

# RAYMOND JAMES®

December 23, 2015

**Paul Allison**  
Email: paul.allison@raymondjames.ca

Via Email

**comment@ccmr-ocrmc.ca**

RE: Comments on the Capital Markets Act – Revised Consultation Draft and Draft Initial Regulations for the Cooperative Capital Markets Regulatory System

Raymond James Ltd. (“Raymond James”) is pleased to have the opportunity to comment on the proposed legislative framework for the Cooperative Capital Markets Regulatory System (“CCMRS”). Raymond James is a full service investment dealer registered in all the provinces and territories in Canada. It is a member of both the Investment Industry Regulatory Organization of Canada (“IIROC”) and the Investment Industry Association of Canada (“IIAC”). Raymond James provides both an employer and employee relationship model and a principal and agent relationship model for its various registered representatives. In both platforms, we are committed to excellence in both service and putting our clients first.

We support the CCMRS initiative and the considerable work accomplished to date in moving towards establishing a cooperative system for securities regulation in the Canadian capital markets. A cooperative system should better facilitate the raising of capital for issuers from both domestic and international investors through more integrated markets based on platform legislation and a single set of regulations. The benefits of a cooperative system will not, however, be fully achieved without the non-participating provinces and territories cooperating with, or as part of, the Capital Markets Regulatory Authority (“CMRA”). It is unclear what will be the interface between the CMRA and non-participating jurisdictions and whether or not there will be a workable passport regime. Most important is to ensure that costs to market participants do not increase and that there be a smooth transition with minimal disruption and no additional administrative burden on market participants. To this end, recognition of decisions of a predecessor regulator being deemed a decision of the CMRA is a welcome approach.

We note that the uniform provincial *Capital Markets Act* (“PCMA”) proposed for enactment by each participating province and territory, has finally included definitions for “professional company” and “professional company (PC) representative” and provides, in s. 201 (1)(12), the authority for the CMRA to make regulations to permit and govern professional companies and PC representatives. We are pleased to see this included as we think that it is an opportune time to create a statutory framework to permit the incorporation of dealer/advisor representatives. Raymond James strongly supports legislative changes to allow the incorporation of individual representatives of registered dealers and advisers in Canada. The provinces of Saskatchewan, Quebec and Alberta have taken steps in this direction. Coordination with non-participating jurisdictions is necessary to achieve a workable framework from a taxation perspective for incorporated representatives to conduct business in both participating and non-participating provinces/territories.

**Raymond James Ltd.**  
40 King Street West, 54<sup>th</sup> Floor, Toronto, ON M5H 3Y2  
416-777-7000 | 416-777-7020 Fax

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Member of Canadian Investor Protection Fund

Other than commentary relating to federally regulated banks, we support and echo the submission and comments made by the IIAC in its submission dated December 21, 2015, made on behalf its investment dealer industry members. We support the objective for the platform Capital Markets Act (“CMA”) legislation to harmonize and be consistent, as far as possible, with existing requirements in participating jurisdictions. The introduction of new, different, or more onerous requirements not found in legislation of any participating jurisdiction should be avoided, without the benefit of specific additional industry consultation or scrutiny.

Overall, we strongly support the Cooperative Markets Regulatory System. In efforts to achieve that, the objective should continue to be full participation by all provinces/territories (or in the alternative, a workable interface for a passport regime), the avoidance of disruption in market activity and cost containment to market participants.

Very truly yours,

**RAYMOND JAMES LTD.**

per:

A handwritten signature in black ink, appearing to read 'Paul Allison', with a long, sweeping flourish extending to the right.

**Paul Allison**

Chairman and Chief Executive Officer