



September 21, 2015

Expert Committee to Consider Financial Advisory and Financial Planning Policy Alternatives
c/o Frost Building North, Room 458
4th Floor, 95 Grosvenor Street
Toronto, Ontario
M7A 1Z1

Dear Sirs and Mesdames:

RE: Consultation on Financial Advisory and Financial Planning Policy Alternatives

Primerica Financial Services (“Primerica”) is writing to express our views on the initial consultation looking at the regulation of financial planning and financial advice in Ontario.

Primerica’s Canadian corporate group includes a life insurance company, a mutual fund dealer, and a mutual fund manager. Primerica has been serving the Canadian public since 1986. Today we are represented by almost 10,000 licensed life insurance agents across the country, with approximately 6,000 in Ontario. We have over \$100 Billion of term life insurance in-force in Canada, with \$48 Billion of that amount protecting Ontario families. We also have one of the country’s largest mutual fund sales force, with over 5,200 agents contracted with our mutual fund dealer, which administers \$11 billion of client investments.

We have worked closely with the Investment Funds Institute of Canada (“IFIC”) on their comprehensive submission and we agree with the industry-wide concerns it raises, as well as the alternatives it proposes.

Financial planning is a distinctly different service than what most financial services providers offer to consumers. Financial planners take a number of factors into account when developing a financial plan for their clients including financial management, insurance, investment planning, retirement and estate planning. Despite this, in most provinces, anyone can call themselves a financial planner. Someone who is acting as a financial advisor on the other hand, often holds one or more specific licenses to advise on specific products and needs. They will identify a client’s financial needs and make recommendations to purchase a financial product such as a life insurance policy. The value of a financial advisor is the ability to address a client’s needs with a suitable financial product versus providing an overall and more complex financial plan at considerable cost.

We believe the government should consider a framework for the oversight of individuals who are identifying themselves as financial planners and who are currently not subject to regulatory supervision. Established standards of competence, ethics and practice for financial planners as well as an oversight mechanism are long overdue. The new regulatory framework should apply to all individuals offering a comprehensive financial plan and/or using the title of Financial

Planner, unless the individual is subject to oversight by an existing regulatory body. Advisors that are providing comprehensive financial plans to clients and/or are using the title Financial Planner under a current regulatory authority, should continue to be subject to the oversight of their current regulator who should apply any new standards and rules developed for Financial Planners.

Financial advisors are amongst the most highly regulated professions in Canada. There are a number of regulators engaged in making rules and overseeing their activities; which includes the Mutual Fund Dealers Association (“MFDA”), Investment Industry Regulatory Organization of Canada (“IIROC”), Ontario Securities Commission (“OSC”) and the Financial Services Commission of Ontario (“FSCO”). In the case where financial advisors activities are already subject to regulatory oversight, we do not believe additional regulation or a new Self-Regulatory Organization (“SRO”) needs to be created to oversee the activities of financial advisors. We strongly recommend that the government seek to achieve professional oversight of financial planners without adding another regulatory layer for financial advisors, who are already subject to oversight by SRO and government regulators.

We appreciate your consideration of our comments.

Yours truly,

(Original signed by)
John A. Adams, CPA, CA
Chief Executive Officer