



Canadian Credit Union Association



Association canadienne des  
coopératives financières

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October 31, 2020

Financial Services Regulatory Authority  
5160 Yonge St  
Toronto, ON

RE: Financial Professionals Title Protection Rule and Guidance

The Canadian Credit Union Association (CCUA) welcomes the opportunity to comment on the Financial Professionals Title Protection Rule and Guidance. CCUA represents sixty-three Ontario credit unions. Our 7,000 employees provide a full suite of financial products and services to over 1.5 million members at over 550 branches and online.

Title protection will help protect Ontario consumers and ensure they have confidence in their financial planners and financial advisors. Credit unions believe in putting our members first and, in many cases, have already put standards in place to ensure that our members receive the best financial advice possible.

We broadly support the proposed title protection rules and guidance. In the spirit of ensuring the protection of consumers with regulatory efficiency, we have some comments and recommendations.

In the spirit of regulatory efficiency, we have concerns about the high initial cost of the program and the passing on of the costs to approved credential holders through the credentialing bodies. The cost of receiving and maintaining these designations is already quite high and is often taken on by the credit union itself for advisors and planners. High fees charged to the credential holders would be passed on to the credit union and, thus, our members. These high fees could increase the fees charged to access these services which would make them less accessible to our members and all consumers. We urge you to consider ensuring these fees remain as low as possible and to ensure that the fees do not significantly increase over time.

Further, we support not allowing exemptions. The outlined transition periods of three and five years will provide sufficient time for any current planners or advisors to complete the required designations. The need to disclose to clients the authority by which one can use a financial





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planner or financial advisor designation is important and we would advise considering this disclosure to be made in a standard letter of engagement or verbally.

We believe that consumer education is key to ensuring the success of the title designation regulations. Without consumer education an individual with a different job title could offer the same service without protections. Consumers must understand what they are getting with a financial advisor and/or financial planner. Consumer education must be a sustained multiprong campaign. The campaign must focus on those at the most risk who may be seeking alternatives and not necessarily a financial planner or financial advisor. There is a role in consumer education for every player in the industry: government, regulators, credentialing bodies, and industry. This must include a sustained commitment from government to educate the public and not put the entire burden on industry. If consumer education is not well executed or is only executed within industry communication channels, the intention of the legislation will be lost.

Once again, thank you for the opportunity to comment on Financial Professionals Title Protection Rule and Guidance. I look forward to our continued collaborative work in support of the success of Ontario credit unions.

*Rachel Barry*

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Canadian Credit Union Association

