

*Northwind's 2019
Retail Investor
Forum*



Steering Committee

*Sarah P. Bradley
Ombudsman for Banking
Services and Investments
(OBSI)*

*Rosemary Chan
Scotiabank*

*Mary G. Condon
Osgoode Hall Law School*

*Tyler Fleming
Ontario Securities
Commission*

*Neil Gross
Component Strategies*

*Michael Landry
Davenport Advisory Inc.*

*Ian Russell
Investment Industry
Association of Canada
(IIAC)*

*Grant Vingoe
Ontario Securities
Commission*

*Edward J. Waitzer
Stikeman Elliott LLP*

*Toronto Board of Trade
Oct. 16 & 17, 2019*

***Northwind's 2nd Annual Retail Investor
Invitational Forum***

The Evolution and Future of Retail Investor Advice

October 16-17, 2019

Our generous sponsors:



Agenda

Wednesday, October 16

5:30 pm **Welcome Reception Cocktail**
Location: The National Club, 303 Bay St, Toronto, ON

Thursday, October 17

Location: Toronto Region Board of Trade
First Canadian Place, 4th Floor, 77 Adelaide Street West

7:00 am **Breakfast - Lennox Hall East, 4th Floor**

8:05 am **Welcome Remarks – Lennox Hall East**
Mia Williamson Senior Vice President, Northwind Professional Institute

8:10 am **Introductory Remarks**
Grant Vingoe Vice Chair, Ontario Securities Commission (OSC)

8:15 am **Maureen Jensen Comments on the CSA's Investor Protection Reforms**

The Canadian Securities Administrators have approved far-reaching and harmonized rules enhancing the standards for the conduct of registrants in their interactions with their clients. The CSA has stated that it intends to establish an implementation committee to address issues that arise during the phase-in periods for the rules.

Join us for a dialogue between Maureen Jensen, the Chair of the Ontario Securities Commission and Ian Russell, the President of the Investment Industry Association of Canada concerning how industry and the regulatory community can move forward together to achieve an effective implementation of these new rules. We hope you will join us for this presentation on this important development.

Keynote Speaker:

Maureen Jensen Chair and Chief Executive Officer, Ontario Securities Commission (OSC)

Moderator:

Ian Russell President and CEO, Investment Industry Association of Canada (IIAC)

9:00 am **A Panel in Three Parts: A Deep Dive into the Lifecycle of Investing**

The goal of this panel is to pay careful attention to each phase of a retail investor's financial lifecycle - from early accumulation, through to mature consolidation of financial resources, and finally retirement spending. In examining each phase of development, panelists will engage in an evidence-based analysis of investors' financial needs and objectives. They will ask whether, in light of investors' changing needs in each phase of the lifecycle, the financial services industry and the regulatory framework is responding appropriately to meet those needs, or whether some reorientation of services or approach is necessary. Are there proposals to regulators that can emerge from this analysis? For example, is investor-specific advice more important in one phase as opposed to another? Do the current approaches to developing risk profiles take into account the ways modern investors interact with advisors? What is the promise of financial literacy initiatives in each of these phases? How can we better leverage technological solutions in each phase?

Panel Overview:

Mary G. Condon Dean & Professor, Osgoode Hall Law School, York University

10:00 am **Phase 1: Accumulation**

Young adults have many financial obligations to be concerned about, including: managing student debt, housing, and becoming established in a career, which may involve considerable time spent in precarious employment. How should they think about their approach to investment strategies given these financial pressures?

*How do today's millennials interact with financial services and how have their expectations changed?
Are there lessons to be learned from the experiences of employers with DC retirement plans?*

Moderator:

Mary G. Condon *Dean & Professor, Osgoode Hall Law School,
York University*

Discussion Leaders:

Stephanie Ben-Ishai *Professor, Osgoode Hall Law School*

Goshka Folda *President & CEO, Investor Economics
Global Head of Research, ISS Market Intelligence*

Scott Johnston *CFA, Head of Portfolio Review Department, Americas,
Vanguard Investments Canada Inc*

10:00 am **Coffee Break**

10:15 am **Phase 2: Consolidation**

As investors enter their peak earning years and their investment horizons grow nearer, their investing needs shift to capital preservation and gradual de-risking. For many, this is the time when retirement planning begins in earnest. Career paths are often established, but significant events such as divorce or inheritance can alter financial circumstances substantially. This panel will explore the needs of investors in this phase, including the benefits of personalized financial planning advice, the impact of fees, and whether established models of investing advice continue to meet the needs of all investors.

