

October 8th, 2008

Hand Delivered - via Courier

Mr. Brendan Hart
Policy Counsel, Member Regulation Policy
Investment Industry Regulatory Organization of Canada (“IIROC”)
Suite 1600, 121 King Street West
Toronto, Ontario
M5H 3T9

Dear Mr. Hart:

RE: IIROC Proposed Financial Planning Rule

Thank you for allowing The Canadian Institute of Financial Planners (“CIFPs”) to participate in the consultation process regarding your proposed financial planning rule.

CIFPs represents over 3,200 financial planners from across Canada working for various market participant firms or as independent practitioners in all sectors of the Canadian financial services marketplace including banking, securities, insurance and fee-based financial planning services outside of the securities regulatory system. CIFPs members provide their clients with financial planning, investment advice and sales of various products to meet their financial planning goals and manage hundreds of millions of dollars of investor assets. As a result, CIFPs members act as important intermediaries in the financial services system.

We commend your initiative in attempting to bring some basic regulation to the holding out of financial planning services by dealers and their respective personnel and agents, but CIFPs has concerns with both your approach to creating this rule and specific requirements in this proposed rule.

The holding out of financial planning services to Canadian financial consumers is far reaching and requires an integrated approach to rule making by the various regulatory administrative bodies across all industry sectors, and specifically, securities, mutual funds and insurance, and additionally, fee-based financial planning services occurring outside the regulated financial services industry. Therefore, we are concerned that this proposed rule will create confusion among Canadian financial consumers who will have advisors and financial planners representing dealers regulated by IIROC holding out financial planning services under these proposed rules while other advisors and planners not under the reach of IIROC will hold out financial planning services with no rules or potentially future different rules in different jurisdictions.

We encourage IIROC to seek consultations with other regulators in different jurisdictions so that the holding out of financial planning services is harmonized across all jurisdictions to ensure a consistent experience for financial consumers.

In addition, we are concerned that the minimum proficiency requirements for the provision of financial planning services is not adequate by its broad definition within the rule and will cause further confusion for financial consumers. In particular, one IIROC dealer may set a standard lower than another dealer causing consumers dealing with IIROC advisors to receive a different standard of care depending on the IIROC dealer that the advisor works for. Further, although we understand the rule intends to create a minimum standard, the standards proposed are not equal and too subjective in their acceptance by the dealer. For example, advisors or financial planners holding out with "Completion of the Canadian Securities Course and the Professional Planning Course sponsored by the Canadian Securities Institute" does not equal the high standard achieved by financial planners who have achieved the "Certified Financial Planner® (CFP®), sponsored by the Financial Planners Standards Council."

In addition, the ongoing proficiency requirements for personnel of dealer members 2 (c) (i) (ii) should be mandatory and not suggested as potentially required. CIFPs is a professional organization that under this requirement could provide excellent ongoing continuing education and best practices to advisors holding out financial planning services to the financial consumer as we currently provide these services to our current membership. We also draw your attention to 1 (a) "Written Policies and Procedures" and suggest you include the CIFPs Financial Planners Practitioners' Guide ("FPPG") <http://www.cifps.ca> as an approved resource under this proposed rule.

In conclusion, we suggest IIROC seek harmonization with other jurisdictions before introducing this rule, make the proficiency requirements a single high standard - CFP® designation in provinces outside of Quebec, and Pl. Fin designation in Quebec, and make continuing education and professional association membership required. We also encourage IIROC to support a distinct body to regulate financial planners dealing with the Canadian financial consumer that would be harmonized and work effectively with the various administrative regulatory bodies within the financial services industry, and in this specific case, IIROC.

Thank you for seeking our comments for this proposed rule and we look forward to providing any assistance to IIROC in its important work on this matter.

Sincerely,

The Canadian Institute of Financial Planners



Keith Costello
President and CEO

cc: Manager of Market Regulation
Ontario Securities Commission