

Link Plan Management Inc. (Link) is a registrant and is providing comment and feedback to the CSA on proposed amendments to NI 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations and Companion Policy 31-103CP Registration Requirements, Exemptions and Ongoing Registrant Obligations – Reforms to Enhance the Client-Registrant Relationship (Client Focused Reforms).

Link fully supports all critical amendment provisions relating to KYC and KYP in relating to conflicts of interest and suitability. With respect to suitability, Link strongly believes that within the workplace savings and pension plan area, many individual clients are not being provided the proper advice, guidance or assistance in developing their investment and retirement portfolios and by definition invested in poorly suited or unsuitable portfolios, especially as these services are delivered by the insurance industry. These proposed amendments further increase registrant's importance and quality in this area.

Link also fully supports prohibitions on misleading marketing and advertising.

Link adheres to all regulations and standards, AND IN ADDITION Link also adheres to the potentially stricter CAPSA (Canadian Association of Pension Supervisory Authorities) guidelines with respect to necessary fiduciary duty and care.

Link strongly disagrees with restrictions on referral arrangements:

Background

Link Plan Management is a subsidiary of Link Investment Management Inc. ("Link") and a small but growing participant in the retirement and workplace savings money management arena. Client awareness and acquisition is paramount to Link's success. By virtue of Link's size and business model (business to business, software as a service, plan administration, record keeping with portfolio management expertise, and roboadvice), Link is working very hard to create awareness for the company and its products as well as acquire new clients that can benefit from the broad, agnostic, non-proprietary product selection for both clients with and without workplace savings plans. Many of those clients would only be made aware of Link and its services through introductions from other registrants and non-registrants. The value of these introductions to Link is essential for survival. Trusted registrant and non-registrant partnerships are essential and valuable and deserve to be rewarded.

In addition, Link is competing with large, legacy insurance competitors providing similar products without similar restrictions, creating an unfair playing field to Link's detriment. Large insurance companies do not currently provide customers with fee transparency, they only provide a limited proprietary selection of investment products and pay hidden trailer fees on assets, cash flow and transfer fees on size of business to any insurance broker, whether registrant or not.

This is not a level playing field for registrants, and further restrictions or eliminations of referral fees or fee arrangements may significantly diminish registrants' business and growth opportunities, and potential survival. Link believes referral fee restrictions could significantly and adversely affect the ability to do business, grow and ultimately survive.

Specific comments on Referral Arrangements

Referral fees must not continue for longer than 36 months

- Link's business is administering workplace retirement savings plans that often have durations of upward of 40 years. Link requires the flexibility of maintaining long term relationships with

partners that provide ongoing introductions and ongoing support for these long-term relationships. A limited referral arrangement is contrary to this critical business and relationship timeline and duration.

Referral fees must not constitute a series of payments exceeding 25 percent of the fees or commissions collected from the client.

- Link's business model is based on both direct sales and partner sales. Final end client price is variable (negotiated for breadth and type of services and specific plan(s)) but similar for each channel (for the platform product, reporting and record keeping service). Link provides the platform as a service to registrants for a fixed basis point cost as a service provider which allows 'selling registrants' to provide an efficient, low cost, low administration, digital investment service to their clients, by using the Link platform. By virtue of the structure of the client-registrant-Link relationship, Link collects the entire service fee, deducts its platform fee from the total fee and remits the remainder to the registrant. The remainder fee is provided to the registrant for client support and interaction and may be less, the same or more than the platform fee being paid. LINK does not agree with this arbitrary percentage level, as it is not relevant for LINK's business and is outside the necessary context of all types of services and fees being considered. Across the board, referral quantity/percentage restrictions do not serve the entire registrant community and negatively biases new players with new platforms and systems that can greatly benefit the end client with greater oversight and lower and transparent fees.

Referral fees must not increase the amount of fees or commission that would otherwise be paid by the client for the same product or service.

- As noted above, Link's business model is based on both direct and partner (registrant and non-registrant) sales. Link endeavours to provide a similar end price to clients regardless of direct interaction with Link or with one of Link's channel partners. However, Link is both a direct seller of our investment services and platform, and we are also a platform provider for other registrants. As such, Link does not have pricing power over the latter channel. Link can indirectly influence providers to target a min/max pricing of the product and related services but Link does not have complete market pricing power. Link expects and directs end user fees to be reasonably comparable, but cannot guarantee, as Link does not control the end point pricing in the channel partner relationship. Link intends the end client to receive comparable services and product delivery for essentially the same price and would not consider the referral fees in any arrangement to be increasing the fees the client pays. Link would want to ensure the Commission and any proposed new regulations or modifications to interpret the proposed amendment in this fashion.

Conceptually, Link is attempting to bring investors into the regulated market by partnering with registrants and non-registrants that provide business and client referrals. These partners should be rewarded, encouraged and incented to assist the growth of investors under and within registrants (and by association the cross-country Securities Commissions) domain. Regulations should protect and inform the end client, but should also encourage end clients to enter working relationships with registrants not dissuade them. The intent should also be to grow the number of end clients that can benefit from the higher protections and standards of the regulated environment. Supporting a responsible, transparent and flexible referral fee arrangement could deliver more clients to a safer, protected, regulated environment through registrant relationships delivered by a variety of partners.