

[EXTERNAL EMAIL / COURRIEL EXTERNE]

Hello,

I am a citizen working in the sector. I wanted to provide a comment on this item. I do not represent anyone but myself with my comments here.

I just had one item, below.

*In contrast, mutual fund dealers, who do not offer margin accounts, will continue to be subject to the quarterly reporting requirement only (**DC Rule subsections 3851(3) and subsection 3852(1)**). We determined to maintain the status quo for this dealer category for now, considering the significant system changes needed to switch to monthly reporting and the existing carve-out from the securities laws.²² Such exemption from the monthly reporting requirement is limited to the current mutual fund dealer business model and does not extend automatically with the expansion of such model in other products and services in the future.*

I feel this creates a perverse incentive for mutual fund dealers to avoid offering new products, namely margin accounts, in order to avoid this requirement on existing unaffected clients. I propose instead that the quarterly reporting requirement be maintained for non-margin accounts under representatives restricted to mutual funds. This maintains the status-quo, but does not incentivize dealers to avoid increasing their offerings.

Thank You.