

June 21st, 2021

Financial Services Regulatory Authority
25 Sheppard Avenue West, Suite 100
Toronto, ON M2N 6S6

Dear Mr. Gorlick,

The Canadian Credit Union Association (CCUA) welcomes the opportunity to comment on the proposed Financial Professionals Title Protection Rule.

We offer the following comments:

The \$22 approximate fee per FA/FP title holder quoted by FSRA to administer the program is reasonable. Our concern vis-à-vis costs is the additional program administration costs that could be incurred by the credentialing body to satisfy new regulatory expectations. These would invariably be passed on to title holders over time. Some measure of control, such as a cap on an increase in fees, should be in place to ensure a fair and reasonable cost.

Clarity is needed on how FSRA will handle cases of poor or non-compliance. For example, if a credentialing body loses its accreditation status from FSRA (both voluntarily and involuntarily), what does this mean for its designation holders? While a last resort option, it can leave thousands of credential holders in a grey zone. We recommend a transition clause be included that would set forth a process for affected title holders.

FSRA's disciplinary process for individuals using the FA/FP title without the appropriate credential(s) should be strengthened. The cachet of incentivizing the FA or FP title is insufficient on its own to achieve the purpose of title protection. Without appropriate and standardized disciplinary measures from FSRA, consumers may still be left vulnerable to receiving financial advice from individuals that do not have the necessary qualifications.

Customers trust financial institutions to protect their interests, irrespective of an advisor's title. As such, in addition to credentialing bodies, financial institutions should be held at least equally accountable for the actions of the credential holders they employ.

Once again, thank you for the opportunity to comment on the proposed Rule. Please don't hesitate to reach out should you have any questions.

Sincerely,

Sabena Sandhu
Policy Analyst
Canadian Credit Union Association

