

Rules Bulletin Request for Comments

IDPC Rules

23-0096

August 31, 2023

Comments Due By: October 2, 2023

Please distribute internally to:

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Legal and Compliance

Registration

Retail

Senior Management

Training

Rule Connection:

1200, 2500, 2600, 2700, 3900

Contact

Member Regulation Policy

email: memberpolicymailbox@iiroc.ca

Erica Young

Senior Policy Counsel, Member Regulation Policy

Telephone: 416.646.7211

e-mail: eyoung@iiroc.ca

Proposed Clarifying Amendments to Registration and Proficiency Requirements

Executive Summary

Canadian Investment Regulatory Organization (CIRO) is proposing amendments (**Proposed Amendments**) to improve the clarity of the registration and proficiency requirements in the Investment Dealer and Partially Consolidated Rules (**IDPC Rules**). More specifically, through the Proposed Amendments, we have:

- refined the proficiency requirements in Rule 2600,
- clarified redundant and ambiguous language in Rules 2500, 2600, 2700, and 3900, and
- made consequential changes to cross-references and terminology arising from the foregoing changes.

We are publishing the Proposed Amendments for comment to clarify differing views on the interpretation of the requirements impacted by the Proposed Amendments.

How to Submit Comments

Comments on the Proposed Amendments should be in writing and delivered by **October 2, 2023** to:

Member Regulation Policy

Canadian Investment Regulatory Organization

Suite 2000

121 King Street West

Toronto, Ontario M5H 3T9

e-mail: memberpolicymailbox@iiroc.ca

Copies should also be delivered to the Canadian Securities Administrators (**CSA**):

Market Regulation
Ontario Securities Commission
Suite 1903, Box 55
20 Queen Street West Toronto, Ontario M5H 3S8
e-mail: marketregulation@osc.gov.on.ca

and

Capital Markets Regulation
B.C. Securities Commission
P.O. Box 10142, Pacific Centre
701 West Georgia Street, Vancouver, British Columbia, V7Y 1L2
e-mail: CMRdistributionofSROdocuments@bcsc.bc.ca

Commentators should be aware that a copy of their comment letter will be made publicly available on the CIRO website at www.ciro.ca.

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1. Background

Following the implementation of the IROC Rules on December 31, 2021 and the implementation of the successor IDPC Rules on January 1, 2023, we identified several areas where requirements related to registration and proficiency needed refinement, clarification or correction.¹ The Proposed Amendments are not intended to impose any operational costs on Investment Dealer Members (**Dealers**). Rather, the Proposed Amendments should improve the clarity of the registration and proficiency requirements and align these requirements with their intended interpretation and purpose.

We are publishing the Proposed Amendments for comment to clarify differing views on the interpretation of the requirements impacted by the Proposed Amendments.

2. Proposed Amendments

In this section, we describe the three major areas of change reflected in the Proposed Amendments:

- refining amendments to proficiency requirements set out in Rule 2600,
- clarifying amendments, and
- correcting amendments.

The text of the Proposed Amendments is set out in **Attachment 1** and a blackline of the changes is set out in **Attachment 2**. Additionally, a summary table of the Proposed Amendments by IDPC rule reference is set out in **Attachment 3**.

2.1 Refining amendments to proficiency requirements in Rule 2600

We made specific changes to the proficiency requirements in Rule 2600, as described below and summarized in **Attachment 3**.

- (a) **Changed definition of “recognized foreign self-regulatory organization” to “recognized foreign regulatory organization”.** We have proposed amending this defined term to more accurately reflect the self-regulatory organizations *and* statutory regulators that offer reciprocal treatment to Canadian applicants that are recognized by CIRO.²
- (b) **Recognized supervisory experience at a Mutual Fund Dealer Member or portfolio manager.** This proposal affects the experience requirements for the categories of Supervisors described in clauses 2602(3)(xix) through 2602(3)(xxvi).
- (c) **Aligned the requirements for Supervisors of managed accounts with requirements of other Supervisors.** We have aligned the experience requirements for a Supervisor designated to be responsible for the supervision of managed accounts in sub-clauses 2602(3)(xxiii)(e) through 2602(3)(xxiii)(g) with the experience requirements of other Supervisors in subsection 2602(3) by:

¹ The Proposed Amendments affect Rules 1200, 2500, 2600, 2700 and 3900.

² Currently, CIRO recognizes the U.S. Financial Industry Regulatory Authority, the U.K. Financial Conduct Authority and the Hong Kong Securities and Futures Commission.

- introducing the requirement to complete the Investment Dealer Supervisor Course as part of the education requirements, and
- omitting the requirement to have the same Relevant Investment Management Experience as portfolio managers.

This aligns with our original intention with the implementation of the IIROC Rules.

- (d) **Expanded acceptable qualifications and experience for Supervisors of research reports in sub-clause 2602(3)(xxvii)(a).** We have broadened the acceptable qualifications and experience in this category in response to feedback that the education and experience requirements were too restrictive. This position was previously described in guidance only.³
- (e) **Accepted longer transition period of advising representative or associate advising representative in subsection 2630(1).** We have proposed changes to permit an individual registered as an advising representative or associate advising representative by a securities regulatory authority registered within the last 90 days, rather than within the last two weeks, to take up to three months to complete the Conduct and Practices Handbook Course. This makes the transition period consistent with the reinstatement period and reflects a more realistic period for the transition of these individuals.

2.2 Clarifying Amendments

We have proposed clarifying amendments throughout the IDPC Rules relating to registration and proficiency. These changes are intended to improve the understanding of the requirements. The proposed clarifying amendments fall into the following categories:

- adding sub-numbering and conjunctions to the tables in Rule 2600⁴ to improve pinpoint referencing and to clarify requirements that are meant to be combined or applied as alternatives,
- refining the description of requirements to more accurately reflect the current application of proficiency requirements, and
- eliminating ambiguous or redundant language, such as the repetitive re-statement of baseline proficiency requirements for certain categories of Approved Persons or the inclusion of six months supervisory reporting in Rule 2600 (which is an obligation of the Dealer, rather than an individual seeking approval).

These amendments are listed by IDPC rule reference and described in **Attachment 3**.

³ See GN-2600-21-001 at footnote 11.

⁴ Specifically subsections 2602(3), 2627(1) and 2628(6).

2.3 Correcting Amendments

We have proposed the following correcting amendments that we identified following implementation of the IIROC Rules and its successor, the IDPC Rules. These changes include the following:

- updating cross-references,
- revising outdated language and terminology carried over from the Dealer Member Rules, and
- italicizing defined terms.

3. Impacts of the Proposed Amendments

We do not believe that the Proposed Amendments will have a material impact on investors, the capital market structure, competition generally, the cost of compliance, constraints on innovation or conformity with other rules. No regional effects have been identified.

3.1 Economic Impact Assessment

We need to consider undertaking an economic impact assessment of the anticipated costs and benefits of our rule proposals as part of our regulatory process. We determined it was not necessary to perform an economic impact assessment of the Proposed Amendments as they are not intended to have any operational impact on Dealers.

3.2 Impact of other policy projects

The Proposed Amendments overlap with sections considered for amendment as part of the Proposed Derivatives Rule Modernization, Stage 1 project (the **Derivatives Modernization Project**).⁵ The most significant area of overlap is the table in subsection 2602(3). We anticipate the Proposed Amendments will be finalized prior to the completion of the Derivatives Modernization Project. However, whichever set of amendments is finalized first will be reflected in subsequent proposed amendments to the overlapping sections of the IDPC Rules.

4. Implementation

If approved, the Proposed Amendments would be effective at least three months after approval from our Recognizing Regulators.

5. Questions

While comment is requested on all aspects of the Proposed Amendments, comment is specifically requested in identifying any areas where the Proposed Amendments inadvertently result in operational costs to Dealers and a description of those operational costs.

⁵ See Notice 22-0055.

6. Policy development process

6.1 Regulatory purpose

The Proposed Amendments would improve the clarity relating to registration and proficiency requirements set out in the IDPC Rules, thus ensuring compliance with securities laws.

6.2 Regulatory process

The Board of Directors of CIRO (**Board**) has determined the Proposed Amendments to be in the public interest and approved them for public comment on June 28, 2023.

The following advisory committees of CIRO's predecessor organization, IIROC, considered this matter:

- Proficiency Committee,
- CCLS Institutional Subcommittee, and
- CCLS Retail Subcommittee.

