

Comments Received in Response to Bulletin 24-0356 - Rule amendments — Request for comments — Proposal to harmonize CIRO Continuing Education (CE) Programs

On December 19, 2024 CIRO issued Bulletin 24-0356, requesting comments on the Proposal to harmonize CIRO Continuing Education (CE) Programs. We received comment letters from:

- Harvey S. Naglie (**Naglie**)
- Canadian Advocacy Council of CFA Societies Canada (**CFA Societies**)
- Independent Financial Brokers of Canada (**IFB**)
- Responsible Investment Association (**RIA**)
- MICA Capital Inc. (**MICA**)
- Canadian Independent Finance and Innovation Counsel (**CIFIC**)
- PFSL Investments Canada Ltd. (**PFSL**)
- IG Wealth Management (**IG**)
- Investment Fund Institute of Canada (**IFIC**)
- Investia Financial Services and iA Private Wealth (**IA**)
- Groupe financier PEAK (**PEAK**)
- Le Mouvement Desjardins (**Desjardins**)
- Chambre de la sécurité financière (**CSF**)
- Canadian Bankers Association (**CBA**)
- Canada Life (**Canada Life**)
- Federation of Independent Dealers (**FID**)
- Learnedly (**Learnedly**)

These comments are publicly available on [CIRO's website](#). We have summarized these comments and provided our responses in the table below.



We reference 2 sets of CIRO rules:

- Investment Dealer and Partially Consolidated (IDPC) Rule 2700 - Continuing Education Requirements for Approved Persons, and
- Mutual Fund Dealer Rule 900 - Continuing Education (“CE”) Requirements.

SUMMARY OF COMMENTS	CIRO RESPONSE
General Comments	
<p>Proposal objectives and consultative approach</p> <p>1. A significant number of commentors support CIRO’s objectives of greater rule harmonization, accessibility, clarity and minimization of regulatory arbitrage. (CIFIC, IG, IFIC, IFB, Desjardins, IA, PFSL)</p> <p>Two commentors appreciate CIRO’s efforts to obtain comments and address industry concerns (MICA, PEAK), with one voicing appreciation for the 90-day consultation period and proposing further consultations be subject to the same. (MICA)</p> <p>One commentor suggested CIRO’s approach should take a careful balance between quality, reducing costs, and promoting access. (FID)</p> <p>One commentor said that the new CE Rules should be scalable and proportionate to ensure that they are not overly burdensome and all firms have the opportunity to thrive. (PFSL)</p>	<p>We acknowledge the comments. We have proposed rules that attempt to balance the objectives of rule harmonization, keeping in mind the potential impact (including cost) on different dealer types.</p>



SUMMARY OF COMMENTS	CIRO RESPONSE
<p>Concerns about unnecessary regulatory burden on MFD firms</p> <p>2. Eight commentators voiced concern that the propositions are built on the IDPC Rules without adequately taking into account the Mutual Fund Dealer (MFD) firm particularities, such as:</p> <ul style="list-style-type: none"> • a higher number of registrants working at MFD firms (80 000) compared to IDMs (30 000) (PEAK, Desjardins, FID), and • the regulatory landscape in Québec (MICA, CSF, Desjardins, Peak, IFIC, IG). <p>This is said to impose a significant regulatory burden on MFD firms, without any indication the Proposed Rules will lead to higher standards of professionalism and better client outcomes. (Canada Life)</p>	<p>We recognize that some of the proposed requirements present a material change to the MFD CE Rules considering the intention to harmonize CE standards across mutual fund dealers and investment dealers. This harmonization is to ensure all CIRO dealers are regulated under equivalent standards that apply broadly and specifically:</p> <ul style="list-style-type: none"> • to the proficiency principle, and • for general record-keeping and reporting. <p>The application of these standard obligations is consistent with relevant requirements under National Instrument (NI) 31-103. We anticipate that further conformity with these obligations may be new to smaller mutual fund dealers, but the changes will be somewhat offset by the benefits of providing dealers with more flexibility in how they achieve compliance under more principles-based rule requirements.</p> <p>The potential impact of implementation from an operational and IT perspective will be a key consideration as we evaluate the most appropriate approach for both dealer types in order to ensure that we are not adding any unnecessary burden on those we regulate.</p>
<p>Impact in Québec</p> <p>3. Five commentators propose CIRO and the CSF communicate to harmonize and reconcile their respective regimes as much as possible. (MICA, CSF, Desjardins, PEAK, IFIC)</p>	<p>As of March 31, 2024 CIRO regulated 82,940 MFD Approved Persons across the country, including 19,950 who operate in Québec. When we published the CE harmonization proposal for public comment, the authority to administer CE requirements for MFD Approved Persons in Québec was held by the Chambre de la sécurité financière (CSF). At that time,</p>



