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Via Email

November 16, 2020

Sherry Tabesh-Ndreka
Senior Counsel, Registration
Investment Industry Regulatory Organization of Canada
Suite 2000, 121 King Street West, Toronto, Ontario M5H 3T9
Email: Stabesh@iroc.ca

Dear Sirs / Mesdames:

Re: **Consultation Paper - Competency Profiles for Registered Representatives and Investment Representatives, Retail and Institutional – IIROC Notice 20-0174**

Edward Jones welcomes the opportunity to provide comments with respect to the above Consultation Paper (the Competency Profiles).

Background

Edward Jones is a limited partnership in Canada and is a wholly owned subsidiary of Edward D. Jones & Co., L.P., a Missouri limited partnership. Edward D. Jones & Co., L.P. is a wholly owned subsidiary of The Jones Financial Companies, L.L.L.P., a Missouri limited liability limited partnership. We are registered with the Investment Industry Regulatory Organization of Canada (IIROC) as an investment dealer and have more than 900 financial advisors located across Canada managing over \$30 billion of assets under care.

As a full-service investment dealer, we help individuals achieve their serious, long-term financial goals by understanding their needs and implementing tailored solutions. At Edward Jones, we build close, ongoing relationships with our clients, beginning with a meeting between client and financial advisor to identify the client's specific long-term goals. We then develop a thoughtful investment strategy and a diversified portfolio of quality investments. Edward Jones believes that all clients, regardless of the amount of investable assets, deserve the services of a professional financial advisor and the benefits of professional advice. As a result, we do not provide order execution only services nor do we offer online investing or online advice.

Overview

We applaud and recognize the comprehensive approach IIROC undertook in creating the Competency Profiles including engaging a broad group of individuals and groups to ensure diversity of thought during the review process.

We agree with, and fully support, the substance and purpose of creating these Competency Profiles. We believe the Competency Profiles will further strengthen the proficiencies for Investment Representatives (IR) and Registered Representatives (RR) which will, ultimately, lead to enhanced investor and industry confidence.

As a member firm, the Competency Profiles will help us when developing, assessing, and revising our internal training programs, will assist us in measuring our registrants' proficiencies, and will help inform us in evaluating potential new hires. The Competency Profiles align with the principles of the Client Focused Reforms (Reforms) and will assist us in preparing for the Reforms.

Comments

Below are our comments in response to the Competency Profiles Consultation Proposal.

After several consultations and discussions, we have come to understand that the Competency Profiles are intended to be a blue-print that will allow IIROC to effectively measure the content and quality of courses developed by industry course providers. We expect that the course providers will be taking the applicable Competency Profiles into consideration when developing or updating their courses and Edward Jones would welcome the opportunity to assist the course providers by reviewing the proposed content prior to the courses being published.

We recognize that the current training programs for new registrants includes a combination of qualifying courses and training elements for registration (Canadian Securities Course, Conduct and Practices Handbook and 30/90 Day Training Program), and any applicable post-licensing requirement (Wealth Management Essentials for the RR – retail category). We further recognize that all registrants are subject to internal and external continuing education and training requirements. The notion is that, while registrants are always subject to minimum standards and requirements, competencies and proficiencies are developed and refined over time. With the introduction of the Competency Profiles, which appears to suggest that all registrants are required to have these competencies and proficiencies at registration, perhaps there is an opportunity for IIROC to re-assess the current post-licensing requirements and, specifically, the need for the Wealth Management Essentials Course. The ongoing continuing education courses and programs will help ensure that the registrants remain proficient.

With respect to specific competencies, we provide the following considerations:

The Technical Skills descriptor '*Identifies, applies and analyzes the following when evaluating investment options*' and the list that follows could be interpreted as a registrant requirement for every investment under consideration, and may go beyond the scope of the registrant's knowledge and ability. We suggest adding the qualifier 'where appropriate' to the descriptor.

Competency	Identifies, explains, applies, analyzes, complies with and evaluates applicable regulatory requirements, firm policies and procedures when
Sub-competency	Setting out the scope of the client relationship: <i>(Bullet): The wealth management process and its impact on investment decisions</i>

In the second bullet under Knowledge, please clarify or define the term 'wealth management process'.

Competency	Complies with the Know Your Client requirements (KYC) by:
Sub-competency	Identifying and explaining the information that is required to be collected <i>(bullet): Client's financial circumstance: income, net worth, assets and liabilities</i> <i>(bullet): Verifies information with clients following meetings</i>

In the first bullet under Knowledge, we note the term 'financial circumstance' is used. Please advise if this is different than the 'financial situation' which is referenced in the document (p. 28).

In the tenth bullet under Behaviors and Skills, please clarify or provide examples of how the registrant 'verifies information with clients following meetings.'

Competency	Complies with the Know Your Client requirements (KYC) by:
Sub-competency	Using Know Your Client information to help the client set realistic financial goals <i>(Bullet): General tax planning techniques and strategies</i>

In the fourth bullet under Knowledge, what constitutes 'general' in general tax planning techniques and strategies?

Competency	Identifies, applies and analyzes the following when evaluating investment options:
Sub-competency	Macroeconomic analysis

Finally, under Behaviors and Skills, there are references to Subject Matter Experts (SMEs) that can be utilized. Can the reliance on SMEs be extended to all the sub-competencies? This would ensure more consistent, higher quality delivery across all sub-competencies.

We would be pleased to continue the dialogue and participate in further consultation if appropriate and desirable.

Yours truly,



Carl Dubicki
Compliance

- c. David Gunn, UDP, Edward Jones
Nawaz Meghji, General Counsel (Canada), Edward Jones
Wayne Bolton, Chief Compliance Officer, Edward Jones