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February 19, 2016

Honorable Kara M. Stein
Commissioner
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-1090

Re: Feb. 9th Meeting with CEFEX Centre for Fiduciary Excellence, LLC ("CEFEX") and fi360, Inc. ("fi360")

Dear Commissioner Stein,

On behalf of CEFEX and fi360, I wish to thank you for taking the time to hear about our fiduciary assessment program that is based upon International Association for Standardization (ISO) processes and our views on a fiduciary rule for retail investment advice and the accredited investor definition.

I wanted to summarize our view that a third-party examination program can be an effective way for the Securities and Exchange Commission ("SEC" or "Commission") to increase its oversight of registered investment advisers. We believe that a program can be successfully implemented in a way which leverages the broad reach of private sector examiners while maintaining critical SEC oversight.

As mentioned in our meeting, CEFEX runs a scalable online examination system which can serve as a practical model. CEFEX-certified advisory firms voluntarily subject themselves to our examinations, thereby demonstrating that the examinees are well-organized, transparent, and operating in conformity to specific fiduciary practices. They have assumed **a culture of compliance**, which ultimately serves the interests of institutional and retail investors.

An SEC third-party examination program can focus on straightforward, evidence-based fact-finding like asset verification and consistency between advisory practices and Form ADV and website disclosures or other marketing materials. The program would assess conformity to specific practices that the Commission deems to be most conducive to examination by a third-party. It could also help uncover potential problems that may require more in-depth review by SEC examiners, thereby enabling the SEC build a more complete risk-profile of advisory firms examined so it can direct greater resources to higher-risk firms.

From previous discussions with the Office of Compliance Inspections and Examinations ("OCIE"), we understand that it is helpful for National Examination Program staff to have access to independent

information and exposure to private sector analytical tools. A well-designed external examination program can help achieve these desirable outcomes, in addition to meeting the core objective of providing factual findings on matters specified for examination by the SEC. Our ISO-inspired independent fiduciary assessment model delivers inherent advantages for a successful third-party examination program.

I look forward to the SEC's proposed third-party exam initiative and will gladly provide comments. In the meantime, I would be pleased to offer details of our examination program to others at the Commission. I can be reached directly at 416-693-9733 in our Toronto office.

Sincerely,

A handwritten signature in black ink, appearing to read "Carlos Panksep". The signature is fluid and cursive, with the first name "Carlos" and last name "Panksep" clearly distinguishable.

Carlos Panksep
Managing Director

cc: Jill S. Henderson, Counsel, Office of Commissioner Kara M. Stein, SEC
Blaine Aikin, Executive Chairman, fi360 Inc.
William Mueller, Chief Executive Officer, fi360 Inc.
Duane R. Thompson, Senior Policy Analyst, fi360 Inc.