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	<p>approximately 6000 CIRO MFD Approved Persons who operate in both Québec and another Canadian province were required to comply with both CSF and CIRO CE requirements because of overlapping regulatory requirements set across different provinces.</p> <p>In June 2025, the National Assembly of Québec adopted <i>Bill 92, An Act to amend various provisions mainly with respect to the financial sector</i>, which will remove CE administration from the CSF. However, CSF CE requirements will continue to apply to the end of the current CSF CE cycle. We believe it is important to proceed with the proposed rules based on the policy rationales set out in the Bulletin.</p> <p>We will continue to consider the impact of National Assembly of Québec <i>Bill 92, An Act to amend various provisions mainly with respect to the financial sector</i>. As we consider the phase 2 rule amendments, and the potential IT and operational system changes relating to the harmonized CE program, we will consider the impact both on the group captured by Bill 92, as well as on the other mutual fund dealers and investment dealers.</p>
Phased Approach and Implementation Timeline	
4. Two commentators voiced support for phased approach as it facilitates timely harmonization and provides for adequate stakeholder feedback. (CIFIC, CFA Societies Canada)	In response to the number of commenters advocating for a single implementation date for both Phases 1 and 2 together, or have expressed concerns about timing for Phase 1 alone, we have decided to delay the Phase 1 implementation to



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<p>One commentator indicated preference for a single implementation of all changes except the proposal regarding course repeats, in 2028, citing other regulatory changes, such as the proficiency model. (CBA)</p> <p>Seven commentators indicated preference for delaying implementation, given significant system impact and the need to update policies and procedures (IA, CIFIC, IG, PEAK, PFSL, FID) and other regulatory rule changes. (IFIC, CIFIC)</p> <p>One commentator advised that there is a degree of change management fatigue in the advisor community. (Canada Life)</p> <p>Two commentators indicated they would need to know all system requirements (IA) and CERTS changes (IG) before being able to fully assess operational and system impacts or implement changes.</p>	<p>coincide with Phase 2 in the CE cycle ending in 2027.</p> <p>A single implementation date for CE harmonization will allow for the establishment of a single pan-Canadian CE program for all dealer types and Approved Persons. It also addresses immediate concerns dealers may have about change management fatigue and give them the additional time needed to assess additional operational and IT system impacts.</p> <p>Finally, delaying Phase 1 until the end of 2027 will coincide with CIRO’s tentative timing to implement the Dealer and Consolidated (DC) Rules, in accordance with the Rules Consolidation Project, which will adopt a uniform set of CE rules applicable to both investment dealers and mutual fund dealers.</p>
Record-Keeping and Reporting	
<p>General</p> <p>5. Eight commentators indicated that the Proposed Rules will increase regulatory burden and will be costly to implement for MFD firms, given the need for Information Technology (IT) systems and dedicated staff. (Canada Life, CBA, PEAK, PFSL, FID, IG, MICA, PEAK)</p>	<p>General</p> <p>We acknowledge the comments. Our intent is to allow investment dealers and mutual fund dealers to meet their record-keeping and reporting requirements as efficiently as possible. However, we are certainly mindful that these amendments will have a direct impact on the way some</p>



