation by incorporating versions of the current

IIROC District and MFDA Regional Councils into the New SRO's decision-making process. In our view, an appropriate balancing of independence and experience will lead to more effective regulation, to the benefit of both clients and participants.

We appreciate the opportunity to provide these comments and welcome the opportunity to discuss the foregoing with you in further detail. If you have any questions or require further information, please do not hesitate to contact [REDACTED] or any of the undersigned.

Yours sincerely,

***“David Agnew”***

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CEO  
RBC Canadian Wealth  
Management

***“Katherine Dudtschak”***

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CEO  
Royal Mutual Funds Inc.

***“Doug Coulter”***

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President, Retail  
RBC Global Asset  
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