

May 10, 2021

By email: [mstechishin@iroc.ca](mailto:mstechishin@iroc.ca)

Mark Stechishin  
**IIROC**  
Associate General Counsel  
Suite 2000- 121 King Street West  
Toronto, Ontario  
M5H 3T9

**Request for Comments: IIROC Expert Investor Advisory Panel (EIAP)**

[https://www.iroc.ca/documents/2021/c5650e22-84fa-40a5-976a-a26335d979f1\\_en.pdf](https://www.iroc.ca/documents/2021/c5650e22-84fa-40a5-976a-a26335d979f1_en.pdf)

Harold Geller and MBC Law Professional Corporation are pleased to comment on IIROC's proposed EIAP. We commend IIROC for this leadership step to further best practices. The preliminary framework is appropriate and an excellent starting point. We have the benefit of reviewing Kenmar Associates comments and are supportive of their comments. To avoid repetition, we will focus our comments on nuances to supplement our support of the Preliminary Framework and the Kenmar Associates' recommendations.

**Mandate:**

The mandate is appropriate and supported.  
The mandate should include conceptual oversight of IIROC's retail investor research.

**Type:**

This should be extended to advising IIROC's staff and Board.

**Membership:**

- 1) Selection: appropriate and supported.
- 2) Composition: We agree with Kenmar Associates recommendation to include former industry members with investor sales and service relevant credentials. We also recommend that a representative of advocates for investor complaint advocacy be added to the list of required areas of expertise.
- 3) Terms: appropriate and supported
- 4) Necessary, appropriate and supported.
- 5) Appreciated, but not a significant factor.

We support Kenmar Associates' recommendations with respect to the EIAP member's "unique characteristics."

It is foreseeable that members of the EIAP may, from time to time, represent investors with complaints before IIROC. In keeping with the practices of other Canadian regulators, IIROC should state that such voluntary membership is not an appearance of a conflict of interest or an actual conflict of interest. While this is not necessarily a requirement that need be codified in the Preliminary Framework, this issue must be transparently addressed for the benefit of investors, industry and the volunteer EIAP member.

#### Meetings:

Appropriate and supported. We urge the EIAP to public an annual report, in keeping with the practices of the OSC's IAP and FSRAO's CAP.

#### Responsibilities:

Appropriate and supported. For clarification, IIROC should state that members of the EIAP are welcome to continue personal and business-related public comment on IIROC and Canadian regulation of financial markets subject to the committee confidentiality. This is an issue that Harold Geller has had on another financial industry committee and it best clarified from the start.

#### IIROC Support:

More details of the support would be preferred. For example, will IIROC consider support for directed research subject to the mandate for the research and the cost of research being pre-approved by IIROC?

#### Accountability:

Again, in our view, the EIAP should be responsible to IIROC's board and thus "may present" should be changed to "will present."

#### Closing Comment:

The move towards inclusion of investors in IIROC policy has made recent significant strides and is noteworthy. The conducting of retail investor research was a necessary first step. The limited addition of investor advocates to the IIROC board is a partial step. Investor advocates should be of equal number to firm and industry representation on the board. The addition of an EAIP greatly supplements these earlier moves and increase the credibility of financial markets. IIROC's establishing of its EAIP is an essential component of any consideration of the proposed SRO merger.

Yours truly,



Harold Geller