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Sent via e-mail

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Re: **OSC Notice 11-791 Statement of Priorities - Request for Comments Regarding Statement of Priorities for Financial Year to End March 31, 2022**

The Portfolio Management Association of Canada (**PMAC**), through its Industry, Regulation & Tax Committee, is pleased to have the opportunity to submit the following comments regarding OSC Notice 11-791 Statement of Priorities - *Request for Comments Regarding Statement of Priorities for Financial Year to End March 31, 2022* (the **Statement of Priorities**).

As background, PMAC represents over [285 investment management firms](#) registered to do business in Canada as portfolio managers (**PMs**). In addition to this primary registration, the majority of our members are also registered as investment fund managers and/or exempt market dealers. PMAC's members encompass both large and small firms managing total assets in excess of \$2.8 trillion for institutional and private client portfolios.

OVERVIEW

PMAC is supportive of the four overarching goals set out in the Statement of Priorities and we are pleased to have the opportunity to provide the following feedback on certain aspects of them.

We have made several recent submissions to the Ontario Securities Commission (**OSC**) and the Canadian Securities Administrators (**CSA**) on a range of advocacy issues impacting portfolio managers and their clients, all of which can be found [here](#).

ACKNOWLEDGEMENT OF ACTIONS IN FURTHERANCE OF THE OSC'S PRIORITIES

Before we discuss the priorities for the coming year, we would like to acknowledge with appreciation the work that the OSC and your CSA colleagues did to implement and publish the following:

- The ability to register Client Relationship Manager Advising Representatives through the use of standardized Terms & Conditions;
- The publication of proposed shared CCO Registration Models;
- Updated OSC Service Standards; and
- CFR Implementation Committee and FAQs.

These publications have been helpful by giving members the opportunity to provide feedback in reducing regulatory burden and provided additional flexibility and/or clarity on issues of importance to our members. We believe these measures are tangible actions in furtherance of the OSC's goals.

REGULATORY WISH LIST

In lieu of re-iterating all of our key recommendations on various consultations here, and in recognition of the diligence and consideration with which the OSC and CSA review stakeholder comments, we are instead setting out the following topics (along with submission links, where applicable), which highlight PMAC's regulatory "wish list" for the year to come. We believe that these issues are very closely tied in several ways to the OSC's goals, especially promoting confidence in Ontario's capital markets, reducing regulatory burden, and facilitating financial innovation. They are as follows:

1. **Self-Regulatory Organizations (SRO):** Continue to have PMs directly regulated by the CSA, not by an SRO.
 - PMAC submissions:
 - [CSA Consultation Paper 25-402 Consultation on the Self-Regulatory Organization Framework](#)
 - [Canadian Capital Markets Modernization Taskforce \(CMMT\)](#)
2. **Regulatory Burden Reduction:**
 - i) Continue the excellent work on burden reduction measures;
 - ii) Extend access equals delivery to investment fund issuers (including ETF issuers); and
 - iii) Provide status updates as frequently as possible.
 - PMAC Submissions:
 - [OSC Internal Taskforce on Regulatory Burden Reduction](#)
 - [CSA Reducing Regulatory Burden for Investment Fund Issuers – Phase 2, Stage 1](#)
 - [CSA Consultation Paper 51-405 – Consideration of an Access Equals Delivery Model for Non-Investment Fund Reporting Issuers](#)

3. **Derivatives Regulation:** Regulate PMs under National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations (NI 31-103)* instead of under a parallel set of derivatives instruments.
 - o PMAC Submissions:
 - [CSA Second Notice and Request for Comment – Proposed National Instrument 93-101 Derivatives: Business Conduct and Proposed Companion Policy 93-101CP Derivatives: Business Conduct](#)
 - [CSA Notice and Request for Comment – Proposed National Instrument 93-102 Derivatives: Registration and Proposed Companion Policy 93-102 Derivatives: Registration](#)
4. **CSA National Systems:** Ensure that the National Systems deployment is done smoothly so as to avoid unnecessary regulatory burden, cost, confusion and time lost for training on various iterations of the technology. In order to ensure this, we urge extensive end-user testing prior to the launch of each component of the updated national systems and remain concerned that such prior user-testing does not appear to be part of the implementation plan.
 - o PMAC Submission:
 - [CSA Notice and Request for Comment – Proposed National Systems Renewal Program Rule and Related Amendments](#) and [CSA Notice and Request for Comment – Proposed Repeal and Replacement of Multilateral Instrument 13-102 - System Fees for SEDAR and NRD](#)

We would also like to note our appreciation for the thoughtful and detailed dialogue that OSC Staff have engaged in with PMAC and our membership on the issues listed above. Due to the importance of certain of these issues to our membership, we have elaborated on them in greater detail below.