We took the public interest into account when developing the Proposed Amendments through these consultations. After considering the comments on the Proposed Amendments received in response to this Request for Comments together with any comments of the Recognizing Regulator, CIRO staff may recommend revisions to the Proposed Amendments. If the revisions and comments received are not material in nature, the Board has authorized the President to approve the revisions on CIRO's behalf and the revised Proposed Amendments will be subject to approval by the Recognizing Regulators. If the revisions or comments are material, CIRO staff will submit the Proposed Amendments, including any revisions, to the Board for approval for republication or implementation, as applicable.

7. Attachments

[Attachment 1](#) - Proposed Amendments to IDPC Rules (Clean)

[Attachment 2](#) - Proposed Amendments to IDPC Rules (Blackline)

[Attachment 3](#) - Summary Table of Proposed Amendments by IDPC Rule Reference

SERIES 1000 | INTERPRETATION AND PRINCIPLES RULES

RULE 1200 | DEFINITIONS

1201. Definitions

...

(2) The following terms have the meanings set out when used in the *Corporation requirements*:

...

<p>“designated Supervisor”</p>	<p>A <i>Supervisor</i> that the <i>Dealer Member</i> makes responsible for a supervisory role defined in the <i>Corporation requirements</i>, including a <i>Supervisor</i> responsible for:</p> <ul style="list-style-type: none"> (i) the supervision of <i>futures contracts</i> and <i>futures contract options</i> trading accounts under Part F of Rule 3900, (ii) the supervision of <i>options</i> trading accounts under Part F of Rule 3900, (iii) the supervision of <i>discretionary accounts</i> under Part G of Rule 3900, (iv) the opening of new accounts and the supervision of account activity under Part B of Rule 3900, (v) the supervision of <i>managed accounts</i> under Part G of Rule 3900, (vi) the pre-approval of <i>advertising, sales literature</i> and <i>correspondence</i> under Part A of Rule 3600, and (vii) the supervision of <i>research reports</i> under Part B of Rule 3600.
<p>..</p>	
<p>“recognized foreign regulatory organization”</p>	<p>A foreign regulatory organization, including a foreign self-regulatory organization, which offers reciprocal treatment to Canadian applicants and which has been recognized by the <i>Corporation</i> as such.</p>

...

SERIES 2000 | DEALER MEMBER ORGANIZATION AND INDIVIDUAL APPROVAL RULES

...

RULE 2500 | DEALER MEMBER DIRECTORS AND EXECUTIVES, AND APPROVAL OF INDIVIDUALS

2501. Introduction

(1) Rule 2500 sets out requirements for a *Dealer Member’s Approved Persons*.

...

PART A - DEALER MEMBER DIRECTORS AND EXECUTIVES

2502. General requirements for Directors

...

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

- (2) At least 40% of the *Dealer Member's Directors* must:
 - (i) either:
 - (a) be *actively engaged in the business of the Dealer Member* and spend the majority of their time in the securities industry, except those on active government service, or who for health reasons are prevented from such active engagement, or
 - (b) occupy a position equivalent to an *Executive* or a *Director* at a related or *affiliated* firm registered with a *securities regulatory authority*, an *affiliated* foreign securities dealer or advisor, or an *affiliated* Canadian financial institution,
 - (ii) satisfy the applicable proficiency requirements of clause 2602(3)(xxix), and
 - (iii) have at least five years of experience in the financial services industry, or such lesser period as may be acceptable to the *Corporation*.

...

2503. General requirements for Executives

- (1) A *Dealer Member's Executives* must:
 - (ii) satisfy the applicable proficiency requirements of clause 2602(3)(xxviii).
- (2) At least 60% of the *Dealer Member's Executives* must have at least five years of experience in the financial services industry, or such lesser period as may be acceptable to the *Corporation*.

2504. Exemption

- (1) The *Corporation* may grant an exemption from any requirement or part of a requirement in sections 2502 or 2503 if it is satisfied that it would not harm the interests of the *Dealer Member*, its clients, the public or the *Corporation*. The exemption may be on any terms and conditions that the *Corporation* considers appropriate.

2505. Chief Financial Officer

- (1) A *Dealer Member* must designate a *Chief Financial Officer* who must:
 - (i) be designated as an *Executive* and meet the general requirements for *Executives* set out in section 2503, and
 - (ii) satisfy the applicable proficiency requirements of clause 2602(3)(xxx).
- ...
- (4) When an acting *Chief Financial Officer* is designated:
 - (i) that *individual* must satisfy the applicable proficiency requirements of clause 2602(3)(xxx) and be designated as *Chief Financial Officer*, or

...

...

2506. Chief Compliance Officer

- (1) A *Dealer Member* must designate a *Chief Compliance Officer* who must:

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

- (i) be designated as an *Executive* and meet the general requirements for *Executives* set out in section 2503, and
- (ii) satisfy the applicable proficiency requirements of clause 2602(3)(xxxi).

...

(5) When an acting *Chief Compliance Officer* is designated:

- (i) the *individual* must satisfy the applicable proficiency requirements of clause 2602(3)(xxxi) and be designated as *Chief Compliance Officer*, or

...

...

2507. Ultimate Designated Person

...

(2) The *Ultimate Designated Person* must be:

- (i) the chief executive officer of the *Dealer Member* or, an *Executive* acting in a capacity similar to a chief executive officer, provided it is acceptable to the *Corporation*, and applicable relief is granted under the applicable National Instrument,

...

...

(4) If an *individual* who is approved as a *Dealer Member's Ultimate Designated Person* ceases to meet any of the conditions listed in subsections 2507(1) and 2507(2), the *Dealer Member* must immediately designate another qualified *Executive* to act as its *Ultimate Designated Person* or if unable to do so, promptly notify the *Corporation* of its plan to designate another qualified *Executive* as its *Ultimate Designated Person*.

...

PART B - APPROVAL OF INDIVIDUALS

...

2551. Individual approval

(1) An *individual* is not permitted to act as an *Approved Person* and a *Dealer Member* is not permitted to allow an *individual* to act as an *Approved Person* unless:

- (i) the *Dealer Member* is registered (or exempt from such registration) in the appropriate category under *securities laws* in each jurisdiction in which clients of the *Dealer Member* reside or in which the *Dealer Member* carries on *securities related business*,
- (ii) the *individual*, if required to do so under *securities laws*, is registered (or exempt from such registration) in the appropriate category under *securities laws* in each jurisdiction in which clients of the *individual* reside or in which the *individual* carries on *securities related business*, and

...

...

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

- (6) If an *Approved Person* ceases to be approved, the former *Approved Person* must immediately cease any activity requiring *Corporation* approval.

...

2552. Compliance with the proficiency requirements or other conditions

- (1) Each *Approved Person* must:
 - (i) meet the applicable proficiency requirements set out in Rule 2600 before *Corporation* approval is granted, and
 - (ii) complete the applicable post-approval proficiency requirements of subsection 2602(3) after receiving *Corporation* approval.
- (2) The *Corporation* will automatically suspend an *Approved Person* if they do not complete the applicable post-approval proficiency requirements in the *Approved Persons* category as set out in Rule 2600.
- (3) The *Corporation* will reinstate an *Approved Person* once they have completed the required post-approval proficiency requirements and the *Corporation* has been notified.

...

2553. Approval of Registered Representatives, Investment Representatives, Portfolio Managers and Associate Portfolio Managers and their obligations

...

- (2) An *Associate Portfolio Manager* must not advise on securities unless, before giving the advice, the advice has been pre-approved by the *Portfolio Manager*.
- (3) A *Registered Representative, Investment Representative, Portfolio Manager* or *Associate Portfolio Manager* may not conduct on behalf of a *Dealer Member*, and a *Dealer Member* may not permit the *Approved Person* to conduct on its behalf, the type of business as set out in clause 2553(3)(iv) and deal with a type of customer as set out in clauses 2553(3)(i) and (ii), unless the *Dealer Member* complies with the following:
 - ...
- (4) An *individual* applying for approval as a *Registered Representative* or *Investment Representative* dealing in mutual funds only must comply with the applicable proficiency requirements in clauses 2602(3)(vi), 2602(3)(vii) or 2602(3)(xiii).
- (5) The post-approval proficiency requirements in clauses 2602(3)(vi) or 2602(3)(xiii) do not apply to a *Registered Representative* or *Investment Representative* approved prior to September 28, 2009 and registered in provinces or territories which allowed the *individual* to be restricted to mutual funds only, provided they remain in the same restricted category of approval in the same provinces/territories.
- (6) The approval of an *individual* qualified to deal in mutual funds only is automatically suspended if the *individual* fails to satisfy the post-approval requirements in clauses 2602(3)(vi) or 2602(3)(xiii) in accordance with subsections 2552(2) and 2552(3).

