

November 7, 2025

Member Regulation Policy
Canadian Investment Regulatory Organization (CIRO)
Suite 2600
40 Temperance Street Toronto,
Ontario M5H 0B4
e-mail: memberpolicymailbox@ciro.ca

Re: Proposed New Guidance on Order Execution Only (OEO) account services and activities

Dear Sirs/Mesdames:

We thank you for the opportunity to provide comments in response to the above-referenced consultation.

We are the Canadian Investment Regulatory Organization's ("CIRO") Investor Advisory Panel (the "IAP"). The IAP assists CIRO in the effective fulfillment of its public interest mandate and conveys issues of concern to investors for CIRO's consideration. This includes providing input and advice on investor protection issues, strategic initiatives, and regulatory proposals.

General Comments in Support of the Proposal

We are pleased that CIRO is assessing how CIRO dealers offering OEO account services (OEO Dealers) can provide decision-making supports to Do-It-Yourself ("DIY") Investors. The IAP supports allowing OEO dealers to provide educational and informative resources, such as alerts, notifications, education and self-assessment tools on their platforms, so that DIY investors can access trustworthy, high-quality information from regulated sources to empower them to make informed investment decisions for themselves. The goal should be to have reliable, trustworthy information available to DIY investors to allow them to make informed decisions.

We strongly support CIRO's objective of enhancing investors' financial literacy and awareness. We agree with CIRO's position that timely and relevant decision-making supports allow investors to make informed investment decisions for themselves by enabling them to:

- better understand fundamental investment principles,
- self-assess their risk tolerance and financial goals, and
- accurately align their own investment decisions with their self-defined financial goals on a continuous basis.

According to CIRO's inaugural Investor Survey, 4-in-10 DIY investors reported they had opened their first account within the last 3 years, including 6-in-10 DIY investors under 35. The Investor Survey also demonstrated that many of these new DIY investors turn to non-traditional sources of advice with DIY Investors being much more likely to use social media forums or financial influencers ("finfluencers")

for advice than other investors. In our view, careful consideration should be given to the quality of information being obtained by these investors.

CIRO's [DIY Investing: New investors and the role of social media](#) research also noted that while DIY investors were trying to double-check investing information they receive online, the sources they used to validate that information were often other social media or online sources.

The IAP strongly supports having reliable information tools and resources readily and easily available to DIY investors through their OEO platforms. We hope that such resources can help offset the information available from unqualified avenues.

With respect to the specific Consultation questions, please find our comments on question 4 below:

Question 4

...the Proposed Guidance does not contemplate an OEO Dealer that restricts its product shelf largely to proprietary or affiliate products, or a very limited range of products, because of the revised recommendation prohibition and conflicts of interest implications.

Do commenters disagree with this position? If so, please describe in what ways the material conflict that arises in this scenario (such as filtering tools generating results that only reference proprietary or affiliate investment products) could be appropriately addressed in the best interests of the client instead of avoided...

The IAP agrees that the proposed guidance to allow decision-making supports should not apply to an OEO Dealer that restricts its product shelf wholly or largely to proprietary or affiliate products or a very limited range of products. In addition to conflict-of-interest concerns, we believe this model is inconsistent with the operating model expected of an OEO dealer and can't be reconciled with the recommendation prohibition.

In our view, the average DIY investor may not necessarily be aware that an OEO dealer has restricted its product shelf to proprietary or affiliate products, or a limited range of products. While we would assume that such conflicts are disclosed to clients of the dealer, we feel that the impact of the limited range of investments on clients' investing choices may not be fully appreciated by investors. We feel that these limited or proprietary only investment choices would be inconsistent with the spirit of the recommendation prohibition for Do-It-Yourself investing, and by extension the ability to allow decision-making supports. Provision of disclosure alone would be insufficient to address the concerns related to such a model.

Thank you for considering our comments on this important issue. We welcome any further opportunities to provide feedback on this topic and others impacting retail investors.

Yours truly,

Dorothy Sanford
Chairperson
CIRO Investor Advisory Panel