PMAC’S FEEDBACK ON STATEMENT OF PRIORITIES

We have set out our comments below using the order of topics covered in the Statement of Priorities, followed by additional member feedback relevant to each of the four goals.

1. PROMOTE CONFIDENCE IN ONTARIO’S CAPITAL MARKETS

Consultation on Self-Regulatory Organization (SRO) Framework

While we have included PMAC’s submissions on the SRO Framework to the CMMT and to the CSA above in our “regulatory wish list”, our concerns on this issue are of sufficient importance to be repeated here. PMAC member firms believe that direct regulation of PMs by the CSA is, and historically has, proven to be extremely effective and we fail to see how changing direction would better serve investors.

PM firms do not wish to be regulated by an SRO, nor do we believe there is any policy, regulatory or investor-protection reason for them to be regulated by an SRO.

Many PM firms are also registered as IFMs and/or EMDs, all of which are directly regulated by the CSA. About 65% of PMAC’s members are registered as both PMs and IFMs.

Additionally, many of these are part of international firms. We note that both the CSA and CMMT SRO reform proposals have been silent on the oversight of IFMs and this is cause for concern. PMs and IFMs are intertwined; dividing their regulation between a new SRO and the CSA would increase costs and regulatory burden, which is not in the best interests of investors and runs counter to the overall objective of any of the proposals and of the OSC's stated goals.

In our view, expanding the mandate of the SROs to include PMs would only serve the interests of the SRO, and not investors. Direct regulation is strong regulation – it minimizes conflicts of interest, and there are issues with investor outcomes that need to be solved before any consideration of mandate changes for the SROs.

With respect to competitiveness, PMAC notes that many PMs operate internationally under a CSA-style principles-based regime; any move to a more prescriptive SRO-governed model would not be aligned with these international regimes and would likely lead to significant loss in the international competitiveness of these Canadian firms.

Additionally, since the CMMT consultation asked a direct question about regulating PMs under an SRO but the CSA's consultation did not, and since the full extent of stakeholder feedback to the CMMT Consultation has not been made publicly available, we do not believe that there has been sufficient consultation or transparency regarding the proposal that PMs should be regulated by an SRO. As a result, we believe that the OSC should not consider any proposals to regulate PMs under an SRO until such time as further direct public and transparent consultation on this material change has been conducted.

Bring Timely Enforcement Actions

We agree that effective compliance and enforcement are essential to maintaining the integrity and attractiveness of our capital markets and that identifying illegal activity and deterring such activity are important. We understand and support the need for cross-border supervision and access to data.

Members would like to understand the status of the Market Analysis Platform (**MAP**) since the contract was signed with Kx in September 2018 to acquire the MAP system. PMAC would appreciate an understanding of the progress and cost implications of this project.

Additionally, while markets, securities, and technology are rapidly evolving and, at times, require swift regulatory responses, we urge the OSC not to regulate via regulatory action. Timely communication of issues and concerns, together with guidance, from the OSC to all stakeholders is preferable – and, we believe, more effective – than trying to change behaviour and set new goalposts using settlements and/or deficiency letters. This will especially be the case with respect to any issues arising out of or highlighted by the COVID-19 pandemic.

Ontario's regulatory response to DSCs

We refer the OSC to PMAC's submission on the [OSC Notice and Request for Comment – Proposed Ontario Securities Commission Rule 81-502 Restrictions on the Use of the](#)

Deferred Sales Charge Option for Mutual Funds, expressing our comments and concerns regarding Ontario’s unilateral approach to Deferred Sales Charges (**DSCs**). We reiterate our key recommendation that Ontario reconsider the decision to deviate from other Canadian jurisdictions and instead, harmonize the DSC ban across Canada. Additionally, we note the Statement of Priorities references “fostering the launch of new products and services that will facilitate the implementation of the policies” and question what is intended by this.