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<p>One commentor cautioned the Proposed Rules will result in a focus on compliance processes instead of improvements in continuing education. (Canada Life)</p> <p>Retention period Three commentors voiced support for a seven-year record keeping requirement, as it is consistent with general firm record keeping requirements and consistency across all Dealer Members facilitates transparency. (CIFIC, CFA Societies Canada)</p> <p>One commentor indicated that the seven-year record retention represents a significant change for MFD firms and will result in a more manual process. (IG)</p> <p>One commenter was opposed to the seven-year record retention period, stating that it causes additional costs without commensurate regulatory benefit. (IA)</p> <p>Firm responsibility for record keeping and reporting Two commentors agreed that CE record keeping and reporting should be the sole responsibility of the firm, as it aligns with general reporting and record keeping requirements. (CIFIC, CFA Societies Canada)</p>	<p>mutual fund dealers will meet record-keeping and reporting requirements. We currently have not made any decision regarding IT systems, including CERTS. However, as indicated in the Bulletin, we will be evaluating our own internal IT needs, which includes reviewing comments about our existing systems. We will also consider the impact of any system changes on the different dealer types. In the interim, we believe that delaying implementation of Phase 1 to the cycle ending in 2027 in order to create a single implementation date for both phases will provide dealers with sufficient time to assess additional operational and IT system impacts.</p> <p>Retention period / Firm responsibility for record keeping and reporting/ Tracking and reporting systems/AP access to reporting systems</p> <p>Amendments to the current record retention period in the CE rules are to clarify an inconsistency between MFD Rule provisions. The principal obligation for dealer record retention is for seven years as per MFD Rule 5.6, which applies specifically to CE records. This obligation is codified in MFD Rule 5.1(q) and is consistent with the record keeping requirements in section 3805 of the proposed Dealer and Consolidated Rules (DC) published in Rules Bulletin 25-0080 Rule Consolidation Project – Phase 5.</p> <p>We remind dealers that record-keeping and reporting responsibilities for those dealers who are subject to CIRO rules includes maintaining records related to an Approved Person’s CE, which is a fundamental dealer responsibility whose accountability cannot be delegated either to CIRO or an Approved Person acting on a dealer’s behalf.</p>



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<p>Tracking and reporting systems</p> <p>Two commentors indicated that internal recordkeeping should be kept to a minimum, and that CIRO is best placed to maintain records related to Approved Persons (AP) CE, as it already has the necessary technology systems in place and has the ability to track APs who move between firms. (IA, PFSL)</p> <p>One commentor requested clarity as to how MFD firms would track and maintain their records if the Continuing Education Reporting and Tracking System (CERTS) is discontinued as a tracking and reporting tool. (IFIC)</p> <p>One commentor requested clarity as to whether firms will have to list out specifics of an AP's completion by category (PD vs Compliance) in the tracking system. (CBA)</p> <p>AP access to reporting systems</p> <p>Three commentors were opposed to restricting APs from uploading and entering CE credits, citing this would require additional resources (PEAK) while AP access allows flexibility and focus on monitoring completion of CE (IG) and is not incompatible with firm supervision obligations, particularly if the reporting platform allows firms to supervise an AP's compliance. (MICA)</p>	<p>Reporting deadline</p> <p>We acknowledge the comment and will consider incorporating any changes as part of the Phase 2 amendments given our plan to have one implementation period.</p>



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<p>Reporting deadline</p> <p>One commentor proposed that CIRO provides a longer grace period (20 days) for reporting CE completions to account for errors, tech problems, etc. (IFIC)</p>	
<p>Impact in Québec</p> <p>6. Four commentors indicated that the Proposed Rules will add complexity for MFD firms with activities in Québec, given the differences with the CSF regime in terms of retention period, responsibility for record keeping and reporting and document conservation, and urged for harmonization with the CSF CE Program. (IFIC, MICA, PEAK, CSF)</p> <p>One commentor cautioned that Québec legislation may prevent dealers from effectively fulfilling their supervisory responsibilities due to the requirement for dealers to obtain AP consent before accessing their profile in the CSF CE filing system. (IFIC)</p> <p>One commentor cautioned that Québec legislation imposes a personal obligation to maintain records on MFD APs. (MICA)</p> <p>One commentor was opposed centralized conservation of course completion certificates, citing that the current MFD Rule, which</p>	<p>We are aware that currently there are differences between CIRO and the Chambre de la sécurité financière (CSF) CE rules and the differences raise regulatory complexities for mutual fund dealers in Québec. We are similarly aware that Québec legislation imposes specific obligations on Approved Persons at a mutual fund dealer.</p> <p>We will continue to consider the impact of National Assembly of Québec <i>Bill 92, An Act to amend various provisions mainly with respect to the financial sector</i>. As we consider the Phase 2 rule amendments, and the potential IT and operational system changes relating to the harmonized CE program, we will consider the impact both on the group captured by Bill 92, as well as on the other mutual fund dealers and investment dealers.</p>