...

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

2555. Approval of investors

...

- (2) A *Dealer Member’s Director* who, directly or indirectly, owns or controls a voting interest of a *Dealer Member* of 10% or more must satisfy the proficiency requirements of clause 2602(3)(xxxii).
- (3) Any *individual*, other than a *Dealer Member’s Director*, who:
 - (i) is *actively engaged in the business of the Dealer Member*, and
 - (ii) directly or indirectly owns or controls a voting interest in a *Dealer Member* of 10% or more, must satisfy the proficiency requirements of clause 2602(3)(xxxii) applicable to *approved investors*.

...

RULE 2600 | PROFICIENCY REQUIREMENTS AND EXEMPTIONS FROM PROFICIENCIES

...

PART A - PROFICIENCY REQUIREMENTS

2602. Proficiency requirements for Approved Persons and approved investors

...

- (2) The *Dealer Member* must ensure that an *individual* does not perform an activity that requires *Corporation* approval unless the *individual* has the education, training provided in accordance with section 1407, and experience that a reasonable person would consider necessary to perform the activity competently, including understanding the structure, features and risks of each security the *individual* recommends.
- (3) Each applicant in an *Approved Person* category or *approved investor* category must meet the proficiency requirements set out below for that category unless an exemption has been granted from the applicable proficiency requirements before the *Corporation* will grant approval. Unless otherwise stated, the Canadian Securities Institute administers the courses and examinations noted below.

Registered Representative and Investment Representative
...
<ul style="list-style-type: none"> • <i>Investment Representative</i> dealing in <i>futures contracts</i> and <i>futures contract options</i> with <i>retail or institutional clients</i>
...
Associate Portfolio Manager and Portfolio Manager
<ul style="list-style-type: none"> • <i>Associate Portfolio Manager</i> providing discretionary portfolio management for <i>managed accounts</i> • <i>Portfolio Manager</i> providing discretionary portfolio management for <i>managed accounts</i>
Designated Supervisor
...

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

<ul style="list-style-type: none"> • <i>Supervisor</i> designated to be responsible for the supervision of <i>futures contract</i> and <i>futures contract options accounts</i>
...

Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
Registered Representative and Investment Representative			
(i) <i>Registered Representative</i> dealing with <i>retail clients</i> (other than <i>Registered Representative</i> dealing in <i>options, futures contracts</i> and <i>futures contract options</i> or only in mutual funds)	(a) (I) Either: (A) Canadian Securities Course, or, (B) Level I or higher of the CFA Program administered by the CFA Institute, (II) Conduct and Practices Handbook Course, and (III) 90-day training program after completion of the requirements in paragraph 2602(3)(i)(a)(I), or, (b) If previously registered or approved with a <i>recognized foreign regulatory organization</i> in a similar capacity within three years before requesting approval, New Entrants Course.	(c) Completion of Wealth Management Essentials Course within 30 months after initial approval date as a <i>Registered Representative</i> in accordance with subsection 2552(2).	(d) Six months of supervision from initial approval date as a <i>Registered Representative</i> in accordance with section 3947.
(ii) <i>Registered Representative</i> dealing with <i>institutional clients</i> (other than <i>Registered Representative</i> dealing in <i>options, futures contracts</i> and <i>futures contract options</i> or only in mutual funds)	(a) (I) Either: (A) Canadian Securities Course, or, (B) Level I or higher of the CFA Program administered by the CFA Institute, and, (II) Conduct and Practices Handbook Course, or, (b) If previously registered or approved with with a <i>recognized foreign regulatory organization</i> in a similar capacity within three years before requesting approval, New Entrants Course.		
(iii) <i>Registered Representative</i> dealing in <i>options</i> with <i>retail clients</i>	(a) (I) Requirements in sub-clause 2602(3)(i)(a), and,	(c) Requirements in sub-clause 2602(3)(i)(c).	(d) Requirements in sub-clause 2602(3)(i)(d) in

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
	<p>(II) Either:</p> <p>(A) Derivatives Fundamentals Course and the Options Licensing Course,</p> <p>or,</p> <p>(B) Derivatives Fundamentals and Options Licensing Course,</p> <p>or,</p> <p>(b) If previously registered with the Financial Industry Regulatory Authority in a similar capacity and dealing in options within three years before requesting approval:</p> <p>(I) New Entrants Course,</p> <p>(II) Securities Industry Essentials Exam administered by the Financial Industry Regulatory Authority,</p> <p>and,</p> <p>(III) Series 7 Exam administered by the Financial Industry Regulatory Authority.</p>		<p>accordance with section 3947.</p>
<p>(iv) <i>Registered Representative dealing in options with institutional clients</i></p>	<p>(a) (I) Requirements in sub-clause 2602(3)(ii)(a),</p> <p>and,</p> <p>(II) Either:</p> <p>(A) Derivatives Fundamentals Course and the Options Licensing Course,</p> <p>or,</p> <p>(B) Derivatives Fundamentals and Options Licensing Course,</p> <p>or,</p> <p>(b) If previously registered with the Financial Industry Regulatory Authority in a similar capacity and dealing in options within three years before requesting approval:</p> <p>(I) New Entrants Course,</p> <p>(II) Securities Industry Essentials Exam administered by the Financial Industry Regulatory Authority,</p>		

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
	and, (III) Series 7 Exam administered by the Financial Industry Regulatory Authority.		
(v) <i>Registered Representative dealing with retail clients or institutional clients dealing in futures contracts and futures contract options</i>	(a) Futures Licensing Course, (b) Conduct and Practices Handbook Course, and, (c) Any of the following: (I) Derivatives Fundamentals Course, (II) Derivatives Fundamentals and Options Licensing Course, or, (III) If previously registered with the National Futures Association in a similar capacity and dealing in futures within three years before requesting approval, Series 3 Exam administered by the Financial Industry Regulatory Authority (on behalf of the National Futures Association).		(d) Requirements in sub-clause 2602(3)(i)(d) in accordance with section 3947 for those dealing with <i>retail clients</i> .
(vi) <i>Registered Representative dealing only in mutual funds who is an employee of a firm registered as an investment dealer and not registered as a mutual fund dealer</i>	(a) (I) Any of the following: (A) Requirements in sub-paragraph 2602(3)(i)(a)(I)(A), (B) Canadian Investment Funds Course administered by the Investment Funds Institute of Canada, or, (C) Investment Funds in Canada Course.	(b) (I) Completion of the requirements in sub-paragraph 2602(3)(i)(a)(I)(A) and paragraph 2602(3)(i)(a)(II) within 270 days after initial approval date, and, (II) Completion of the 90-day training program within 18 months after initial approval date.	(c) The <i>individual</i> must upgrade to <i>Registered Representative</i> within 18 months of initial approval.
(vii) <i>Registered Representative dealing only</i>	(a) (I) Any of the following: (A) Requirements in sub-paragraph 2602(3)(i)(a)(I)(A),	(b) Completion of the 90-day training program within 90	(c) Six months of supervision from initial approval date

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Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
<p>in mutual funds who is an <i>employee</i> of a firm registered as both an investment dealer and a mutual fund dealer</p>	<p>(B) Canadian Investment Funds Course administered by the Investment Funds Institute of Canada, or, (C) Investment Funds in Canada Course.</p>	<p>days after initial approval.</p>	<p>as <i>Registered Representative</i> in accordance with section 3947.</p>
<p>(viii) <i>Investment Representative</i> dealing with <i>retail clients</i> (other than <i>Investment Representative</i> dealing in <i>options, futures contracts</i> and <i>futures contract options</i> or only in mutual funds)</p>	<p>(a) (I) Either: (A) Canadian Securities Course, or, (B) Level I or higher of the CFA Program administered by the CFA Institute, (II) Conduct and Practices Handbook Course, and, (III) 30-day training program after completing the requirements in paragraph 2602(3)(viii)(a)(I), or, (b) If previously registered or approved with a <i>recognized foreign regulatory organization</i> in a similar capacity within three years before requesting approval, New Entrants Course.</p>		<p>(c) Six months of supervision from initial approval date as an <i>Investment Representative</i> in accordance with section 3947.</p>
<p>(ix) <i>Investment Representative</i> dealing with <i>institutional clients</i> (other than <i>Investment Representative</i> dealing in <i>options, futures contracts</i> and <i>futures contract options</i> or dealing in only in mutual funds)</p>	<p>(a) (I) Either: (A) Canadian Securities Course, or, (B) Level I or higher of the CFA Program administered by the CFA Institute, and, (II) Conduct and Practices Handbook Course, or, (b) If previously registered or approved with a <i>recognized foreign regulatory organization</i> in a similar capacity within three years before requesting approval, New Entrants Course.</p>		
<p>(x) <i>Investment Representative</i></p>	<p>(a) (I) Requirements in sub-clause 2602(3)(vii)(a), and,</p>		<p>(c) Requirements in sub-clause 2602(3)(viii)(c) in</p>