Improve the Retail Investor Experience

PMAC is supportive of the implementation of the OSC Seniors Strategy¹. With respect to the proposed amendments to NI 31-103 to enhance protection of older and vulnerable clients, PMAC applauds the behavioural insight report completed by the OSC Investor Office “Protecting Aging Investors through Behavioural Insights”. Additionally, as set out in [our submission](#) on the CSA Notice and Request for Comment – Proposed Amendments to National Instrument 31-103 - *Registration Requirements, Exemptions and Ongoing Registrant Obligations* and Companion Policy to Enhance Protection of Older and Vulnerable Clients, we continue to urge the OSC and its CSA partners to create a regulatory safe harbour for registrants that act in good faith to contact trusted contact persons (**TCPs**) and/or place temporary holds on client accounts in accordance with the requirements of the proposed amendments and, in the longer term, to work with the necessary federal and provincial stakeholders to establish a legal safe harbour for registrants that act in good faith to contact TCPs and/or place holds. We also urge a more principles-based notification framework regarding the status of a temporary hold and to enhance third-party supports for registrants and clients in the case of suspected financial exploitation and abuse and/or diminished capacity.

Investor Education & Financial Literacy

PMAC supports the OSC’s plans to increase the use of educational resources by investors. The OSC’s active involvement in providing investor resources to help improve financial outcomes is laudable, as is the provincial commitment to strengthening the financial literacy of Ontario’s students and through the recently-announced appointment of Tyler Fleming as Chair of the Government of Ontario Financial Literacy Committee.

Enhanced Systemic Risk Oversight - Derivatives

PMAC continues to support the CSA’s aim to establish a robust investor protection regime that meets the International Organization of Securities Commissions (**IOSCO**) standards with respect to over-the-counter (**OTC**) derivatives and we support the CSA’s efforts to ensure that all firms remain subject to certain registration and minimum standards in relation to their business conduct towards both investors and counterparties.

Following on from PMAC’s submissions on the derivatives registration and business conduct rules (linked above) where we highlight that PM firms advising on derivatives matters could

¹ As part of our efforts on this issue, PMAC partnered with Babin Bessner Spry LLP to create the PMAC Guidelines on Preparing a Vulnerable Investors Policy for our members.

be more efficiently and effectively regulated through certain enhancements to the already-existing requirements found in NI 31-103, we are encouraged to see that the Statement of Priorities references the anticipated finalization of amendments to the Derivatives *Dealer* Business Conduct Rule and Derivatives *Dealer* Registration Rules (emphasis added). We believe that a focus on dealers would result in more proportionate and impactful regulation.

The Statement of Priorities references the design and building of an enhanced derivatives data mart. Members would like to better understand the timing of this project with respect to the yet-to-be-finalized regulations regarding business conduct and registration. In particular, how, if at all, would the data mart be part of, or integrated with the MAP? Our concerns relate to the CSA knowing who has the data, possible duplications of data infrastructure, as well as efficiency.

Expanded Risk Oversight in Asset Management

PMAC recognizes the importance of the OSC's data-collection needs with respect to private and public investment funds. At the same time, our members have noted that completing regulatory surveys and responding to other requests for data and information is often time-consuming and resource intensive. We believe that the inevitable regulatory burden of this information collection can be reduced in certain important ways, including by the Commission reviewing existing and already-available information. While we applaud the OSC's goal of continuing to improve the collection, processing and analysis of this information, we would appreciate the opportunity to work with the OSC to understand the methodologies and systems being considered to achieve this goal. As PMAC has noted with respect to the Risk Assessment Questionnaire (**RAQ**), predictability as to timing and questions, as well as pre-population of as many fields as possible, goes a long way to reducing the time and effort required by firm staff to deliver information to the Commission.

In addition to the steps that the Commission has already taken to reduce the burden associated with the RAQ and other data-collection initiatives, members have requested that the data with respect to funds be collected at the same time each year in order to allow for efficient integration into firms' ongoing policies and procedures. As part of this process, the OSC should flag any changes to questions from the previous year well ahead of time to allow firms to plan for and obtain the correct information in the required format. Members noted that the United States Securities and Exchange Commission (**SEC**) has established an annual fund information disclosure requirement (Form PF) that is standardized from year to year with respect to both timing and content.

Ombudsman for Banking Services and Investments (OBSI)

PMAC is supportive of fair dispute resolution mechanisms and effective and trusted avenues for the redress of investor losses. As such, PMAC is generally supportive of the OSC's goal of continuing to engage with the CSA on strengthening the OBSI.