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<p>allows for conservation at branch level, is principles-based and better aligned with MFD firms particularities (higher number of registrants compared to Investment Dealer (ID) firms). (Desjardins)</p>	
Accreditation	
<p>General</p> <p>7. Five commentors support eliminating mandatory accreditation requirements and prescribed accreditors, and maintaining a voluntary CIRO accreditation process, citing the principles-based nature (IA, CIFIC), greater consistency for CE course or activity approval for all CIRO firms (CIFIC, CBA) and will allow CIRO to maintain regulatory oversight. (PFSL)</p> <p>Two commentors indicated that the Proposed Rules pertaining to accreditation will add complexity for MFD firms with activities in Québec, given the differences with the CSF regime. (MICA, CSF) One commentator indicated that the lack of integration and mutual recognition of accreditation among regulators and credentialing bodies makes it hard for APs to find courses that meet multiple CE requirements. This problem is even more challenging for dealer firms supporting advisors across Canada, and urges CIRO to collaborate with industry counterparts. (Learnedly)</p> <p>Quality of CE</p>	<p>See response #6 for impact in Québec</p> <p>We acknowledge the comment about integration and mutual recognition of CE course accreditation across regulated financial services regimes in Canada.</p> <p>Quality of CE</p> <p>We acknowledge the concern that eliminating mandatory accreditation will negatively impact the quality of CE available to Approved Persons.</p> <p>We emphasize that the policy intent for eliminating mandatory accreditation from the MFD Rules is to introduce principles-based requirements that are similar to those applied to investment dealers in order to ensure mutual fund dealers have the same flexibility as investment dealers and are regulated in a similar manner. Currently in the MFD Rules, dealers must comply with a set of ten separate sub-requirements to satisfy</p>



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<p>Four commentors brought up concerns regarding the quality of CE courses due to the elimination of mandatory accreditation. (IGA, CFA Societies, IFB and MICA)</p> <p>Two commentors urged CIRO to provide clear guidelines regarding course content to maintain quality of CE courses. (IG, CFA Societies) One commentor urged CIRO to monitor course quality through firm review. (CFA Societies)</p> <p>One commentor suggested to require accreditation of education providers, as done by other regulators, in order to maintain standards while managing costs. (IFB)</p> <p>Fees</p> <p>One commentor indicated that allowing direct applications for accreditation as opposed to having to obtain pre-approval by a third-party accreditor would be more effective and reduce costs. (RIA)</p> <p>One commentor indicated that it would be optimal for ID and MFD credits to be reviewed under a single, streamlined application, eliminating dual application cost. (RIA)</p> <p>One commentor indicated that elimination of accreditation substantially reduces the cost of making educational content available to registrants, and indicated it would be appreciated if</p>	<p>the standard evaluation procedures for mandatory accreditation. In the IDPC Rules, by comparison, dealers are subject to a principles-based framework where they decide how to determine which CE courses or activities are relevant and appropriate for their Approved Persons without the imposition of unduly prescriptive compliance requirements. This determination is a key element of a dealer’s ongoing responsibilities under the proficiency principle and subject to compliance auditing.</p> <p>Dealers may continue to rely on optional accreditation services offered either by CIRO, another regulator or a third-party if they so choose. However, it will no longer be mandatory to do so under a single pan-Canadian CE program. We highlight here that the number of accreditation applications voluntarily submitted through the CIRO accreditation service has been relatively steady, with accreditation requests over the course of the program being higher than originally expected. There have been no complaints about the quality of accredited courses made available to Approved Persons. For more information on the CIRO accreditation service, refer to Bulletin 21-0196.</p> <p>In advance of the implementation of a single pan-Canadian CE program, scheduled for the CE cycle ending in 2027, we plan to provide further information and guidance to assist CIRO dealers transition to the principles-based approach for CE course/activity approval, with clear guidelines for quality assurance of CE content. The guidance to be provided will</p>



