



June 9, 2017

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

Delivered By Email: [comments@osc.gov.on.ca](mailto:comments@osc.gov.on.ca); [consultation-en-cours@lautorite.qc.ca](mailto:consultation-en-cours@lautorite.qc.ca)

Dear Sirs and Mesdames:

**Re: Canadian Securities Administrators Paper 81-408 - *Consultation on the Option of Discontinuing Embedded Commissions* (the “Consultation Paper”)**

Sentry Investments Inc. (“Sentry”) is one of Canada's leading independent investment managers, with more than \$18 billion in mutual fund assets under management. Since opening our doors in 1997, we have earned and kept the trust of more than half a million Canadian investors. Sentry offers a diverse range of investment products and solutions through financial advisors and investment dealers, as well as portfolio management services to a variety of institutional clients.

Sentry is pleased to have the opportunity to provide its comments on the Consultation Paper. We appreciate and thank the CSA for the significant effort that has been dedicated to developing and publishing the Consultation Paper and providing outreach as part of its process.

We, generally, support the CSA initiatives that seek to enhance investor protection and market efficiency in the Canadian marketplace. However, we believe that discontinuing embedded commissions and transitioning to direct pay arrangements will result in additional issues and unintended consequences for investors and the investment industry, as a whole. Accordingly, alternative solutions must be considered.

We are members of the Investment Funds Institute of Canada (“IFIC”) and support the analysis set out in the submission made by IFIC on behalf of its members with respect to the Consultation Paper (the “IFIC Submission”). The IFIC Submission provides additional

information to address the CSA concerns set out in the Consultation Paper and sets out an alternative to discontinuing embedded commissions, all supported by additional research.

We urge the CSA to carefully consider the IFIC Submission and any other feasible alternatives that would assist the CSA in addressing its concerns set out in the Consultation Paper before a decision is made to discontinue embedded commissions and transition the industry exclusively to direct pay arrangements.

Thank you for the opportunity to comment on the Consultation Paper.

Sincerely,

Edna A. Chu  
Senior Vice-President and Chief Compliance Officer

Copy:  
Philip Yuzpe, President and Chief Executive Officer