Members look forward to commenting on the detailed proposals regarding OBSI's ability to impose binding decisions and with respect to increased claim limits. We believe that investors deserve more than a "name and shame" process for firms that refuse to pay an OBSI recommended settlement; however, we believe that the power to make binding

decisions requires clear methodologies regarding the determination of settlement amounts, extensive in-house expertise to ensure that loss calculations and recommendations are fair and consistent, as well as administrative fairness in the form of an appeals process, amongst other things.

Additional Issues

National regulator

PMAC notes that this year's Statement of Priorities is silent on the issue of the OSC's continued support of the proposed Cooperative Capital Markets Regulatory System (**CCMRS**). In past years, PMAC had applauded Ontario's continued leadership on the issue of a national securities regulator due to our belief that confidence in Canada's capital markets will be bolstered by adopting an effective and efficient national regulator. For this reason, we have urged the OSC to do everything in its power to ensure that the regulations under the CCMRS are truly harmonized.

The omission from the Statement of Priorities of any mention of support for the CCMRS suggests a change in policy at the OSC that we would find disappointing. Clarity around the OSC's position with respect to the CCMRS would be helpful to stakeholders to assist in our understanding of the Commission's stance on this important issue, as well as the impact any change in policy may have on firms² and investors.

OSC Outreach Sessions

PMAC members noted the recent decrease in OSC Outreach Sessions for registrants and encourage OSC Staff to leverage large virtual meeting technology to continue to offer and present material on issues of relevance to firms and the Commission. PMAC views timely OSC Outreach Sessions as an opportunity to communicate expectations and avoid regulation through regulatory action.

Topics offered for consideration include: The Compliance and Registrant Regulation Branch's Annual Report findings; Common deficiencies found in sweeps; OSC Staff's view of emerging risks; the Client Focused Reforms, especially with respect to conflicts and know-your product obligations; Cybersecurity; Business Continuity Plans in a COVID-19 world; and Seniors/Vulnerable investors.

Policy and Budget Transparency

Members have repeatedly noted that uncertainty can be detrimental to stakeholders and can, in and of itself, create regulatory burden. While some degree of uncertainty is inevitable during a consultation, in the longer-term, it can impede long-term planning and strategy for the benefit of investors. For that reason, in addition to what is set out in the Statement of Priorities, we believe the OSC can promote confidence in Ontario's capital markets

² A part of the impact members wish to assess is whether the OSC continues to budget expenses to support the implementation of the CCMR, as was stated in the Commission's 2019-2020 budget.

through increased transparency and communication around timing and policy direction on several outstanding proposed changes to securities law impacting registrants and investors.

PMAC appreciates the opportunity to provide comments on the Statement of Priorities for each upcoming year. However, members have noted that it is difficult to meaningfully compare and assess the proposed priorities without understanding their financial implications. This is especially important given that several of the proposed priorities are large technology projects covering several years.³ We believe that with increased transparency around the financial implications of the priorities, more informed decisions can be made, given the fact that the Commission has limited resources. This disclosure would better support long-term planning and strategy for the benefit of capital markets participants, including registrants and investors.

The provision of such information would be in accordance with the Ontario government's Five-Point Capital Markets Plan contained in the April 2019 budget, which stated:

[I]t is crucial when introducing rules that a robust impact analysis be conducted. Qualitative and quantitative analysis of the anticipated costs and benefits of a proposed rule would be provided within the OSC's rule publications and shared as part of the consultations on the proposal to better inform public comments and the rule-making process. This approach would enhance transparency and appropriately inform stakeholders of the impacts of new rules.

In our opinion, this principle applies equally to the OSC budget process, of which the Statement of Priorities is the starting point.

This is particularly important since the priorities drive the determination of specific activities and a budget which ultimately impacts the level of participation fees to be paid by our members. Since the OSC is an agency funded by capital markets participants, we believe that it is important that all capital market participants be aware of the financial implications of the choices being made and what they are being asked to pay for. This is of special note due to the 2020-2021 Budget which showed an operating deficit of \$4.8 million (as per the Statement of Priorities 2020-2021 published June 2020), and that the OSC 2019 Annual Report referenced that the fee rule was being revisited for implementation in April 2021 - the fiscal year currently under discussion. While costs are not the only measure of a project's worth, members expressed that understanding the current status of key priorities, their progress and estimated financial impacts against the budget and going forward would help to assess stakeholder support and solicit feedback.

Suggestions from members to increase transparency on this point include providing:

- a) A summary of the OSC's financial statements for the six months ended September 30, 2020 (or later if available), compared to budget. A forecast of full year results should also be provided.