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<p>the duplicative charge of \$150 per CE credit on CERTS could be eliminated. (FID)</p>	<p>replace the mandatory accreditation standard evaluation procedures for mutual fund dealers and update the current investment dealer guidance note in GN-2700-21-001. Dealers are currently, and will continue to be, subject to CIRO auditing for CE administration.</p> <p>We considered the option of accrediting CE course providers as part of our comparative research and review of different regulatory approaches to CE in securities regimes that operate within a principles-based rules framework. We discovered that accreditation of CE course providers is not common, with only very few specific exceptions that we describe in the Bulletin. We recognize that other non-securities financial services regimes (e.g., insurance) may apply an accredited provider model. However, we have no immediate plans to deviate from what we observe to be relevant standards and best practices in jurisdictions that apply a similar securities regulatory framework to our own regime.</p> <p>Fees</p> <p>With respect to fees, we plan to introduce a consolidated fee that will apply to those CE courses accredited through the CIRO accreditation service that would be cross listed for MFD CE purposes. We plan to provide further information once available.</p> <p>We acknowledge the comment and remind the commenter that we propose CE course/activity accreditation will be optional for</p>



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	<p>all CIRO dealers. CE course providers may also choose to submit CE content for accreditation by CIRO. We anticipate that the proposal will result in a reduction in costs related to making CE content available to Approved Persons.</p>
<p>Course Approval</p>	
<p>8. Seven commentators voiced support for a harmonized principles-based approach with respect to course and activity approvals. (CIFIC, IG, IFB, CBA, CFA Societies, RIA, IA, PFSL)</p> <p>One commentator indicated that the Proposed Rules regarding course approval would add a significant administrative, financial and technological burden, particularly for Québec firms who currently do not have such policies, which far outweigh the benefit reaped from no longer having to pay for accreditation. (MICA)</p> <p>One commentator urged CIRO to take into account that firms are diverse in size and resources, and would not have the same starting point to implement the proposed changes, given the different regulatory landscape in Québec. (MICA)</p>	<p>See response #7 for Quality of CE.</p> <p>We recognize that the adoption of the IDPC approach to course approval presents a material change for some mutual fund dealers that do not currently have in place the necessary administrative, financial and technological processes that will be required prior to implementation. To specifically address this operational concern, we have delayed implementation until the end of 2027. The potential impact of implementation from an operational and IT perspective will be a key consideration as we evaluate the most appropriate approach for both dealer types in order to ensure that we are not adding any unnecessary burden on those we regulate.</p> <p>We believe that a shift in responsibility for mutual fund dealers to establish adequate processes for compliance with the IDPC approach is consequential. However, the initial shift will ultimately be offset by the proportionality and flexibility of a principles-based rule that allows mutual fund dealers the opportunity to adapt their CE compliance frameworks in a way that best suits their particular business or business model without imposing unnecessary regulatory burden.</p> <p>See response #6 for impact in Québec</p>



SUMMARY OF COMMENTS	CIRO RESPONSE
Course repeats	
<p>9. Four commentors cautioned removing the restriction on course repeats does not align with the core objectives of the CE requirements. They propose allowing course repeats only where significant changes to content have occurred or where knowledge refresh may be beneficial over time. (CIFIC, IG, CFA Societies, FID)</p> <p>Three commentors (CBA, PFSL, IA) voiced support of the proposal to remove the restriction on course repeats as it aligns with a principles-based approach (CBA) and can be helpful to reinforce knowledge or provide updates (PFSL). One commentor however added CIRO should have ultimate authority as to whether a course can be repeated. (PFSL)</p> <p>One commenter requested that CIRO provide guidance on course repeats (CFA).</p>	<p>Currently, MFD CE Rules permit course repeats. The IDPC Rules, by comparison, do not. In keeping with the policy intent to introduce some flexibility under principles-based rules for both mutual fund dealers and investment dealers, where appropriate, we are confident that permitting investment dealers to decide when course repeats are relevant and appropriate for their Approved Persons is a key element of a dealer’s ongoing responsibilities under the proficiency principle.</p> <p>In advance of the implementation of a single pan-Canadian CE program, scheduled for the CE cycle ending in 2027, we plan to provide further information and guidance to assist CIRO dealers transition to the principles-based approach for CE course repeats, with clear guidelines for quality assurance of CE content. The guidance to be provided will replace the mandatory accreditation standard evaluation procedures for mutual fund dealers and update the current investment dealer guidance note in GN-2700-21-001. Dealers are currently, and will continue to be, subject to CIRO auditing for CE administration.</p>



