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June 22, 2007

British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Securities Commission
The Manitoba Securities Commission
Ontario Securities Commission
Autorite des marches financiers
New Brunswick Securities Commission
Registrar of Securities, Prince Edward Island
Nova Scotia Securities Commission
Superintendent of Securities, Newfoundland and Labrador
Registrar of Securities, Northwest Territories
Registrar of Securities, Yukon Territory
Registrar of Securities, Nunavut

c/o John Stevenson, Secretary
Ontario Securities Commission
20 Queen Street West
19th floor, Box 55
Toronto, Ontario
M5H 3S8

RE: Proposed National Instrument 31-103 and Companion Policy 31-103

Dear Sirs and Madams,

We wish to thank the Canadian Securities Administrators (CSA) for the opportunity to provide comments on Proposed National Instrument 31-103 and Companion Policy 31-103CP.

The Registration staff at Edward Jones have carefully reviewed the proposed changes to form 33-109F4 - Application for Registration of Individuals and form 33-109F1 Notice of Termination and provide the following comments.

PROPOSED FORM 33-109F4 - APPLICATION FOR REGISTRATION OF INDIVIDUALS

Item 1 - Name

Schedule "A" consists of 2 different sections -
Section (a) other personal names and Section (b) business names

Section (a) requests information relating to trade names.
Trade names are business related and should be disclosed under section
(b) business names.

Item 4 - Citizenship

The wording on this question seems to indicate that Canadian citizens who hold dual citizenship are required to disclose information relating to the "other" citizenship. Is this the intent?

If not, the wording should be changed to be more specific: i.e.,
If you are **not** a Canadian citizen complete the following information:

If an applicant is not a Canadian citizen and does not hold a valid passport – what other information is acceptable (e.g., Landed immigrant document and/or expired passport)

Item 8 – Proficiency

8.1 – Course or examination information

The wording "any post-secondary education and all degrees and diplomas that are relevant to the registration that you are applying for" indicates that any post-secondary education must be disclosed regardless of relevancy to registration.

Recommend wording be changed to "any post-secondary education, degrees and diplomas that are relevant to

8.2 - Student numbers

Form requests information on course completed through CAIFA. This should be updated to Advocis which was formed on January 1, 2003, as a result of a merger between the Canadian Association of Insurance and Financial Advisors (CAIFA) and the Canadian Association of Financial Planners (CAFP)

Item 9 – Location of Employment

We are very pleased to see that the firms will have the ability to enter cost center/branch transit number or firm specific identification numbers to assist with reconciliation/accounting efforts. We request that this field be set up to accommodate a combination of alpha/numeric entries and have a minimum 18 character capacity.

Item 10 – Current Employment

Schedule "G"

The proposed form does not require information regarding Name/address and immediate superior if current employment is with the sponsor firm. Does this information pre-fill based on information entered in Item 9 – Location of Employment?

For "other employment or business activities, to simplify completion of this information we recommend that the schedule be set up with check boxes to provide information relating to conflict of interest, client confusion etc.

Example;

- o Check here if the activity described above does not present any potential for confusion by clients or any conflict of interest arising from your proposed activities as a registrant.

Disclose any potential for confusion by clients and any potential for conflicts of interest arising from your proposed activities as a registrant with affiliated or unaffiliated sponsoring firm(s) and with the other business described above.

- o Check here to confirm that the firm has policies & procedures for minimizing potential conflicts of interest
- o Check here to confirm that you are aware of these policies & procedures

Is this business listed on any exchange

- o Yes If Yes provide information:
- o No

Does this business result in a "shared premise" situation.

- o Yes If Yes provide information
- o No

Suggestion: Since IDA member firms are required to provide the name and title of the officer who approved the outside activity/employment, provide an area to enter this information.

Item 13 – Regulatory disclosure

We support all changes made to this section of form 33-103F4, however, offer the following suggestion.

Item 13(3) Non-securities regulation

Schedule J – Item 13(3)(a) – For individuals who are insurance licensed the name of the insurance agency they represent is required. This should be requested on the form.

Disclosure Items 14, 15 & 16

Inconsistent format is used for Disclosure Items 14 – 15 and 16. This section is confusing and it is unclear when information is required for an individual only or for an individual and a firm over which the individual exercised control as a partner director etc.

Item 14 - Criminal Disclosures

Item 14 is divided into 2 separate sections – one for an individuals (a & b) and another section to be completed for a firm (c & d)

Item 15 – Civil Disclosures

Section (a) & (b) makes no reference to civil proceedings against a firm, however the information is required on the schedule (Schedule "K")

An applicant who responds NO to this question would not see Schedule K and therefore would not know that this information was also required for a firm.

Item 16 - Financial Disclosures

16.1 – Bankruptcy

Instructions at the beginning of this section indicate that information is required for both individual and any firm for which the individual exercised control at the time of the event.

Item 16.1(a) repeats "against you or the firm" but this is not included in 16.1(b)(c) or (d)

We suggest removing "or the firm" from Item 16.1(a) or repeating it in Section 16.1(b)(c) and (d) to be consistent.

16.2 – Debt Obligation

Instructions at the beginning of this section do request information for both the individual and firms.