³ We note that such disclosure would also help to meet the intent in s. 143.9(1.1) of the Securities Act (Ontario) that requires that the OSC "outline in general terms the Commission's anticipated expenditures for the next financial year by category for any category expected to exceed 10 per cent of the overall expenditures for the year."

- b) A summary, by major project identified in the Statement of Priorities, of project status, percentage completed (if already underway) and projected completion date, along with the estimated financial impact in 2020-2021 (and versus budget) and 2021-2022 (and subsequent years, if applicable). This would include projects such as (i) the derivatives data mart; (ii) the Market Analysis Platform; (iii) SEDAR+ and other national systems; (iv) the estimated impact of setting up the Digital Solutions Branch; (v) the OSC legacy systems and costs to be replaced with cloud-based systems; and (vi) the impact on office space and benefits programs of COVID-19. In our view this information should be provided regardless of the 10% statutory threshold.
- c) Based on (a) and (b), as well as any management guidelines, create a preliminary estimated budget for 2021-2022.

Provision of such information would allow PMAC and its members, as well as other capital markets participants, to better assess the proposed priorities.

2. REDUCE REGULATORY BURDEN

Continue to address opportunities to reduce regulatory burden while maintaining appropriate investor protection

We applaud the OSC's continued and extensive work on the reduction of regulatory burden and maintenance of investor protection. Members found the [May 2020 Status Update on Reducing Regulatory Burden Decisions and Recommendations](#) publication to be very helpful. PMAC sees a true dedication to information gathering and prioritization of key regulatory burden reduction initiatives and look forward to the next steps of this project, as well as the identification of additional burden reduction opportunities.

Many of the initiatives identified by the OSC and your CSA partners for regulatory burden reduction will have a material impact on our member firms; understanding their current status and anticipated completion date helps to set expectations and allows firms to plan. While we realize this may be very complex for certain topics, where possible, we urge the OSC to communicate the existence or status of any discussions or consensus on issues that involve the wider CSA.

The OSC has done extensive work over the last few years on the topic of burden reduction and we believe that this goal should continue to be a part of each undertaking at the Commission so that the OSC continues to balance investor protection with opportunities for burden reduction and cost savings to stakeholders.

Access Equals Delivery for Investment Funds

As an important part of reducing regulatory burden, we draw your attention to our [submission to the CSA](#) on the consultation "Consideration of an Access Equals Delivery Model for Non-Investment Fund Issuers" where we state our support for an access equals delivery model for most investment fund issuer continuous disclosure requirements,

including for ETF issuers. We look forward to the next iteration of the access equals delivery proposals and hope that investment fund issuers will be included.

More tailored regulatory approach that considers the size and type of businesses

PMAC strongly supports the OSC in creating more tailored regulatory approaches that consider the size and type of businesses. We believe that this reduces regulatory burden and increases efficiency and innovation while allowing firms to focus on serving investors.

For example, [PMAC notes with approval](#) the publication of the [CSA's request for comments on Guidance on Registration Requirements for Chief Compliance Officers](#) as a way to achieve this goal through enabling different types of CCO registration. The ability to register Client Relationship Managers with a standardized set of Terms & Conditions is also welcomed. Members have also been generally pleased to see the guidance in the Companion Policy to NI 31-103 under the Client Focused Reforms and the associated FAQ frequently refer to the business model, client types and professional judgement of the firm in question when determining how to apply a requirement in the rule.

Especially in the case of PM firms – where individual registrants have the highest level of proficiency and by whom investors are owed a fiduciary duty – PMAC firmly believes that principles-based regulation that is adaptable to the firm size and type, is of utmost importance to preserve competitiveness and foster innovation while maintaining high levels of investor protection.

As noted above, we urge the OSC and your CSA partners to continue to consider opportunities to scale regulatory requirements, especially in areas such as derivatives registration and business conduct, where the policy, investor protection and market concerns being addressed by proposed rules that may not universally pertain to advisers' business models.

3. FACILITATE FINANCIAL INNOVATION

Continue to focus on Alternative Funds

PMAC would like to reiterate the need for expanding investor choice by supporting and facilitating the development and launch of structured investment products and to enable portfolio managers to manage fund assets with more flexibility and efficiency, a goal from the 2019-2020 Statement of Priorities. We believe this goal remains valid for the coming year and ask that it be reinstated in the 2021-2022 Statement of Priorities. This goal should apply to all funds, whether alternative or otherwise.