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Administrative Requirements	
<p>10. One commentor voiced support for the designation of an individual responsible for supervising training and approving a CE course credit activity, verifying completion of CE activities and ensuring that CE activities comply with all applicable requirements. (CIFIC)</p> <p>One commentor asked CIRO to clarify the responsibilities of the “designated individual” responsible for supervising training and approving a CE participants chosen CE course. Would this person be required to be approved as a Supervisor? (CBA)</p>	<p>We acknowledge the comments. We do not expect an individual who will be designated to be responsible for supervising training and approving a CE course/activity on behalf of a dealer to be an Approved Person. Under the proposed principles-based framework, dealers will need to assess how they will meet the relevant obligation in advance of the implementation date set for the CE cycle ending in 2027.</p>
Carry Forwards	



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<p>11. Two commentors agreed that carry-forwards should be eliminated to minimize risks arising from outdated practices or knowledge. It will ensure participants stay apprised of industry changes and improve their skills. (CFA Societies Canada, IA)</p> <p>Six commentors disagreed with eliminating the ability to carry credits forward, citing the following reasons:</p> <ul style="list-style-type: none"> • unfairly penalizes professionals for timing issues, where there is not sufficient time to complete a course and take the exam in the same cycle. The arbitrary cut-off disallows individual from earning the credit in the cycle in which they invested the majority of time and effort. (CIFIC, IFIC, CBA) • Two commentors proposed credits should be allocated proportionally across cycles in this case (CIFIC, FID), • discourages long term, in-depth learning, as many advanced or specialized courses extend beyond a single CE cycle. This may encourage professionals to opt for shorter, less rigorous courses to obtain immediate credit, undermining the purpose of CE. (CIFIC, IFIC, FID), • discourages APs from taking courses in the last 6 months of a cycle (CBA) or delay desired education (FID), • discourages taking CE education beyond the minimum requirements (FID), • does not add value (MICA), and • adds complexity for MFD firms with activities in Québec, given the differences with the CSF regime. (MICA, CSF) <p>One commentor recommend allowing limited (50%) carry forwards of excess credits to recognize the value of additional coursework. (CIFIC)</p>	<p>We acknowledge the comments that share the overall notion that eliminating carry forwards will have a negative impact on CE. We considered these and other implications prior to proposing to eliminate carry forwards in the MFD Rules in order to harmonize with the proposed proficiency model IDPC Rule amendments of the same purpose and intent. We devised specific solutions to address general concerns. For instance, we recognize that certain courses begin and end in different CE cycles. We share the belief expressed by several commentors that individuals who take such courses should not be discouraged or penalized from spending time and resources to complete them without receiving full CE credit. For these types of courses or activities that cross over into consecutive CE cycles, we have proposed that an individual will be able to count all eligible CE hours in the CE cycle they successfully complete the course in order to ensure that no eligible CE hours are lost. For example, if an Approved Person earns 10 eligible CE hours by completing a professional certification program over the course of two consecutive CE cycles, we will apply all 10 hours in the cycle when the program is successfully completed.</p> <p>As indicated in the Bulletin, we take the position that eliminating carry forwards will clarify that CE credit requirements per cycle are only a minimum standard requirement, which establishes a baseline that supports a broader proficiency principle requirement. We anticipate that the proposal will refocus the application of CE towards reinforcing the proficiency principle, which emphasizes the need</p>