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
<p>dealing in <i>options</i> with <i>retail clients</i></p>	<p>(II) Either: (A) Derivatives Fundamentals Course and the Options Licensing Course, or, (B) Derivatives Fundamentals and Options Licensing Course, or, (b) If previously registered with the Financial Industry Regulatory Authority in a similar capacity and dealing in options within three years before requesting approval: (I) New Entrants Course, (II) Securities Industry Essentials Exam administered by the Financial Industry Regulatory Authority, and, (III) Series 7 Exam administered by the Financial Industry Regulatory Authority.</p>		<p>accordance with section 3947.</p>
<p>(xi) <i>Investment Representative</i> dealing in <i>options</i> with <i>institutional clients</i></p>	<p>(a) (I) Requirements in sub-clause 2602(3)(ix)(a), and, (II) Either: (A) Derivatives Fundamentals Course and the Options Licensing Course, or, (B) Derivatives Fundamentals and Options Licensing Course, or, (b) If previously registered with the Financial Industry Regulatory Authority in a similar capacity and dealing in options within three years before requesting approval: (I) New Entrants Course, (II) Securities Industry Essentials Exam administered by the Financial Industry Regulatory Authority,</p>		

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
	and (III) Series 7 Exam administered by the Financial Industry Regulatory Authority.		
(xii) <i>Investment Representative dealing in futures contracts or futures contract options with retail or institutional clients</i>	(a) Futures Licensing Course, (b) Conduct and Practices Handbook Course, and, (c) Any of the following: (I) Derivatives Fundamentals Course, (II) Derivatives Fundamentals and Options Licensing Course, or, (III) if previously registered with the National Futures Association in a similar capacity and dealing in futures within three years before requesting approval, Series 3 Exam administered by the Financial Industry Regulatory Authority (on behalf of the National Future Association).		(d) Requirements in sub-clause 2602(3)(viii)(c) in accordance with section 3947 for those dealing with <i>retail clients</i> .
(xiii) <i>Investment Representative dealing only in mutual funds who is an employee of a firm registered as an investment dealer and not registered as a mutual fund dealer</i>	(a) Any of the following: (I) Requirements in sub-paragraph 2602(3)(viii)(a)(I)(A), (II) Canadian Investment Funds Course administered by the Investment Funds Institute of Canada, or, (III) Investment Funds in Canada Course.	(b) (I) Completion of the requirements in sub-paragraph 2602(3)(viii)(a)(I)(A) and paragraph 2602(3)(viii)(a)(II) within 270 days after initial approval date, and, (II) Completion of the 30-day training program within 18 months after initial approval date.	(c) The <i>individual</i> must upgrade to <i>Investment Representative</i> within 18 months of initial approval.
Associate Portfolio Manager and Portfolio Manager			

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
<p>(xiv) <i>Associate Portfolio Manager</i> providing discretionary portfolio management for <i>managed accounts</i></p>	<p>(a) (I) Conduct and Practices Handbook Course, and (II) Any of the following: (A) Canadian Investment Manager Designation, (B) Chartered Investment Manager Designation, or, (C) CFA Level I or higher of the CFA Program administered by the CFA Institute, or, (b) If managing accounts with <i>options</i>: (I) Requirements in sub-clause 2602(3)(xiv)(a), and, (II) Either: (A) Requirements in paragraph 2602(3)(iii)(a)(II), or, (B) Requirements in sub-clause 2602(3)(iii)(b), or, (c) If managing accounts with <i>futures contracts</i> and <i>futures contract options</i>: (I) Requirements in sub-clause 2602(3)(xiv)(a), (II) Requirements in sub-clause 2602(3)(v)(a), and, (III) Requirements in sub-clause 2602(3)(v)(c).</p>		<p>(d) Two years of relevant investment management experience acceptable to the <i>Corporation</i> within three years before requesting approval.</p>
<p>(xv) <i>Portfolio Manager</i> providing discretionary portfolio management for <i>managed accounts</i></p>	<p>(a) (I) Conduct and Practices Handbook Course, and, (II) Any of the following: (A) Canadian Investment Manager Designation, (B) Chartered Investment Manager Designation, or, (C) CFA Charter administered by the CFA Institute,</p>		<p>(d) If Canadian Investment Manager Designation or Chartered Investment Manager Designation is completed at least four years of relevant investment management</p>

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
	or, (b) If managing accounts with <i>options</i> : (I) Requirements in sub-clause 2602(3)(xv)(a), and, (II) Either: (A) Requirements in paragraph 2602(3)(iii)(a)(II), or, (B) Requirements in sub-clause 2602(3)(iii)(b), or, (c) If managing accounts with <i>futures contracts</i> and <i>futures contract options</i> : (I) Requirements in sub-clause 2602(3)(xv)(a), (II) Requirements in sub-clause 2602(3)(v)(a), and, (III) Requirements in sub-clause 2602(3)(v)(c).		experience, one year of which was gained within the three years before requesting approval acceptable to the <i>Corporation</i> , or, (e) If CFA Charter is completed, at least one year of relevant investment management experience within the three years before requesting approval acceptable to the <i>Corporation</i> .
Trader			
(xvi) <i>Trader</i>	(a) Trader Training Course, unless otherwise determined by the <i>Marketplace</i> on which the <i>Trader</i> will be trading.		
(xvii) <i>Trader</i> on the Montréal Exchange	(a) Proficiency requirements determined to be acceptable by the Montréal Exchange.		
Supervisor – Retail or Institutional			
(xviii) <i>Supervisor of Registered Representatives or Investment Representatives (other than supervising options or futures contracts and futures contract options)</i>	(a) Investment Dealer Supervisors Course, and, (b) (I) Either: (A) Canadian Securities Course, or, (B) CFA Level I or higher of the CFA Program administered by the CFA Institute, and, (II) Conduct and Practices Handbook Course, or,		(d) Two years of relevant experience working for an investment dealer, (e) Two years of relevant experience working for a Mutual Fund Dealer Member, portfolio manager, or an entity governed by a <i>recognized foreign regulatory organization</i> ,

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
	(c) If previously registered or approved with a <i>recognized foreign regulatory organization</i> within three years before requesting approval and as an alternative to sub-clause 2602(3)(xviii)(b), New Entrants Course		or, (f) Such other equivalent experience acceptable to the <i>Corporation</i> .
(xix) <i>Supervisor of Registered Representatives or Investment Representatives dealing with clients in options</i>	(a) Options Supervisors Course, and, (b) Either: (I) (A) Conduct and Practices Handbook Course, and, (B) Either: (i) Derivatives Fundamentals Course and the Options Licensing Course, or, (ii) Derivatives Fundamentals and Options Licensing Course, or, (II) If previously registered with the Financial Industry Regulatory Authority and dealing in <i>options</i> within three years before requesting approval: (A) New Entrants Course, and (B) Securities Industry Essentials Exam administered by the Financial Industry Regulatory Authority, and (C) Series 7 Exam administered by the Financial Industry Regulatory Authority.		(d) Two years of relevant experience working for an investment dealer, (e) Two years of relevant experience working for a Mutual Fund Dealer Member, portfolio manager, or an entity governed by a <i>recognized foreign regulatory organization</i> , or, (f) Such other equivalent experience acceptable to the <i>Corporation</i> .
(xx) <i>Supervisor of Registered Representatives or Investment Representatives dealing with clients in futures contracts and</i>	(a) Canadian Commodity Supervisors Exam, and, (b) (I) Futures Licensing Course, (II) Conduct and Practices Handbook Course, and, (III) Any of the following:		(c) Two years of relevant experience working for an investment dealer, (d) Two years of relevant experience working for a Mutual Fund Dealer Member, portfolio

