

# INVESTOR ADVISORY PANEL

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## **Re: IAP Response to OSC Staff Notice 11-779 Seniors Strategy**

The members of the Investor Advisory Panel (IAP or the Panel) welcomes this opportunity to provide our comments on the Ontario Securities Commission's Seniors Strategy and the action plan it incorporates to respond to the needs and priorities of Ontario seniors. The IAP is an initiative by the Ontario Securities Commission (OSC) to enable investor concerns and voices to be represented in its rule and policy-making process.

Over the past few years, we have actively urged the OSC to address the unique needs and challenges faced by seniors when it comes to investing and, therefore, we applaud the publication of this strategy.

The OSC's Seniors Strategy (the Strategy) addresses several key areas important to ensuring Ontario seniors have access to suitable advice and are protected from poor or fraudulent behaviour. In particular, the Strategy acknowledges and addresses many of the concerns raised at the [2014 Seniors Roundtable](#), which was jointly hosted by the OSC and the IAP.

At that time, we looked closely at the challenges facing seniors when it comes to achieving financial security in retirement, including:

### **Misleading titles**

We are pleased to see many of the recommendations from the Roundtable integrated into the Strategy, including the need to address confusing and misleading titles and designations related to seniors. This is a serious issue that requires urgent attention. The practice has been allowed to persist and many investors are misled by titles that do not reflect the individual's registration status or proficiency.

The Panel urgently recommends that regulators prioritize titling and proficiency reforms.

### **Regulatory silos**

A key recommendation emerging from the Seniors Roundtable was the need to address regulatory siloes and *"develop comprehensive solutions that prevent seniors from 'falling through the cracks' that exist between mandates of the organizations that are designed to serve them."*

The OSC's proposal to work with other regulators and agencies across jurisdictional boundaries to address the needs of seniors is a welcome one, particularly in the areas outlined in the Strategy: know your client obligations; powers of attorney; privacy laws and disclosures of client information; and probate fees and jointly-owned accounts. However, mindful of the challenges and lengthy timeframes involved in working across institutional and regulatory boundaries, the IAP would like to see a working plan for establishing this collaborative effort put in place well in advance of the one year check-in date prescribed in the Strategy proposal.

### **The need for education/outreach**

Education and outreach is another theme that arose during the Seniors Roundtable and it features prominently in the Strategy. Accessible education and relevant information can help prevent or mitigate abuse. In developing this aspect of the strategy, the IAP suggests that close attention be paid to accessibility and user-friendliness of subject matter. In addition, academic research has found that the context in which information is conveyed is very important; specifically, it will be important to ensure that the information is available at both the time and place that is most relevant for the consumer of that information. Also, since the financial sector is fragmented and complex, we support the identification of a single central source to develop the educational materials and establish how and when to best distribute it.

### **The need for enforcement**

While the report emphasizes and focuses on education, information, and other preventative methods, the IAP acknowledges that enforcement and oversight also play an extremely important role in investor protection.

We encourage regulators to redouble their efforts to pursue effective and robust enforcement and oversight initiatives to deter future violations and abuses.

### **Next steps**

We support the Strategy, but recommend that it be implemented on a more accelerated timeline than proposed. Given the demographic reality that is already manifesting as the massive Baby Boomer generation begins to retire, an informed and responsive framework to address issues of financial exploitation and cognitive impairment among older investors is long overdue. Our biggest concern is that the execution and implementation of the proposed initiatives contemplated in the strategy will take too long to benefit vulnerable seniors who need protection now.

Sincerely,

***"Letty Dewar"***

Letty Dewar  
Chair, Investor Advisory Panel