

May 28, 2008

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

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RE: Proposed National Instrument 31-103 and Companion Policy 31-103 and Proposed Revocation and Replacement of NI 33-109 and 33-109CP

Dear Sirs and Madams,

We wish to thank the Canadian Securities Administrators (CSA) for once again providing the opportunity to comment on the Proposed National Instrument 31-103 and Companion Policy 31-103CP and consequential changes to NI33-109 and 33-109CP. We appreciate the consideration given to our previous comments submitted in June 2007 and thank the CSA for incorporating many of our suggestions and recommendations in the amended proposals.

The Registration staff at Edward Jones have carefully reviewed the proposed amendments, particularly those that deal specifically with registration issues and the revised forms, and offer the following comments:

National Instrument 31-103

Part 4

(4.3) Prescribes examination based proficiency rather than course based education requirements where possible.

Question: Does the course provider, specifically, CSI Global Education Inc. support this proposal and will they be offering an exam-only option to the required courses?

4.4 (1) & (2) Establishes a 36 months time limit for examinations unless an individual was either registered for 12 months during the 36 month period since passing the exam or had gained 12 months of "relevant" experience during the 36 months prior to applying for registration.

IDA Policy 6 is proposing a 2 year validity period on all examinations including the Canadian Securities Course (CSC).

4.4 (1) Given that the purpose of the Rule is to harmonize registration requirements of all regulatory authorities, a common time limit on examination validity should be established.

4.4 (2) What constitutes "relevant experience"?
Who decides "relevance" - the sponsoring firm or the regulators ?
Is there a formal exemption application process?
Is there a fee for exemption requests?

National Instrument 33-109 and Companion Policy 33-109CP

Reinstatement

NI33-109 Part 2 – Section 2.3 (a)

and

33-109CP Part 2 - Section 2.1 (1) and (3)

It should be clearly noted if the timeline for reinstatement is 90 calendar days or business days.

Form 33-109F1 Notice of Termination.

Part D - Section 2 - Reason for the termination

The Yes and No response is appropriate to indicate if resignation was solicited by the firm, but unclear for dismissal. There is no option for "Dismissed in good standing". The Yes or No response for "Dismissed for just cause" is unclear. There should be 2 separate options.

- Dismissed in good standing
- Dismissed for just cause

Part E only requires disclosure for individuals who resigned or were dismissed (whether or not for just cause) and not for individuals who "retired" or were terminated for "other" reasons.

Many individuals retire only to return to the industry at a later date and reapply for registration. The information contained in Part E would be equally relevant and significant for the new sponsoring firm for these individuals as well as for those whose registration was terminated for "other" reasons (e.g. long term disability, extended leave, sabbatical or those who continue their employment with a sponsoring firm but no longer require registration due to position changes).

Instructions provided under Part E are unclear. It indicates that the "remainder" of the form should be filed within 5 business days after the effective date of the termination.

The term "remainder" could easily be misunderstood to refer to all the questions following the Reason for resignation or dismissal in Part E.

The Form should clearly provide instructions and deadlines for filing each section.

Example:

Part A-B-C-D must be filed within 5 business days after the effective date of the termination.

Part E – must be filed within 30 business days after the effective date of the termination.

Form 33-109F4

As noted in the proposed amendments to NI 33-109 "The purpose of the proposed changes to Form 33-109F4 is to apply plain language principles and make the form easier to understand". As Registration Officers, we strongly support this effort and herewith provide additional recommendations and suggestions based on our observation and experience.

Item 14 Criminal Disclosure

We are extremely pleased and thank the CSA for recognizing that offences for which an individual received a conditional or absolute discharge which has been removed from the criminal records, should not require disclosure.

However, we find that the verbiage of Item 14 – Criminal Disclosure is confusing, repetitive and unclear.

Examples:

Highway Traffic Act & pardoned offences under the Criminal Code

"You are not required to disclose speeding, parking violations or any offence for which a pardon has been granted under the Criminal Records Act (Canada) and such pardon has not been revoked"

Recommendation: Offences under the Highway Traffic Act should not be included in the same sentence as pardoned offences under the Criminal Act (Canada). These should be addressed separately.

Dismissed or withdrawn charges

Current question: "With respect to question (b) and (d) below, if you or your firm have been found guilty of an offence, or participated in the Alternative Measures Program, that offence must be reported even if an absolute or conditional discharged has been granted or the charge has been dismissed or withdrawn with respect to the offence."

Issue: Charges which were withdrawn or dismissed should not be disclosed.
Item 14 and Schedule K only requires disclosure of any "outstanding or stayed" charges or offences for which an individual/firm was convicted, found guilty or pleaded guilty or no contest to.

Overall recommendation for Item 14

We recommend changing the wording to separate the disclosure and /non-disclosure requirements.

Example:

You are required to disclose:

Offences under federal statutes such as the Income Tax Act (Canada), the Competition Act (Canada) and the Immigration Act (Canada) constitute criminal offences and must be disclosed when answering this question. It should be noted that pleas or findings of guilt for impaired driving are Criminal Code (Canada) matters and must be disclosed. Where you pleaded guilty or have been found guilty of an offence, such offence must be reported even though an ⁽¹⁾absolute or conditional discharge has been granted, or if you participated in the ⁽²⁾Alternative Measures Program, except under the following circumstances:

You are not required to disclose:

- o Any offence for which a pardon has been granted under the Criminal Records Act (Canada) and such pardon has not been revoked.
- o ⁽¹⁾Offences for which you received an absolute or conditional discharges that have been purged from the criminal records in accordance with the Criminal Records Act (Canada)
- o Offences under the Highway Traffic Act (Canada) – i.e. speeding and parking violations.
- o Offences under the Young Offenders Act (Canada) or the Young Criminal Justice Act (Canada)
- o ⁽²⁾Participation in the Alternative Measure Program which occurred more than 3 years ago.

If you do not disclose offences under any statute other than as indicated above, we may treat it as a non-disclosure of material information.

Item 15 – Civil disclosure

We have been instructed by the regulators that registrants are required to disclose details regarding any civil actions in which they are or have been a defendant or respondent regardless of whether this is related to fraud, theft, deceit, misrepresentation, or similar misconduct as indicated on Form 33-109F4. This would require firms to determine whether each statement of claim contained any allegations including or similar to those referenced in the question and could be subject to varying interpretations.

Item 15 (a) and (b) should therefore be reworded to indicate that ALL civil actions require disclosure regardless of the reason.

Item 16 Bankruptcy

The disclosure requirements are inconsistent on Schedule "M"

16.1 (a) & (b) requires disclosure of the creditors

Not required to be disclosed in (c) or (d) where it would be equally relevant.

We propose that listing of all individual creditors included in a bankruptcy or proposal which has been discharged should not be required. It should be sufficient to provide the total outstanding amount owing at the time of the bankruptcy instead of a list of all individual creditors.

Form 33-109F4 – Instruction to applicant

Instructions contained in Form 33-109F4 Application for Registration advises an applicant to contact an authorized officer of the sponsoring firm or a legal advisor if they have any questions relating to the information contained on the application. Unless the legal advisor is familiar with securities regulations pertaining to disclosures they could provide the registrant with misleading information. This may result in an applicant not disclosing material information as required under securities legislation and ultimately having a detrimental effect on the applicant.

The instructions should be reworded to advise the registrant to contact the compliance, registration or legal department of the sponsoring firm.

We appreciate the opportunity to provide comments on the proposed amendments. Should you have any questions regarding our comments please contact the undersigned at the above number.

Sincerely,

Judy Nicholson
EDWARD JONES
Dept. Leader
Compliance - Securities Registration