Recommendations:

- Use the same format for all Disclosure sections
- Include "instruction" at the beginning of each section to indicate if information is required for both individual applicant and/or firm when they were a partner, director.....

Item 14 - Criminal disclosure

Applicants are not required to disclose any offence for which a pardon has been granted, providing the pardon has not been revoked. Disclosure however, is required even though an absolute or conditional discharge has been granted.

A person whose criminal record consists only of absolute or conditional discharges is not able or required to apply for a pardon. Under the Criminal Records Act an absolute or conditional discharge handed down by the court on or after July 24 , 1992 will automatically be removed from the CPIC computer system one year (absolute discharge) or three years (conditional discharge) after the court decision. Absolute and Conditional discharges received before July 24, 1992 are removed upon written request from the individual.

An individual who may have committed a serious crime and receives a pardon is not required to disclose the information, however, an individual who may have committed a much lesser crime and received an absolute discharge is required to disclose it. This discrepancy does not ensure fairness and a level playing field for all applicants and does not address the issue of suitability for registration.

We recommend that the CSA reconsider the disclosure requirements and reword Question 14 to indicate that applicants are not required to disclose the following:

- a) offences for which a pardon has been granted under the Criminal Records Act (Canada) and such pardon has not been revoked.
- b) offences for which an absolute or conditional discharge was granted and which has been purged from the criminal records in accordance with the Criminal Records Act.
- c) offences under the Young Offenders Act (Canada)

It is the responsibility of the individual to ensure that record has been removed from CPIC prior to submission of an application.

Our firm conducts CPIC checks for all new hires. If applicants have been granted a conditional or absolute discharge and the record has been removed under the Criminal Records Act this will not be disclosed on the report.

We also recommend that consideration be given to allowing registrants to apply to have their criminal records removed from the NRD system when a pardon is granted or a conditional or absolute discharge has been removed from CPIC under the Criminal Records Act.

Item 16.1 – Bankruptcy

Schedule M should be divided into 2 sections – one for discharged bankruptcies and one for undischarged bankruptcies.

We fail to see the relevance or value of providing a list of all creditors for any discharged Bankruptcies.

Item 16.2 – Debt Obligation

Raising the amount from \$500 to \$5000 does not establish a measure of solvency, financial stability or integrity and determine suitability for registration. The applicant could have 10 outstanding financial obligations of \$4999.00 each and these would not be reportable – however, one financial obligation of \$5000.00 which occurred 12 years ago and which has been paid in full would be reportable. This does not make sense.

The regulators should be clear on what the intent of this question is –

a) if the rationale for this question is that the regulators must have full disclosure of an individual's financial history (past and present) in order to determine suitability – then raising the amount does not accomplish this.

b) if the intent of this question is to capture any information not covered in Item 16(1) or 16(4) since no formal proceedings have yet occurred but which could ultimately result in future legal proceedings, we recommend deleting the word "ever" and changing the wording to require disclosure of any failure to meet a financial obligation of \$500.00 or more in the past 10 years for which there is still an outstanding amount owing.

Credit records only provide information for the past 7 years – it is difficult to obtain and verify information beyond this timeline. An individual who has met all their financial obligations in the past 7 years and has a good credit rating should not be required to provide historical information which has no relevance to their current financial status. Any past financial issues which resulted in legal action, judgments, garnishments, bankruptcies are disclosed under Item 16(1) and 16(4) on the application.

Certificate of Agreement

Upon completion of form 33-103F4 the system should automatically display the Certificate of Agreement and the applicant should be required to check a box to indicate that they read the agreement and understand the terms of the agreement prior to submitting the application to the sponsor firm.

PROPOSED FORM 33-109F1 – NOTICE OF TERMINATION

Section D.2 – Reason for the termination

The phrase "Resigned... for cause" is confusing and subject to differing interpretations. We suggest that it be changed to read:

ResignedSolicited by member Yes No

This would effectively eliminate the need to repeat this question with different wording under section E – Question 1

Section E

Filing deadlines should clearly be defined as business or calendar days.

If the answer to any of the questions under section "E" is "yes" firms are instructed to provide details with reference to events in the past twelve months.

Firms should not be required to provide information regarding events which have already been reported/disclosed through either the NRD and/or ComSet.

This sentence should be changed to "Answers should be with reference to events in the past twelve months which have not previously been reported or disclosed".

- Question 1:** Redundant – already answered under section D.2
- Question 3:** Further clarification and guidance would be needed to determine what constitutes "significant" internal disciplinary measures. This is open to different interpretations being applied by various regulators and firms.
- Question 4:** Reference is made to written complaints, civil actions and arbitration notices. Is this meant to exclude verbal complaints?
- Question 5:** Consider a change to the wording on this question. The fact that a client account is not fully secured, margined or paid does not mean that the registrant has an "undischarged financial obligation to clients."
- Question 6:** More specific guidelines should be provided. For example, minor trade corrections may result in a "monetary loss" to the firm, but their significance and impact may be minor. It would be impractical to review all and report on all trade corrections which had resulted in a loss to the firm.
- Question 9:** We recommend this be included under Question 7 rather than as a separate question.

Please feel free to contact the undersigned should you have any questions regarding these comments.

Yours very truly,

Judy Nicholson
Dept. Leader
Securities Registration & Insurance Licensing Dept.