

Via email

March 19, 2019

MUTUAL FUND DEALERS ASSOCIATION OF CANADA PROPOSED AMENDMENTS TO MFDA BY-LAW NO. 1 SECTIONS 3.3 (ELECTION AND TERM), 3.6.1 (GOVERNANCE COMMITTEE), 4.7 (QUORUM)

<http://mfda.ca/wp-content/uploads/PropAmendBy-lawNo1-Governance.pdf>

Paige Ward

General Counsel, Corporate Secretary and Vice-President, Policy

Mutual Fund Dealers Association of Canada

121 King St. West, Suite 1000

Toronto, Ontario M5H 3T9

pward@mfda.ca

Anne Hamilton

Senior Legal Counsel

British Columbia Securities Commission

701 West Georgia Street

P.O. Box 10142, Pacific Centre

Vancouver, British Columbia, V7Y 1L2

ahamilton@bcsc.bc.ca

As a retail investor I really appreciate the opportunity to comment on the proposed By-Law amendments.

I am a retiree and have my money invested with an investment dealer. It is good to see that efforts are being made to improve the governance of an important regulator of dealers.

I am no expert on corporate governance but I certainly can make a few observations based on information provided by the mutual fund industry trade Association. At the end of 2018, Canadian investment fund assets totaled \$1.58 trillion. Mutual funds accounted for \$1.42 trillion, or 90.1% of the total. Mutual funds are clearly a cornerstone of Canadian's saving for retirement.

This begs the question - why then are motivated retail investor spokespersons not represented on the Mutual Fund Dealers Association Board? How can there be a shortage of suitable candidates with so many dedicated people available? People like Stan Buell, Ken Kivenko, Larry Elford, Wanda Morris and many others could certainly bring an articulate and informed voice to the boardroom table. Perhaps Borden Ladner Gervais LLP did not research the issue deep enough. Maybe the Board needs to look beyond their immediate circle of friends and colleagues.

Anyways, I recommend that there be no less than one retail investor issue literate person on the Board. Someone with a passion for the protection of the retail investor. Someone actively engaged with current and strategic retail investor protection issues.

As to the question of term limits , I believe 6 years is just right, more than enough time to become familiar with MFDA operations. Eight years is a very long time for a Director. New blood needs to be brought in regularly, especially with so many changes impacting the industry.

I do not know what the rules are for a person to qualify as an independent director but I assume that all ex financial services industry people are excluded.

I hope you find this input useful.

Respectfully,
Ruth Elliott