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
<i>futures contract options</i>	(A) Derivatives Fundamentals Course, (B) Derivatives Fundamentals and Options Licensing Course, or, (C) If previously registered with National Futures Association dealing in futures within three years before requesting approval, the Series 3 Exam administered by the Financial Industry Regulatory Authority (on behalf of the National Futures Association)		manager or an entity governed by a <i>recognized foreign regulatory organization</i> , or, (e) Such other equivalent experience acceptable to the <i>Corporation</i> .
Designated Supervisors			
(xxi) <i>Supervisor designated to be responsible for the opening of new accounts and account supervision and activity related policies and procedures</i>	(a) Investment Dealer Supervisors Course.		(b) Two years of relevant experience working for an investment dealer, (c) Two years of relevant experience working for a Mutual Fund Dealer Member, portfolio manager, or an entity governed by a <i>recognized foreign regulatory organization</i> , or, (d) Such other equivalent experience acceptable to the <i>Corporation</i> .
(xxii) <i>Supervisor designated to be responsible for the supervision of discretionary accounts</i>	(a) Investment Dealer Supervisors Course.		(b) Two years of relevant experience working for an investment dealer, (c) Two years of relevant experience working for a Mutual Fund Dealer Member, portfolio manager or an

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
			entity governed by a <i>recognized foreign regulatory organization</i> , or, (d) Such other equivalent experience acceptable to the Corporation.
(xxiii) <i>Supervisor</i> designated to be responsible for the supervision of <i>managed accounts</i>	(a) Investment Dealer Supervisors Course, and, (b) Any of the following: (I) Canadian Investment Manager Designation, (II) Chartered Investment Manager Designation, or (III) CFA Charter administered by the CFA Institute (c) If supervising <i>managed accounts</i> with <i>options</i> : (I) Requirements in sub-clauses 2602(3)(xxiii)(a) and 2602(3)(xxiii)(b), and, (II) Requirements in clause 2602(3)(xxiv), (d) If supervising <i>managed accounts</i> with <i>futures contracts</i> and <i>futures contract options</i> : (I) Requirements in sub-clauses 2602(3)(xxiii)(a) and 2602(3)(xxiii)(b), and, (II) Requirements in clause 2602(3)(xxv).		(e) Two years of relevant experience working for an investment dealer, (f) Two years of relevant experience working for a Mutual Fund Dealer Member, a portfolio manager or an entity governed by a <i>recognized foreign regulatory organization</i> , or, (g) Such other equivalent experience acceptable to the Corporation.
(xxiv) <i>Supervisor</i> designated to be responsible for the supervision of <i>options</i> accounts	(a) Options Supervisors Course, and (b) Any of the following: (I) Derivatives Fundamentals Course and the Options Licensing Course, 		(c) Two years of relevant experience working for an investment dealer, (d) Two years of relevant experience working for a Mutual Fund Dealer

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
	<p>(II) Derivatives Fundamentals and Options Licensing Course, or, (III) If previously registered with the Financial Industry Regulatory Authority dealing in options within three years before requesting approval: (A) New Entrants Course, (B) Securities Industry Essentials Exam administered by the Financial Industry Regulatory Authority, and, (C) Series 7 Exam administered by the Financial Industry Regulatory Authority.</p>		<p>Member, portfolio manager, or an entity governed by a <i>recognized foreign regulatory organization</i>, or, (e) Such other equivalent experience acceptable to the <i>Corporation</i>.</p>
(xxv) <i>Supervisor designated to be responsible for the supervision of futures contract and futures contract options accounts</i>	<p>(a) Canadian Commodity Supervisors Exam, (b) Futures Licensing Course, and, (c) Any of the following: (I) Derivatives Fundamentals Course, (II) Derivatives Fundamentals and Options Licensing Course, or, (III) If previously registered with the National Futures Association and dealing in futures within three years before requesting approval, the Series 3 Exam administered by the Financial Industry Regulatory Authority (on behalf of the National Futures Association).</p>		<p>(d) Two years of relevant experience working for an investment dealer, (e) Two years of relevant experience working for a Mutual Fund Dealer Member, portfolio manager, or an entity governed by a <i>recognized foreign regulatory organization</i>, or, (f) Such other equivalent experience acceptable to the <i>Corporation</i>.</p>
(xxvi) <i>Supervisor designated to be responsible for the pre-approval of advertising, sales literature and correspondence</i>	<p>(a) Investment Dealer Supervisors Course.</p>		<p>(b) Two years of relevant experience working for an investment dealer, (c) Two years of relevant experience working for a Mutual Fund Dealer Member, portfolio manager, or an entity</p>

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
			governed by a <i>recognized foreign regulatory organization</i> , or, (d) Such other equivalent experience acceptable to the <i>Corporation</i> .
(xxvii) <i>Supervisor</i> designated to be responsible for the supervision of <i>research reports</i>	(a) Conduct and Practices Handbook Course, and, (b) Any of the following: (I) CFA Level II or higher of the CFA Program administered by the CFA Institute, (II) Partners, Directors and Senior Officers Course, (III) Investment Dealer Supervisor Course, or (IV) If previously registered with the Financial Industry Regulatory Authority within three years before requesting approval: (A) Securities Industry Essentials Exam and Series 86/87 Exam administered by the Financial Industry Regulatory Authority, or, (B) Series 16 Exam administered by the Financial Industry Regulatory Authority.		(c) Two years of relevant experience working for an investment dealer or registered advisor, (d) Two years of relevant experience working for an entity governed by a <i>recognized foreign regulatory organization</i> , or, (e) Such other equivalent experience acceptable to the <i>Corporation</i> .
Executive and Director			
(xxviii) <i>Executive</i> (including <i>Ultimate Designated Person</i>)	(a) Partners, Directors and Senior Officers Course.		(b) Experience in accordance with subsection 2503(2), if applicable .
(xxix) <i>Director</i>	(a) Partners, Directors and Senior Officers Course.		(b) Experience in accordance with clause 2502(2)(iii), if applicable.

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Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
(xxx) <i>Chief Financial Officer</i>	(a) Partners, Directors and Senior Officers Course, and, (b) Chief Financial Officers Qualifying Examination.		(c) A financial accounting designation, finance related university degree or diploma or equivalent work experience as may be acceptable to the <i>Corporation</i> .
(xxxi) <i>Chief Compliance Officer</i>	(a) Partners, Directors and Senior Officers Course, and, (b) Chief Compliance Officers Qualifying Examination.		(c) Five years working for an investment dealer or registered advisor, with at least three years in a compliance or supervisory capacity, or, (d) Three years providing professional services in the securities industry, with at least 12 months experience working at an investment dealer or registered advisor in a compliance or supervisory capacity.
Approved investor			
(xxxii) <i>Approved investor</i> (under subsections 2555(2) and 2555(3))	(a) Partners, Directors and Senior Officers Course.		

...

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

PART B - EXEMPTIONS FROM PROFICIENCY REQUIREMENTS

2625. Specific exemptions

- (1) A *Chief Compliance Officer* seeking approval as a *Supervisor* of a producing *Supervisor* is exempt from the proficiencies required under 2602(3)(xviii) for the purposes of being approved in this capacity, if the producing *Supervisor* is an *Approved Person* who is:
 - (i) a *Supervisor* of a *Registered Representative* or *Investment Representative* and
 - (ii) actively engaged as a *Registered Representative* dealing with *retail clients*.
- (2) An applicant seeking approval as a *Supervisor* in relation to activities of *individuals* approved to deal in mutual funds only, including those in subsections 2603(1) and 2603(2), is exempt from the pre-approval course requirements in clauses 2602(3)(xviii) and 2602(3)(xxi) provided the *individual*:
 ...
- (3) With the exception of *individuals* who were required to transition to the *Portfolio Manager* and *Associate Portfolio Manager* approval categories, *individuals* approved prior to December 31, 2021 are exempt from any new proficiency requirements introduced as at December 31, 2021 in subsection 2602(3), provided the *Approved Person* continues in the same role.

2626. General and discretionary exemptions

- (1) The *Corporation* may exempt any *person* or class of *persons* from any proficiency requirement, in whole or in part, if the applicant demonstrates acceptable alternative experience, and/or successful completion of alternative courses or examinations to the *Corporation*.
- (2) This exemption may be subject to any terms and conditions the *Corporation* considers appropriate.

...

2627. Exemptions from completing the required courses

- (1) As set out in the table below, an applicant or *Approved Person* is exempt from completing a required course if the applicant meets the applicable exemption criteria.

