‘re CSA Position paper 25-304 comments due 27 June 2022

Dear osc office of the secretary

And CSA

I wish to add these observations.

The crown bodies are accessible to Auditor Generals but the SROs and ecbs are not.

Is this really the best way to ensure public best interest is served? The sros and ecbs are NOT crown bodies so while they make reference to public best interest and I note in the past apparently per Csa working paper this has been less than ideal.

Guild like entities are different from crown bodies.

And the osc and peers hands off approach after delegating to sros is not reassuring.

As for obsi I note it is industry groups that have circumvented obsi offers to broaden the scope of its findings, and who is it that is denying the obsi enforcement teeth

Such turf wars and the ones between provincial crown that lead to the shuttering of the Cmaio body are not reflective of public best interest but rather provincial territorial agendas. And oddly the shuttering came right after the Supreme Court gave the green light. So how are the concerns about uneven investor protection across Canada as noted sometime ago by the SCC in the public’s best interest?

I also have not had the best experience with iiroc in trying to direct their attention to issues. And despite the guidance notice 19-0177. (So what did officials miss before?) And how receptive will iiroc really be to and IAP panel including outsiders. As I note the osc is somewhat stiff with IAP recommendations. Quite obvious in its public disclaimer of ultimate authority by the way.

How cost effective is it to direct issues to iiroc when iiroc is not best purposed to handle them noting retail are also capital market participants, so is iiroc dialogue with crown bodies regarding issues that are of relevance to both the osc for example and iiroc? And does iiroc pay any attention to the work of the Supreme Court and case President including items related to contracts and power imbalances?

Is iiroc even aware of what elements need to be met to satisfy fully informed consent when accounts are opened or issues now surfacing on industry practices that need better transparency on fees for example or payment for order flow? Or lending out of securities and the utility value to industry of margin accounts which occurs even when the title owner (retail) is not in arrears with margin interest?

Retail are not “dumb money” but they are kept dumb and blamed for issues that oversight need to address. E.g. obsi is a frequent user of the “well this is a DIY model, but ducking blatant non compliance ducks by industry embedded in terms and despite iirocs guidance notice 19-0177.

Avoiding overlaps should not be taken to avoid dialogue because then the crown and the sro will benefit from the bigger context rather than retails legitimate rights dropping through the cracks of this very fragmented set up.

Why is it again that no auditor can access the sros or ecbs to access public best interest delivery? I KNOW the AG s lack jurisidiction but doesn’t this serve industry agenda rather than the public’s? So why are crown bodies party to this?

Should you also dialogue with mainstream legal beagles rather than the current insider niche focus…so updates to the current set up are aligned with the law…not just your specific niche aspect?

Bev Kennedy