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<p>Three commentor recommend maintaining an upper limit for carry forwards (FID), with two proposing the current MFD Rule of permitting 5 professional development credits should be applying that to IDs as well. (IFIC, MICA)</p>	<p>for a program of continuous updates to knowledge and training that keeps pace with new securities, services and developments in the industry to be an essential component to investor protection.</p>
Voluntary Participation Program	



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<p>12. Two commentors agreed that with the discontinuation of the CSC, the VPP is no longer relevant and should be discontinued. (CIFIC, CBA)</p>	<p>We acknowledge the comment. The Voluntary Participation Program (VPP) will sunset effective January 1, 2026 in accordance with implementation of the <i>CIRO Proficiency Model for Approved Persons under the Investment Dealer and Partially Consolidated Rules</i>.</p>
<p>Consultation Question 1: Proration</p>	
<p>General</p> <p>13. Eleven commentors were supportive of a proration of CE requirements, indicating it is a sensible change that will potentially reduce the number of discretionary relief applications. (CIFIC, IG, IFIC, Desjardins, CFA Societies, IA, PEAK, CBA, PFSL, Learnedly, FID)</p>	<p>We acknowledge the comments. Our intent is to allow investment dealers and mutual fund dealers to meet their CE compliance requirements as efficiently as possible. However, we are certainly mindful that these considerations will have a direct impact on the way mutual fund dealers and investment dealers will meet their regulatory requirements.</p>



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<p>Information Technology Systems/Operational Considerations</p> <p>14. One commentor, though supportive, raised operational questions regarding calculating CE requirements when the length of the leave is not known, and interaction with the National Registration Database (NRD) reporting requirements. (CBA)</p> <p>One commentor suggested IT systems should synchronize with NRD to guarantee correct calculations and system integrity. (PEAK)</p> <p>Five commentors raised concerns on how ID firms would be expected to calculate credits and manage proration without access to CERTS (CBA), citing it may be too large an administrative burden to manage at the firm level (IFIC, IA, PEAK), especially for dealers with fewer resources. (CIFIC)</p> <p>One commentor suggested CIRO should accept credit for courses completed during a leave, as this promotes ongoing engagement, education, industry knowledge and reduces burden on the AP when they return. (IG)</p>	<p>We currently have not made any decision regarding IT systems, including CERTS. However, as indicated in the Bulletin, we will be evaluating our own internal IT needs, which includes reviewing comments about our existing systems. In the interim, we believe that delaying implementation of Phase 1 to the cycle ending in 2027 in order to create a single implementation date for both phases will provide dealers with sufficient time to assess additional operational and IT system impacts.</p> <p>The potential impact of implementation from an operational and IT perspective will be a key consideration as we evaluate the most appropriate approach for both dealer types in order to ensure that we are not adding any unnecessary burden on those we regulate.</p>



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<p>One commentor suggested CIRO should consider credit eligibility when an AP transitions from a MFD firm to an ID firm within the same cycle, as APs joining an ID firm in the latter part of a cycle are subject to a significant burden and this would allow for a smoother transition and prevent redundancy of re-taking similar courses. (IG)</p>	
<p>Consultation Question 2: CE cycle date to start and end within a standard calendar year</p>	
<p>15. Six commentors expressed support for the adoption of a calendar year cycle for all CIRO dealers (CIFIC, IG, CFA Societies, IA, Learnedly, RIA) with two commentors urging regional impacts in Québec nevertheless be considered. (IG, Learnedly)</p> <p>Eight commentors indicated adopting a calendar year cycle will add complexity and regulatory burden for MFD firms with activities in Québec, given the differences with the CSF regime. (MICA, Desjardins, PEAK, CSF, IG, IFIC, CBA, FID)</p> <p>Six commentors encouraged CIRO to collaborate with the CSF to establish a consistent CE cycle. (Desjardins, CSF, Learnedly, PEAK, MICA, IG)</p>	<p>See responses #3 and #6 for impact in Québec</p>



