

**Delivered by Email**

September 14, 2018

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

Attention:

Grace Knakowski  
Secretary  
Ontario Securities Commission  
20 Queen Street West  
22nd Floor  
Toronto, ON M5H 3S8  
[comments@osc.gov.on.ca](mailto:comments@osc.gov.on.ca)

Me Anne-Marie Beaudoin  
Corporate Secretary  
Autorité des marchés financiers  
800, rue du Square Victoria, 22e étage  
C.P. 246, tour de la Bourse  
Montréal, QC H4Z 1G3  
[consultation-en-cours@lautorite.qc.ca](mailto:consultation-en-cours@lautorite.qc.ca)

Dear Sirs/Mesdames:

**CSA Notice and Request for Comment – Proposed National Instrument 93-102 Derivatives: Registration and Proposed Companion Policy 93-102 Derivatives: Registration**

Thank you for the opportunity to provide comments on the CSA Notice and Request for Comment published April 19, 2018 regarding the proposed derivatives registration regime.

[www.glc-amgroup.com](http://www.glc-amgroup.com)

Divisions of GLC Asset Management Group Ltd.

GWL Investment Management • London Capital Management • Laketon Investment Management • Portico Investment Management • Portfolio Solutions Group

## Background

GLC Asset Management Group Ltd. (“GLC”) is a diversified asset management firm responsible for providing discretionary portfolio management services on over \$55 billion of assets, including Canadian fixed income, Canadian equity, and US equity. Our firm is registered as a Portfolio Manager and the Ontario Securities Commission is our principal regulator. We are a wholly owned subsidiary of The Great-West Life Assurance Company (“GWL”) and manage corporate assets, segregated funds, and mutual funds on behalf of GWL and its subsidiaries. GWL is a member of the Power Financial group of companies.

The comments expressed within this letter reflect the views of GLC and may not necessarily agree with those of GWL or its affiliates.

## Comments

Our comments focus on two areas:

1. The creation of a duplicate registration regime, and
2. The lack of detail surrounding additional fees and capital requirements.

### Registration Duplication

While we acknowledge there may be some benefits to registering derivatives dealers and advisers, the introduction of a new and separate registration regime will duplicate many of the existing elements within the National Instrument 31-103 registration framework. The proposed instrument introduces new roles and processes to an organization’s regulatory requirements that mimic existing and well-established roles mandated within NI 31-103. Separate derivatives roles will require organizations to maintain and monitor two sets of registration files, make two sets of filings for any change to a registrant’s information, and create other similar duplicated efforts.

We question the necessity and value of introducing separate and distinct oversight positions for participation in the over-the-counter derivatives market especially when derivative activity for most Portfolio Managers would be an ancillary activity within their overall business model.

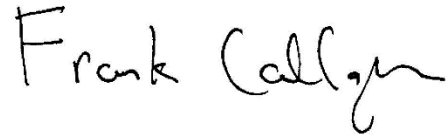
### Fees and Minimum Capital Requirements

The lack of detail provided concerning additional registration fees and minimum capital requirements is of concern to our firm. While the proposed instrument explicitly states these details will follow in a future consultation, both items are of considerable importance given ever increasing regulatory requirements and the overall competitiveness within the financial services industry. It therefore makes this consultative review more challenging in determining the full impact to our firm as a registrant.

## Conclusion

The goal of increased transparency and accountability in the over-the-counter derivatives market is laudable. However, we believe NI 31-103 already provides the CSA with the ability to regulate and monitor registrants at both the firm and individual level without the need for a second registration regime. We would respectfully suggest that additional consultation and discussion with key stakeholders is required.

Yours truly,

A handwritten signature in black ink that reads "Frank Callaghan". The signature is written in a cursive, slightly slanted style.

Frank Callaghan  
Senior Vice President, Finance & Operations  
Chief Compliance Officer

[frank.callaghan@glc-amgroup.com](mailto:frank.callaghan@glc-amgroup.com)