



BY EMAIL

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Re: Rule Consolidation Project – Phase 3

Investia Financial Services Inc. (Investia) and iA Private Wealth Inc. (iAPW) (together, iA Wealth) appreciate the opportunity to comment on Phase 3 of the Rule Consolidation Project (Phase 3 Proposed DC Rules) of the Canadian Investment Regulatory Organization (CIRO) published by Notice on April 18, 2024 (the Phase 3 Notice).

Investia is a mutual fund dealer and exempt market dealer registered with the Autorité des marchés financiers (AMF) and a dealer member (Dealer Member) of CIRO registered as a mutual fund dealer. iAPW is a dealer member (Dealer Member) of CIRO that is registered as an investment dealer, mutual fund dealer and derivatives dealer.

Investia and iAPW focus on creating and preserving wealth for Canadians by working with independent advisors. We believe strongly in the critical role of the advisors and their delivery of advice to Canadian investors. To that end, our dealers offer an open and comprehensive product shelf to provide our advisors with the flexibility to create personalized advice solutions.

General Comments and Guiding Principles

iA Wealth supports harmonization and appreciates that CIRO's goal is to deliver efficient and effective regulation in our industry. iA Wealth would like to ask for clarification and share its thoughts about certain aspects of the Phase 3 Notice.

In its comments, iA Wealth has been guided by the following principles:

- Like dealer activities should be regulated in a like manner;
- Regulatory arbitrage between investment dealers and mutual fund dealers should be eliminated;
- Rules should be sufficiently flexible to permit a spectrum of business structures and offerings;
- Where appropriate and practical, principles-based rules that are scalable and proportionate to the different types and sizes of dealers and their respective business models should be adopted; and
- Reviews, audits and examination of dealers should be consistent in the interpretation and application of the rules, regardless of business model.

Phase 3 Notice Questions

Please find below iA Wealth's responses to the questions with respect to which we would like to provide comments.

Question #1 - Process used for publishing for public comment

Many of comments received as part of the first phase of our Rule Consolidation Project indicated that once the initial publication of the five phases is complete, any subsequent republication of the proposed rules should be as an entire rulebook (i.e. not as separate phases). Should we republish the entire set of proposed Dealer and Consolidated Rules prior to their approval?

And

Question #2 - Implementation

Many of comments received as part of the first phase of our Rule Consolidation Project indicated the Dealer and Consolidated Rules should be implemented all at once (and not in phases). Should we implement the entire set of proposed Dealer and Consolidated Rules at the same time? How long a period should we allow for the implementation of the proposed Dealer and Consolidated Rules?

Response:

In iA Wealth's view, certain proposed DC Rules could be implemented before all phases of the Rule Consolidation Project are complete as long as these rules are final in form and:

- Can be implemented without creating inconsistencies with the current Investment Dealer and Partially Consolidated (IDPC) Rules and the Mutual Fund Dealer (MFD) Rules; and
- Are not interrelated with rules that are part of future phases of the Rule Consolidation Project.

Any proposed DC Rules that do not meet these criteria should not be implemented before the Rule Consolidation Project is complete. In either scenario, implementation would still need to take place after a reasonable transition period. In iA Wealth's view, two years would be an appropriate amount of time for any material changes.

Other Comment – OBSI and sharing information with CIRO

The proposed rules include the removal of IDPC Rules that prohibit the OBSI from sharing information with CIRO related to their investigation and review of complaints against Dealer Members. There is no equivalent prohibition in MFD Rules.

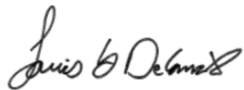
In iA Wealth's view, the systematic removal of this rule is not necessary as CIRO is already notified by Dealer Members of complaints and receives the substantive complaint response through METS/COMSET filings. CIRO also has the power to obtain any information related to a complaint directly from the Dealer Member. While we are of the opinion that the current situation is working, it would be helpful to understand further the purposes of the proposal to remove this rule.

Conclusion

iA Wealth appreciates the opportunity to provide comments on the Phase 3 Proposed DC Rules and we are available to discuss our responses in greater detail with you. We look forward to providing our feedback to future phases.

Yours sincerely,

Investia Financial Services Inc.



Louis H. DeConinck
President

iA Private Wealth Inc.



Stephan Bourbonnais
Chief Executive Officer

Investia Financial Services Inc. and iA Private Wealth Inc. are subsidiaries of Industrial Alliance Insurance and Financial Services Inc., a life and health insurance company founded in 1892 that operates under the trade name iA Financial Group.