



Joint Standing Committee on Retail Investor Issues Terms of Reference

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Introduction

Following the 2005 Investor Town Hall a follow-up committee, made up of executive and senior representatives from the Investment Industry Regulatory Organization of Canada (formerly the Investment Dealers Association of Canada), Mutual Fund Dealers Association, Ombudsman for Banking Services and Investments and the Ontario Securities Commission was struck to monitor and work on retail investor issues.

The coordinated efforts of the four organizations produced significant results and put in place a strong foundation for ongoing dialogue and collaboration between the organizations on projects relating to retail investor issues.

The four organizations are committed to continuing their efforts relating to retail investor issues, and agree that the work of the Committee should be continued in the form of a permanent Joint Standing Committee on Retail Investor Issues (“JSC”).

Purpose

The purpose of the JSC is:

- to provide an effective forum in which retail investor issues can be discussed and considered among the four organizations at the executive level, and
- to identify opportunities and approaches to address, in a coordinated manner, ongoing and newly emerging issues that have an impact on retail investors.

The JSC will focus on matters relating to retail investors which are of interest to each of the Four Organizations, such as: enhancing investor education, promoting greater transparency of investment products offered for sale to retail investors, and otherwise strengthening the effectiveness of retail investor protections.

Membership and Structure

- The four organizations will share responsibility for the JSC.
- The JSC will consist of an executive level representative from each of the Four Organizations, plus at least one other person from each organization.
- The JSC will meet formally at least quarterly, and it is expected that it will convene additional meetings for external consultation and input purposes.
- Meetings of the JSC will be chaired by a representative of the Ontario Securities Commission

Process

The JSC anticipates that it will identify areas for discussion from a variety of sources that may include:

- Comments on policy proposals of any of the four organizations received from investors, and parties with perspectives on retail investor issues, through the public notice and comment process.
- Matters about which the four organizations receive frequent questions or comments from retail investors (i.e. FAQs or common issues identified by the respective contact centres of the four organizations).
- Focus groups or consultation with investors that may be conducted by any one of the four organizations or by the JSC as a whole.
- Advocacy pieces, commentary, and literature on retail investor issues.
- Feedback from staff and the boards of the four organizations.
- Monitoring of regulatory developments in other jurisdictions.
- Input from invited parties and experts.

Consultation/Input on Retail Investor Issues

The JSC anticipates that it will utilize external expertise and seek external input, including:

- by inviting parties with relevant subject matter knowledge on specific matters identified by the JSC to provide feedback and suggestions to the JSC, and
- by hosting/organizing issue-specific roundtable discussions.