Required course	Course required for exemption	Exemption criteria
(i)(a) 90-day Training Program	(b) none	(c) Request approval within three years of being approved or registered in a capacity allowing trading of, or advising in, securities for <i>retail clients</i> either: <ol style="list-style-type: none"> (I) by a <i>recognized foreign regulatory organization</i>, or (II) as an advising representative or associate advising representative by a <i>Canadian securities regulatory authority</i>

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Required course	Course required for exemption	Exemption criteria
(ii)(a) 30-day Training Program	(b) none	(c) Request approval within three years of being approved or registered in a capacity allowing trading of, or advising in, securities for <i>retail clients</i> either: <ul style="list-style-type: none"> (I) by a <i>recognized foreign regulatory organization</i>, or (II) as an advising representative or associate advising representative by a Canadian <i>securities regulatory authority</i>

2628. Course validity and exemptions from rewriting or repeating courses

...

- (2) An applicant for approval must rewrite or repeat a course if the applicant has not been approved in a category listed in subsection 2602(3) or registered by a Canadian *securities regulatory authority* in a similar category requiring the course within the last three years.
- (3) The courses and examinations listed in Rule 2600 includes every prior and successor course or examination, provided that they do not have a significantly reduced scope and content, as determined by the *Corporation*.
- (4) For the purposes of determining course validity, an *Approved Person* is not considered to have been approved during any period in which the *Approved Person's* approval was suspended or the *individual* was otherwise not conducting any activities requiring *Corporation* approval on behalf of the *Dealer Member*.

...

- (6) An *individual* is exempt from rewriting or repeating the courses as set out in the table below if the *individual* has met the current status criteria and exemption criteria.

Course	Individual's current status	Exemption criteria
(i)(a) Partners, Directors and Senior Officers Course	(b) has previously been approved as an <i>officer</i> (prior to September 28, 2009) and surrendered registration with the introduction of the <i>Corporation</i> approval category of <i>Executive</i>	(c) applicant for approval who has maintained continuous employment with a <i>Dealer Member</i> in a senior capacity and remained in the corporate registry of a <i>Dealer Member</i> as an <i>officer</i> since September 28, 2009
(ii)(a) Chief Financial Officers Qualifying Examination	(b) has never been approved as a <i>Chief Financial Officer</i>	(c) applicant for approval has demonstrated to the <i>Corporation's</i> satisfaction

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

Course	Individual's current status	Exemption criteria
		that the applicant has been working closely with and assisting the <i>Chief Financial Officer</i> since the completion of the Chief Financial Officers Qualifying Examination
(iii)(a) Derivatives Fundamentals Course	(b) an applicant for approval or <i>Approved Person</i> who will be dealing with clients in <i>futures contracts, or futures contract options</i> or supervising <i>Approved Persons</i> who deal with such clients	(c) applicant seeking approval or filing a notice within three years of passing the Futures Licensing Course or the Canadian Commodity Supervisors Exam
(iv)(a) Derivatives Fundamentals Course	(b) an applicant for approval or an <i>Approved Person</i> dealing with clients, in <i>options, or supervising Approved Persons</i> who deal with such clients	(c) applicant seeking approval or filing a notice within three years of completing the Options Licensing Course or the Options Supervisors Course
(v)(a) Derivatives Fundamentals and Options Licensing Course	(b) an applicant for approval or an <i>Approved Person</i> dealing with clients, in options, or supervising <i>Approved Persons</i> who deal with such clients	(c) applicant seeking approval or filing a notice within three years of completing the Options Licensing Course
(vi)(a) Wealth Management Essentials Course	(b) an applicant for approval or <i>Approved Person</i> who will be dealing with <i>retail clients</i> in securities	(c) applicant seeking approval or filing a notice within three years of completing all three levels of the CFA Program or the CFA Charter administered by the CFA Institute which continues to be in good standing
(vii)(a) 90-day Training Program	(b) an applicant for approval or <i>Approved Person</i>	(c) applicant seeking approval or filing a notice within three years of being approved or registered in a capacity allowing trading of, or advising

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Course	Individual’s current status	Exemption criteria
		in, securities for <i>retail clients</i> either: (I) by a <i>recognized foreign regulatory organization</i> , or (II) as an advising representative or associate advising representative by a <i>securities regulatory authority</i>
(viii)(a) 30-day Training Program	(b) an applicant for approval or <i>Approved Person</i>	(c) applicant seeking approval or filing a notice within three years of being approved or registered in a capacity allowing trading of, or advising in, securities for <i>retail clients</i> either: (I) by a <i>recognized foreign regulatory organization</i> , or (II) as an advising representative or associate advising representative by a <i>securities regulatory authority</i>

...

2630. Transition of Advising Representatives and Associate Advising Representatives into the Portfolio Manager and Associate Portfolio Manager approval category

- (1) An *individual* registered as an advising representative or associate advising representative by a *securities regulatory authority* within the 90 days prior to the date of application as a *Portfolio Manager* or *Associate Portfolio Manager* has three months after the date of approval by the *Corporation* to complete the Conduct and Practices Handbook Course.

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RULE 2700 | CONTINUING EDUCATION REQUIREMENTS FOR APPROVED PERSONS

PART A - THE CONTINUING EDUCATION PROGRAM AND CONTINUING EDUCATION REQUIREMENTS

2703. The continuing education program

- (1) The *continuing education program* consists of two parts:

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

- (i) a compliance course requirement, which is training covering ethical issues, regulatory developments and rules governing investment dealer conduct, and
- (ii) a professional development course requirement, which is training that fosters learning and development in areas relevant to investment dealer business.

...

- (5) A *continuing education participant* is exempt from the professional development course requirement if he or she:
 - (i) is approved in the category of *Registered Representative, Associate Portfolio Manager, Portfolio Manager* or *Supervisor*, and
 - (ii) has been continuously approved in a retail trading capacity since January 1, 1990 or earlier by either the *Corporation*, the Toronto Stock Exchange, the Montreal Exchange, or the TSX Venture Exchange including any of their predecessors.
- (6) A *continuing education participant* cannot receive continuing education credits for the same *continuing education course* unless the course has been updated to contain new course content, with the exception of *Corporation* accredited ethics courses referred to in subsection 2715(3).

2704. Continuing education requirements

- (1) In each *continuing education program* cycle, a *continuing education participant* must meet the continuing education requirements for the applicable *Approved Person* category, regardless of product type, as set out in the following table.

Approved Person Category	Client Type	Compliance course requirement	Professional development requirement
...			
<i>Supervisor</i> designated to be responsible for the supervision of <i>futures contract</i> and <i>futures contract options</i> accounts	<i>retail client</i> or <i>institutional client</i>	Yes	No
...			
<i>Supervisor</i> designated to be responsible for the opening of new accounts and account supervision and activity related policies and procedures	<i>retail client</i> or <i>institutional client</i>	Yes	No
...			

...

- (4) All *continuing education participants* must complete at least 10 hours of compliance courses in each *continuing education program* cycle in accordance with requirements in section 2715.

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- (5) A *continuing education participant* that is subject to professional development requirements must complete at least 20 hours of professional development courses in each *continuing education program cycle* in accordance with requirements in section 2716.

...

PART B – CONTINUING EDUCATION PROGRAM COURSES AND ADMINISTRATION

2715. The compliance course

...

- (3) The *Corporation* will accredit ethics courses that a *continuing education participant* can repeat and count towards fulfillment of the compliance course requirement in two *continuing education program cycles*.

2716. The professional development course

- (1) A *continuing education participant* subject to the professional development requirement:
- (i) may, upon satisfying professional development requirements in the current cycle, carry forward a maximum of 10 hours of a single professional development course of at least 20 hours and completed in the last six months of the current *continuing education program cycle* to satisfy a portion of his or her professional development course requirement in the following *continuing education program cycle*,
 - (ii) may receive continuing education credit for successful completion of the Wealth Management Essentials Course, where completed to satisfy the post-approval proficiency requirement for *Registered Representatives* dealing with *retail clients*, in the *continuing education program cycle* in which the course is completed, and

...

2717. Dealer Member's administration of the continuing education program

- (1) A *Dealer Member* must:
- (i) verify the *continuing education participant's* compliance with the requirements at the end of the *continuing education program cycle*,
 - (ii) keep evidence of a *continuing education participant's* completion of the *continuing education course*, which may be a certificate issued by the course provider, an attendance sheet, or bulk notice of completion,
 - (iii) keep *continuing education program records*, including course related materials, for each *continuing education program cycle* for a minimum of seven years following the end of the *continuing education program cycle*,
 - (iv) designate an *individual* responsible for supervising training and approving a *continuing education participant's* chosen *continuing education course*,
 - (v) ensure that a *continuing education participant's* chosen *continuing education course* satisfies the content criteria described in subsection 2703(1),

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- (vi) where the *continuing education course* is delivered by the *Dealer Member*, evaluate a *continuing education participant's* knowledge and understanding of the course,
- (vii) ensure that each *continuing education participant* meets the continuing education requirements during each *continuing education program cycle*, and
- (viii) update the continuing education reporting system and notify the *Corporation* within 10 *business days* after the end of the *continuing education program cycle* of all *continuing education participants* that have met their continuing education requirements within the prescribed cycle.

