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May 7, 2009

Hon. Alison Redford
Minister of Justice and Attorney General
Government of Alberta
403 Legislature Building
10800-97 Avenue
Edmonton, Alberta
T5K 2B6

Dear Minister:

Re: Bill 20, *Civil Enforcement Amendment Act, 2009*

We are writing to you regarding Bill 20, the *Civil Enforcement Amendment, Act 2009*, (Bill 20) to seek an appropriate amendment to the Bill that will provide the same protection of consumers' retirement savings that are held in registered plans from creditors' claims, regardless of whether the consumer acquired the registered plan through a securities salesperson or an insurance salesperson. Such action will ensure the equitable treatment of consumers and maintain a level playing field between the insurance and securities sector.

Advocis, The Financial Advisors Association of Canada, is the largest and oldest voluntary professional membership association of financial advisors and planners in Canada. Our members are provincially licensed to sell life and health insurance, mutual funds and other securities, and are primarily owners and operators of their own small businesses who create thousands of jobs across the province. Advocis members are professional financial advisors who provide comprehensive financial planning and investment advice, retirement and estate planning, risk management, employee benefit plans, disability coverage, long-term care and critical illness insurance to millions of Canadian households and businesses. Our 1,500 members in Alberta provide financial advice and services to hundreds of thousands of consumers.

Advocis would like to assist the Alberta Ministry of Justice and Attorney General (Ministry of Justice) by outlining our concerns with Bill 20 and by offering recommendations that we believe to be consistent with the government's public policy objective of expanding protection of consumers' registered investments from creditors. We believe the government's policy objective can be achieved in a manner that is fair to the insurance and capital market sectors, as well as consumers.

We support the government's initiative in Bill 20 to provide increased protection from creditors for consumers' retirement savings that are held in registered plans such as RRSPs, RRIAs and DPSPs (registered plans). However, we believe the current drafting of the Bill will create an unlevel playing field that could operate to the disadvantage of consumers. Specifically, a consumer who purchases their registered plan from a registrant in the securities sector would benefit from the protection. However, the same level of protection provided under Bill 20 may not be available to a consumer who purchases the same registered product from a life and health insurance provider.

In our view, the current draft of Bill 20 would give an advantage to those selling registered products in the securities sector, over those selling such products in the insurance sector, enabling those on the securities side to point to the protection from claims of creditors that would not be available on the insurance side.

Advocis favours a fair and balanced regulatory framework that preserves the health and strength of the insurance and capital market sectors, provides a level playing field, and protects consumers. We support your initiative to increase protection for consumers' retirement savings in registered plans.

We share the concerns that were raised by the Canadian Life and Health Insurance Association (CLHIA), in their letter to you dated April 7, 2009. We agree with the CLHIA that identical products purchased through different channels in the financial system should be subject to similar consumer safeguards.

We urge you to revise the Bill in order to provide the same protection of consumers' retirement savings that are held in registered plans from creditors' claims, regardless of whether the consumer acquired the registered plan through a securities salesperson or an insurance salesperson. Specifically, as part of the amendments under Bill 20, creditor protection should be extended to a contract of life insurance under Part 5 of the *Insurance Act* that is a registered plan.

We would be pleased to discuss this issue with you at your earliest convenience.

Sincerely,



Greg Pollock
President and CEO



Kristan K. Birchard
Chair, National Board of Directors

c.c. Hon. Iris Evans, Minister of Finance and Enterprise