Moderator:

Sarah Bradley *Ombudsman & CEO, Banking Services and Investments (OBSI)*

Discussion Leaders:

Rosemary Chan *Senior Vice-President, Compliance, Canadian Banking & Global Wealth Management, Scotiabank*

David Toyne *Chief Development Officer, Steadyhand Investment Funds*

11:15 am **Phase 3: Retirement Spending and End-of-Life Distribution**

This panel will explore the needs and demands of clients/investors in the retirement phase of lifecycle investing. The themes will include needed portfolio re-balancing, an increasingly complex exercise to mitigate risk and provide sufficient income through increased holdings of dividend-paying equities and government bonds. The Panel will consider the adequacy of existing regulations in providing the needed flexibility to meet retirement objectives. The need for, and approach to, estate planning, and 'longevity' planning to fund late-in-life needs (important for both high net worth and small clients) will also be discussed. The panel will review the steps advisors, firms and regulators are taking to safeguard vulnerable clients.

11:00 – 11:30 **Discussion Leader Remarks**

11:30 – 12:15 **Open Discussion**

Moderator:

Ian Russell *President and CEO, Investment Industry Association of Canada (IIAC)*

Discussion Leaders:

Tyler Fleming *Director, Investor Office, OSC*

Andrew Marsh *President & CEO, Richardson GMP*

Gregory Smith *Managing Director- Wealth Management Lead, Canada, Accenture*

Irene Winel *Senior Vice-President, Member Regulation & Strategy, Investment Industry Regulatory Organization of Canada, (IIROC)*

12:15 pm **Lunch - Lennox Hall West**

Luncheon Dialogue: How Investor Protection and Regulatory Burden Reduction Can Live Together

Luncheon Speaker:

Rick Fleming *Investor Advocate, Securities Exchange Commission (Washington, DC)*

Moderator:

Grant Vingoe *Vice Chair, OSC*

2:00 pm

The Investor Voice - How Can It Be Effectively Incorporated into Policy and Regulatory Formulation?

This session will address investor advocacy effectiveness from three critical perspectives:

- 1. How the advocacy community can and should organize itself to consolidate and amplify its voice, exert real influence on public policy development, and foster better outcomes for retail investors;*
- 2. How regulators and other policymakers prefer to obtain insight into what retail investors need and want; and how to design an effective interactive platform that can engage with investors and collect opinion on client experience in the marketplace, as well as the shortcomings of regulation — barriers to service/products, disclosure overload — and benefits of regulation.*
- 3. The utility of cooperative mechanisms such as "stakeholder councils" as alternatives to traditional adversarial models of policy advocacy in regulatory consultations.*

2:00 – 2:30 **Discussion Leader Remarks**

2:30 – 3:00 **Open Discussion**

Moderator:

Neil Gross *President, Component Strategies Consulting & Chair, Investor Advisory Panel (IAP), OSC*

Discussion Leaders:

John Lawford *Executive Director & General Counsel, Public Interest Advocacy Centre (PIAC)*

Glen Padassery *EVP, Policy and Chief Consumer Officer, Financial Services Regulatory Authority of Ontario (FSRA)*

Ermanno Pascutto *Executive Director, Canadian Foundation for Advancement of Investor Rights (FAIR Canada)*

Laura Tamblyn Watts *Chief Public Policy Officer, Canadian Association for Retired Persons (CARP)*

3:00 pm **Refreshment Break**

3:15 pm **Report Card from Last Year's Forum**

The 2018/2019 Report Card will be a discussion of positive and negative events in the overall retail agenda in the last year, including:

- *Natural decline in DSC sales and decisions by some firms to discontinue sales*
- *SEC vote on Regulation Best Interest scheduled for June 5*
- *CSA publications on fees and client-focused reforms by the time of the forum*
- *Improved federal legislation giving new powers to FCAC*
- *Expansion of robo to fill potential advice gaps*
- *Some disarray in the investor advocacy community, especially funding issues for advocates*
- *Hopes and reservations about burden reduction efforts*
- *IIROC initiative on the future of advice embraced by industry*
- *Financial planning proficiency and titles*

Moderator:

Grant Vingoe Vice Chair, OSC

Discussion Leaders:

All Participants

3:45 pm **Wrap-Up and Action Oriented Next Steps**

This session will cover Impressions, final thoughts and looking to next steps for the industry coming out of this forum.

The IAP has agreed to host workshops at intervals during the year to follow up on discussions that occur at the conference. This will form an additional input to the IAP in its commentary on regulatory policy. These will be confidential discussions, and without regulator involvement unless the group decides to pursue that engagement as a second step.



These groups will also make a valuable contribution in building the agenda for the next annual conference based on the developments in the next 12 months. The OSC's Investor Office will help facilitate these workshops and Northwind has offered to provide logistical help in arranging this follow-up.

Moderator:

Grant Vingoe Vice Chair, OSC

Discussion Leaders:

All participants

4:30 pm **Forum Adjourns**