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PART C – PARTICIPATION IN THE CONTINUING EDUCATION PROGRAM

2725. Participation of recently Approved Persons

- (1) An *individual* enters the *continuing education program cycle* upon initial approval in an *Approved Person* category listed in subsection 2704(1).
- (2) Notwithstanding subsection 2725(1), an *individual* that receives initial approval in an *Approved Person* category listed in subsection 2704(1) during the last six months of the current *continuing education program cycle* will become subject to the applicable continuing education requirements starting at the beginning of the next *continuing education program cycle*.

...

PART D - CHANGES DURING A CONTINUING EDUCATION PROGRAM CYCLE

2735. Changes to Approved Persons category during a continuing education program cycle

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- (3) A *continuing education participant* may not change to an *Approved Person* category with less onerous continuing education requirements to avoid completing the more onerous continuing education requirements of a former *Approved Person* category, or penalties for non-completion of continuing education requirements. Any change to the *Approved Person* category during the last six months of the *continuing education program cycle* which results in less onerous continuing education requirements must be accompanied by an explanation from the sponsoring *Dealer Member* to satisfy the *Corporation* that the category change is not an avoidance measure.

...

PART F - PENALTIES APPLICABLE TO THE CONTINUING EDUCATION REQUIREMENTS FOR APPROVED PERSONS

2755. Penalties for late filing or not completing continuing education requirements in a continuing education program cycle

- (1) On the last *business day* of the first month of a *continuing education program cycle*, the *Corporation* will automatically suspend the approval of the *continuing education participant* if:

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- (i) a *continuing education participant* fails to complete the continuing education requirements for the previous *continuing education program* cycle within the prescribed cycle, or

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RULE 3900 | SUPERVISION

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PART C – SUPERVISION OF RETAIL CLIENT ACCOUNTS

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3947. Supervision of new Registered Representatives and Investment Representatives

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- (2) Subsection 3947(1) does not apply if:
 - (i) the *Registered Representative* was previously approved, for six months or more, to advise on trades for *retail clients* for a securities firm that is a member of a *SRO* or a *recognized foreign regulatory organization*, or
 - (ii) the *Investment Representative* was previously approved for six months or more to advise on trades or to trade for *retail clients* for a securities firm that is a member of a *SRO* or a *recognized foreign regulatory organization*.

...

...

Attachment 3 – Summary Table of Proposed Amendments by IDPC Rule Reference

IDPC Rule Reference	Summary of Proposed Amendment
1201(2) definition of “designated Supervisor”	Revised inaccurate cross-references.
1202(2) definition of “recognized foreign self-regulatory organization”	Broadened defined term to “recognized foreign regulatory organization” to reflect current practice of recognizing self-regulatory organizations and statutory regulatory organizations.
2501(1)	Revised to reflect scope of Rule 2500 is not limited to current list of <i>Approved Persons</i> .
2502(2)(ii) and (iii)	Updated rule cross-reference and, in the English version only, correction of an incorrect term.
2503(1)(ii) and (2)	Updated rule cross-reference and, in the English version only, correction of an incorrect term.
2504(1)	Made language consistent with subsection 9206.
2505(1)(ii)	Updated rule cross-reference to be consistent with proposed changes to section 2603. Eliminated redundant language as proficiency includes both education and experience.
2505(4)(i)	Updated rule cross-references to be consistent with proposed changes to section 2603.
2506(1)(ii)	Updated rule cross-reference to be consistent with proposed changes to section 2603. Eliminated redundant language as proficiency includes both education and experience.
2506(5)(i)	Updated rule cross-reference to be consistent with proposed changes to section 2603.
2507(2)(i)	Proposed changes align with original intent and with the approach in National Instrument 31-103.
2507(4)	Clarified language to reflect intent and existing practices.
2551(1)(i) and (ii)	Eliminated reference to licensing that was inadvertently maintained with implementation of the IIROC Rules.
2551(6)	Clarified that there are more scenarios, other than ceasing to be approved by CIRO, where an <i>Approved Person</i> must immediately cease any activity requiring CIRO approval.
2552(1)	Clarified that Rule 2600 includes proficiency requirements applicable before and after CIRO approval.
2552(2) and (3)	Streamlined language for consistency with proposed changes to section 2603.
2553(2)	Formerly subsection 2553(8) moved to be located together with other requirements relating to <i>Associate Portfolio Manager</i> . No changes to language of requirement, just placement.
2553(3)	Consequential changes to subsection numbering arising from new 2553(2).
2553(4)	Clarified language for consistency with proposed changes to section 2603.
2553(5)	Updated language to distinguish post-approval from pre-approval proficiency requirements for <i>individual</i> dealing in mutual funds only.

Attachment 3 – Summary Table of Proposed Amendments by IDPC Rule Reference

IDPC Rule Reference	Summary of Proposed Amendment
2553(6)	Eliminated subsection 2553(6) as information is redundant and already reflected in the table in section 2603. New subsection 2553(6) clarifies that rule application for all <i>Approved Persons</i> is not different for <i>Registered Representatives</i> and <i>Investment Representatives</i> dealing in mutual funds and is subject to the same reinstatement process.
2555(2) and (3)	Updated rule cross-reference for consistency with proposed changes to section 2603.
2602(2)	Added clarifying language.
2602(3) [preamble table]	Correcting minor typos in the description of <i>Approved Persons</i> categories.
2602(3) [column headings in table]	Streamlined language in the table’s column headings for consistency and cross-referencing to applicable requirements in section 2552 relating to pre- and post-approval.
2602(3) [section headings in table]	Adjusted section titles to refer to the singular, rather than plural, version of the category.
2602(3)(i)	Added clarifying sub-numbering and conjunctions and rule cross-references. Eliminated re-statement of baseline proficiency and replaced with cross-reference. Eliminated the reference to “supervisory reporting” to clarify that the obligation is strictly imposed on the Dealer, not the <i>Registered Representative</i> . Eliminated reference to full-time employment requirement as it is no longer a requirement under securities legislation and was inadvertently maintained with implementation of the IROC Rules. Updated reference to proposed defined term <i>recognized foreign regulatory organization</i> .
2602(3)(ii)	Added clarifying sub-numbering and conjunctions. Updated reference to proposed defined term <i>recognized foreign regulatory organization</i> .
2602(3)(iii)	Added clarifying sub-numbering, conjunctions and cross-references. Eliminated redundant language introducing cross-reference. Cross-reference to post-approval requirements in sub-clause 2602(3)(i)(c) and six months’ supervision as set out in sub-clause 2602(3)(i)(d) are not intended to reflect new requirements in this category. These amendments are added for clarity and to align with current practice.
2602(3)(iv)	Added clarifying sub-numbering and conjunctions. Eliminated redundant language introducing cross-reference.
2602(3)(v)	Added clarifying sub-numbering, conjunctions and cross-reference. Cross-reference to six months’ supervision as set out in sub-clause 2602(3)(i)(d) is not intended to reflect new requirements in this category. This amendment is added for clarity and to align with current practice.
2602(3)(vi)	Added clarifying sub-numbering, conjunctions and cross-references. Eliminated re-statement of baseline pre-approval proficiencies, replaced with cross-reference and moved to correct column. Clarified that 270-day time period commences after initial approval date, in accordance with current practice relating to this category.

