



Mutual Fund Dealers Association of Canada
Association canadienne des courtiers de fonds mutuels

Contact: Paige Ward
General Counsel, Corporate Secretary & Vice-President, Policy
Phone: 416-943-5838
E-mail: pward@mfda.ca

BULLETIN #0754 – M
July 9, 2018

MFDA Bulletin

Member Information

For Distribution to Relevant Parties within your Firm

MFDA Outreach

As a Self-Regulatory Organization (SRO), the MFDA is committed to engaging in open, two-way communication and dialogue with Members, Approved Persons, investors and other stakeholders to ensure responsible and effective regulation.

Active and continuous engagement helps us maintain knowledge of the issues impacting our various stakeholder groups. We use what we learn from such engagement to inform our regulatory approach and identify ways to protect investors that are more practical, tailored and effective. In addition, through such engagement, we receive constructive feedback about the extent to which our regulatory requirements are achieving their goals and about potential changes that would better serve investors and promote strong capital markets.

The MFDA will be launching an Outreach program which is intended to enhance its existing stakeholder engagement initiatives to ensure that it continues to regulate in a manner that is effective, responsive, and practical. The program will involve stakeholder outreach in three key areas:

1. Member Outreach

It is important for the MFDA to maintain an open and effective dialogue with Member firms. Such ongoing communication assists MFDA staff in understanding issues facing Members, including the impact of regulatory requirements on them, where Members may require additional guidance, and other issues which may be particular to their operations or business models.

As a first step, MFDA staff will be contacting Members directly to (i) determine their interest in providing feedback on a wide variety of issues, and (ii) their preference in terms of how to engage in further substantive communication on such issues (i.e. focus groups, surveys, one on one meetings with MFDA staff or independent consultants, etc.).

Following this initial outreach to Members, over the next several months, substantive consultation on issues identified by Members and the MFDA will be conducted in accordance with the manner preferred by Members such as focus groups, targeted surveys, one on one meetings, as noted above, etc.

MFDA staff hopes to receive input on issues important to Members of all sizes and business models. Issues for discussion may include clarification of existing regulatory requirements, input from Members on certain MFDA requirements that may require amendment, requests for educational materials in specific topic areas, adoption of new technologies as discussed in “Innovation Outreach” below, feedback on the Members-Only site, etc.

We also intend to contact industry associations to solicit input on MFDA regulatory initiatives and other related matters.

2. Innovation Outreach

Members are, increasingly, adopting new technologies, which allow them to enhance efficiency and offer new products/services to clients. The MFDA supports such innovation provided that issues related to investor protection, risk management, and the safety/security of client personal information continue to be appropriately addressed.

We encourage Members to proactively collaborate with MFDA staff to ensure the successful implementation of new technology. Members who would like to provide MFDA staff with a demonstration or who would like to discuss their plans to implement new technology are invited to contact their Compliance Manager to make the necessary arrangements.

3. Investor Outreach

Investors are key stakeholders for the MFDA. We are committed to finding ways to improve and enhance our collaboration and communication with investors, investor advocates, and organizations involved in investor education, outreach and the protection of vulnerable persons. Such engagement is intended to:

- provide MFDA staff with information regarding the investor experience;
- assist investors in understanding the financial services industry, different investment products, and how investors can protect themselves from fraud/misconduct; and
- provide individuals and organizations with an opportunity to dialogue with MFDA staff, give input on MFDA policy initiatives, and share views on issues affecting Canadian investors.

We plan to broaden the scope of investors and investor advocates with whom we consult and collaborate and to proactively engage with investor advocates during the public comment process on proposed MFDA requirements. Feedback we receive from these efforts will allow MFDA staff to better respond to investor needs.

In addition, we will continue to develop and publish tools, guides, and web content that focuses on experiential learning to increase investor understanding and on outlining how investors can effectively make use of the information they receive. We will also continue to engage in investor education initiatives through partnership with others.

DM623668