PMAC has [suggested ways](#)⁴ to modernize fund regulation by updating the definition of "illiquid assets" in National Instrument 81-102 – *Investment Funds (NI 81-102)*. Additionally, we encourage amendments to NI 81-102 that reflect the reality of Canada's fragmented equity markets in lieu of linking requirements to trading securities or providing

⁴ Please see pages 2–3.

information about the “primary market” or “marketplace”⁵. Furthermore, certain of the operational requirements of NI 81-102 in Part 9 – Sale of Securities of an Investment Fund and Part 10 – Redemption of Securities of an Investment Fund are overly prescriptive, out of date, and would benefit from amendments to make them more flexible and reflective of current business practices.

4. STRENGTHEN OUR ORGANIZATIONAL FOUNDATION

Redevelopment of CSA National Systems

PMAC views the National Systems project as an important opportunity to improve information flow that is worth the short-term investment for the longer-term benefit of all stakeholders, including investors and the CSA. PMAC responded to the [CSA Notice and Request for Comment – Proposed National Systems Renewal Program Rule and Related Amendments](#) and [CSA Notice and Request for Comment – Proposed Repeal and Replacement of Multilateral Instrument 13-102 - System Fees for SEDAR and NRD](#).

As a result of meetings with members of the CSA’s National Systems team subsequent to submitting our comments, however, we are concerned with the plan to launch the National Systems without first conducting extensive user-testing of the various functionalities the technology will have. The message we heard was that systems will be patched and updated to reflect any user experience issues and we very strongly urge the CSA to be mindful of the need to user test prior to launch for a variety of reasons, including cost, confusion and need to train and re-train staff to handle the National Systems. Failure to address issues prior to implementation can lead to operational problems for months, reducing the usability and effectiveness of the systems. We acknowledge that technology systems are issued in iterations that address new requirements and other issues but we believe that prior user testing will be critical to ensuring a workable system.

Moreover, as noted at the outset of this submission, members would like additional information about the costs and timeline of the National Systems project as part of the Statement of Priorities, given the scale and timeframe of the project.

Foster Inclusion and Diversity

PMAC is pleased to see the OSC’s focus on growing and sustaining diversity and ensuring the employee experience is equitable and inclusive for everybody. PMAC would like to stress our support for measures, such as increasing inclusion and diversity, which we believe will bolster the OSC’s ability to attract and retain staff with strong industry knowledge and other necessary skills. We believe that the OSC has, and continues to seek, deep regulatory and industry knowledge. We encourage the continued development and addition to that knowledge-base, which is beneficial not only for Ontario, but to the CSA and ultimately, Canada’s capital markets as a whole.

⁵ See Section 6.2 of National Instrument 81-107 – *Independent Review Committee for Investment Funds* and, related to ETFs, Instruction 14 of Form 41-101F4 – *Information Required in an ETF Facts Document*.

Continue to Monitor and Adapt to the Impacts of the COVID-19 Pandemic

PMAC encourages continued frequent dialogue between the Commission and registrants on issues arising out of the COVID-19 pandemic, whether they relate to exemptive relief, market concerns or logistical issues. We thank the OSC for the communications, including exemptive relief, issued during the pandemic.

CONCLUSION

PMAC values the securities industry expertise of the OSC’s Staff and leadership. We look forward to continuing to work collaboratively and assisting the OSC, where possible, in attaining the goals set out in the Statement of Priorities.

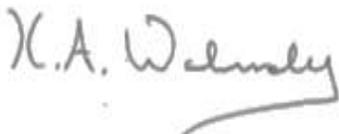
We have seen a great deal of collaboration, consultation and proactive problem-solving led by OSC Staff, particularly in response to the COVID-19 pandemic. We are very appreciative of these opportunities and efforts and commend the team at the OSC for their continued transparent engagement with various stakeholders. We believe that maintaining the direct regulation of PMs by the OSC/CSA, continued regulatory burden reduction and projects to address systemic risk and improve the investor experience are critical to a successful 2021-2022. We also believe that in the future, additional information about budget and timing expectations with respect to these goals will help solicit more informed and insightful stakeholder feedback.

If you have any questions regarding the comments set out above, please do not hesitate to contact Katie Walmsley at (416) 504-7018 or Melissa Ghislanzoni at (416) 504-1118.

Yours

truly,

PORTFOLIO MANAGEMENT ASSOCIATION OF CANADA



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