Attachment 3 – Summary Table of Proposed Amendments by IDPC Rule Reference

IDPC Rule Reference	Summary of Proposed Amendment
2602(3)(vii)	Added clarifying sub-numbering and rule cross-reference. Eliminated re-statement of baseline pre-approval proficiency and replaced with cross-reference. Moved the 90-day training program requirement to the post-approval requirement column to correct its inadvertent placement in the pre-approval requirement column, consistent with the current expectation for Mutual Fund Dealer Dealing Representatives. Eliminated the reference to “supervisory reporting” to clarify that the obligation is strictly imposed on the Dealer, not the <i>Registered Representative</i> .
2602(3)(viii)	Added clarifying sub-numbering, conjunctions and rule cross-references. Eliminated re-statement of baseline proficiencies and replaced with cross-reference. Eliminated the reference to “supervisory reporting” to clarify that the obligation is strictly imposed on the Dealer, not the <i>Investment Representative</i> . Updated reference to proposed defined term <i>recognized foreign regulatory organization</i> .
2602(3)(ix)	Added clarifying sub-numbering and conjunctions. Updated reference to proposed defined term <i>recognized foreign regulatory organization</i> .
2602(3)(x)	Added clarifying sub-numbering and conjunctions. Eliminated re-statement of baseline proficiencies and replaced with cross-reference. Added cross-reference to sub-clause 2602(3)(viii)(c) for consistency with requirements of other <i>Registered Representative</i> and <i>Investment Representative</i> dealing with retail client categories.
2602(3)(xi)	Added clarifying sub-numbering and conjunctions. Eliminated redundant language introducing cross-reference.
2602(3)(xii)	Added clarifying sub-numbering and conjunctions. Added cross-reference to sub-clause 2602(3)(viii)(c) for consistency with requirements for other <i>Registered Representative</i> and <i>Investment Representative</i> dealing with retail client categories.
2602(3)(xiii)	Added clarifying sub-numbering and rule cross-references. Eliminated re-statement of baseline pre-approval proficiencies, replaced with cross-reference and moved to correct column. Clarified that the 270-day time period and 18-month time period commence after initial approval date, in accordance with current practice.
2602(3)(xiv)	Added clarifying sub-numbering and conjunctions. Eliminated redundant re-statement of pre-approval requirements and replaced with rule cross-reference.
2602(3)(xv)	Added clarifying sub-numbering and conjunctions. Eliminated redundant re-statement of pre-approval requirements and replaced with rule cross-reference.
2602(3)(xvi)	Added clarifying sub-numbering.
2602(3)(xvii)	Added clarifying sub-numbering.
2602(3)(xviii)	Added clarifying sub-numbering, conjunctions and rule cross-reference. Updated reference to proposed defined term <i>recognized foreign regulatory organization</i> .
2602(3)(xix)	Added clarifying sub-numbering and conjunctions. Eliminated reference to being “previously registered with ... an investment dealer...” that was inadvertently

Attachment 3 – Summary Table of Proposed Amendments by IDPC Rule Reference

IDPC Rule Reference	Summary of Proposed Amendment
	maintained upon the implementation of the IROC Rules. Updated reference to proposed defined term <i>recognized foreign regulatory organization</i> . Added experience with Mutual Fund Dealer Member or portfolio manager as acceptable alternatives.
2602(3)(xx)	Added clarifying sub-numbering and conjunctions. Eliminated incorrect reference to being “previously registered with ... an investment dealer...” that was inadvertently maintained following implementation of the IROC Rules. Updated reference to proposed defined term <i>recognized foreign regulatory organization</i> . Added experience with Mutual Fund Dealer Member or portfolio manager as acceptable alternatives.
2602(3)(xxi)	Added clarifying sub-numbering. Aligned description of <i>Supervisor</i> with requirement relating to designated <i>Supervisor</i> in section 3925(2). Updated reference to proposed defined term <i>recognized foreign regulatory organization</i> . Added experience with Mutual Fund Dealer Member or portfolio manager as acceptable alternatives.
2602(3)(xxii)	Added clarifying sub-numbering and conjunction. Updated reference to proposed defined term <i>recognized foreign regulatory organization</i> . Added experience with Mutual Fund Dealer Member or portfolio manager as acceptable alternatives.
2602(3)(xxiii)	Added clarifying sub-numbering, conjunctions and rule cross-references. Eliminated redundant language introducing cross-reference. Aligned experience requirements with other <i>Supervisor</i> categories, including introducing the requirement to complete the Investment Dealer Supervisor Course and omitting the requirement for Supervisors of Managed Accounts to have the same Relevant Investment Management Experience as portfolio managers.
2602(3)(xxiv)	Added clarifying sub-numbering. Added experience with Mutual Fund Dealer Member or portfolio manager as acceptable alternatives. Eliminated incorrect reference to being “previously registered with ... an investment dealer...” that was inadvertently maintained following implementation of the IROC Rules. Updated reference to proposed defined term <i>recognized foreign regulatory organization</i> .
2602(3)(xxv)	Added clarifying sub-numbering and conjunctions. Corrected description of <i>futures contract</i> and <i>futures contract options accounts</i> . Added experience with Mutual Fund Dealer Member or portfolio manager as acceptable alternatives. Updated reference to proposed defined term <i>recognized foreign regulatory organization</i> . Eliminated reference to being “previously registered with ... an investment dealer...” that was inadvertently maintained following implementation of the IROC Rules.
2602(3)(xxvi)	Added clarifying sub-numbering. Recognized applicable supervisory experience at Mutual Fund Dealer Member or portfolio manager. Updated reference to proposed defined term <i>recognized foreign regulatory organization</i> .
2602(3)(xxvii)	Added clarifying sub-numbering and conjunctions. Updated reference to proposed defined term <i>recognized foreign regulatory organization</i> . Codified

Attachment 3 – Summary Table of Proposed Amendments by IDPC Rule Reference

IDPC Rule Reference	Summary of Proposed Amendment
	acceptable pre-approval alternatives set out in guidance (three levels of CFA and CFA charter continue to be acceptable). These accepted alternatives are based on existing staff practice and feedback following industry committee review. Added experience with registered advisor as acceptable alternative.
2602(3)(xxviii)	Added clarifying sub-numbering and rule cross-reference. Eliminated unnecessary re-statement of proficiency requirements for other categories.
2602(3)(xxix)	Added clarifying sub-numbering and rule cross-reference. Eliminated unnecessary re-statement of proficiency requirements for other categories.
2602(3)(xxx)	Added clarifying sub-numbering. Eliminated unnecessary re-statement of proficiency requirements for other categories. In the French version only, added clarifying language regarding the financial accounting designation.
2602(3)(xxx)	Added clarifying sub-numbering. Eliminated unnecessary re-statement of proficiency requirements for other categories.
2602(3)(xxxii)	Added clarifying sub-numbering.
2625(1) - (3)	Streamlined language and italicized defined terms. In the French version only, corrected a typographical error.
2626(1) and (2)	Streamlined language.
2627(1)	Added clarifying sub-numbering to table. Clarified language, added missing reference to associate advising representative and updated reference to proposed defined term <i>recognized foreign regulatory organization</i> .
2628(2)-(4)	In the English version only, added “repeat” language to reflect that 30/90-day training programs are courses that cannot be re-written. Added language to clarify intent of rule.
2628(6)	Added clarifying sub-numbering to table. In the English version, added missing reference to associate advising representative. In the French version, replacement of the reference to “investment advisor” with a reference to advising representative and associate advising representative. Clarified that there is automatic exemption from rewriting not just the Derivatives Fundamentals Course but also the Derivative Fundamentals Options Licensing. Updated reference to proposed defined term <i>recognized foreign regulatory organization</i> .
2630(1)	Proposed changes to permit an individual registered as an advising representative or associate advising representative by a securities regulatory authority registered within the last 90 days, rather than within the last two weeks, to take up to three months to complete the Conduct and Practices Handbook Course.
2631(1)	Eliminated for consistency with revised proficiency transitional provisions introduced with implementation of IDPC on January 1, 2023. Transition provisions reflected removal of Conduct and Practices Handbook Course requirement for mutual funds only licensed individuals employed by a dual-registered firm.
2703(1), (5) and (6)	Added language to clarify intent of rule. Added the missing <i>Associate Portfolio Manager</i> and <i>Portfolio Manager</i> categories to the list of approval categories.

Attachment 3 – Summary Table of Proposed Amendments by IDPC Rule Reference

IDPC Rule Reference	Summary of Proposed Amendment
2704(1)	Made changes to ensure language is consistent with subsection 3925(2).
2704(4) and (5)	Added clarifying cross-references.
2715(3)	Added language to clarify intent of rule.
2716(1)(i) and (ii)	Added language to clarify intent of rule.
2717(1)(i)	Clarified intent of rule that Dealers need to verify the continuing education participant’s compliance with requirements <i>within</i> the current cycle. We have observed a trend in which CE is completed and reported after the last date of the CE cycle year.
2717(1)(ii)-(viii)	Made consequential changes to sub-numbering.
2725(1) and (2)	Added language to clarify intent of rule.
2735(3)	Clarified that CE participants cannot change to another category with less onerous CE requirements to avoid completing more onerous obligations
2755(1)(i)	Added language to clarify intention of rule. We have observed a trend in which CE is completed and reported after the last date of the CE cycle year.
3947(2)(i) and (ii)	Updated reference to proposed defined term <i>recognized foreign regulatory organization</i> .