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<p>Five commentors indicated not supporting the transitioning MFD CE cycle dates to coincide with a standard calendar year, given the necessity to manage multiple reporting obligations at year end (IFIC, CBA, PEAK, PFSL) and staff year-end vacations. (FID)</p> <p>Two commentors explicitly suggested adopting the current MFD CE cycle for all Dealer Members because MFD APs outnumber ID APs (80 000 vs 30 000), and the benefit of a one-time extra month for these APs does not outweigh the significant transformation of systems and procedures, and does not account for the permanent negative impact on Québec firms and APs. (PEAK, FID)</p> <p>One commentor indicated that the current MFD dates provides dealers with a clear view of APs who have not completed requirements and time to address deficiencies before their registration renewal. (IFIC)</p> <p>One commentor indicated that the impact on internal operations and systems would largely depend on whether the current MFD CERTS system is capable of facilitating this change and adjust to send notifications to dealers at the appropriate new dates. (FID)</p> <p>There may be limited availability of new CE credits at the beginning of the new cycle in January, as education providers prepare and launch new materials. (FID)</p>	
Consultation Question 3: Adopt an annual CE Cycle	



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<p>16. Two commentors support an annual cycle for firms and APs, citing consistency with some other jurisdictions (RIA) and with the rationale underpinning the CE requirement generally and in relation to developing topics in the industry. (CFA Societies Canada)</p> <p>Eleven commentors oppose adopting an annual CE cycle, considering the two-year cycle appropriate. (CIFIC, IG, IFIC, IA, PEAK) Reasons cited are:</p> <ul style="list-style-type: none">operational and system impacts. Issues include the administrative time and effort to find appropriate CE courses and activities, accreditation requests, tracking attendance and issuing certificates, updating records and notifying participants (CIFIC, IG, IFIC, Canada Life, IA, PEAK, PFSL),additional complexity and regulatory burden, particularly in Québec. Registrants may have other titles with CE requirements. Most professional orders and organizations, including the CSF, have a two-year cycle, and credits used for these are often recognized by CIRO (MICA, Desjardins, PEAK),concerns that increased costs will be passed down to members, registrants and ultimately, to investors (Learnedly),prevention from having credits fully recognized if moving to a one-year cycle is combined with the elimination of carry forward credits (IFIC),	<p>Based on the large majority of commentators who stand opposed to the proposal, we have decided not to adopt an annual CE cycle.</p>



SUMMARY OF COMMENTS	CIRO RESPONSE
<ul style="list-style-type: none"> • lack of evidence that a bi-annual cycle is inadequate to maintain knowledge (PEAK) or the lack of clear benefits of a one-year cycle (FID), and • Timing of the proposed change, given the amount of concurrent changes. (FID) <p>If an annual cycle is implemented, one commentor asked to adjust the cycle to July 1st-June 30 to avoid overlapping with licensing renewal cycle if CIRO moves to an annual cycle and to maintain CERTS. (PFDL)</p> <p>One commentor suggested that CIRO consider adding a requirement that CE credits must be accumulated continually over the 24 months (Desjardins)</p>	
<p>Consultation Question 4: CE IT Systems – Views on CIRO services and CERTS - challenges</p>	
<p>17. Four commentors expressed liking CERTS, indicating they find that:</p> <ul style="list-style-type: none"> • the CERTS system works well, despite some minor usability issues and potential for enhancements (FID), • the CERTS platform is intuitive and easy to navigate for the purpose of submitting applications and approval time is quick (RIA), • CERTS works well and greatly simplifies the MFDs compliance (IFIC, CBA), • open access to dealers, CIRO, APs and education providers (IFIC), 	<p>See response #13 See response #14 for IT Systems/Operational Considerations</p>



SUMMARY OF COMMENTS	CIRO RESPONSE
<ul style="list-style-type: none"> • automatic proration calculations (IFIC), • automatic carry forwards (IFIC), • ability to bulk upload data (IFIC), • ability to run detailed reporting (IFIC), and • ability for CIRO to conduct more comprehensive trend analysis (IFIC). 	
<p>18. Three commentors suggested the following features be added to CERTS:</p> <ul style="list-style-type: none"> • ability to produce a single report that includes all identifiers, completion percentages and a breakdown of credit summaries (CBA), • a bulk upload feature for course completions that would enhance efficiency and ease of use across both systems (IA), and • capability to facilitate timely transfer of registrant data from the NRD into CERTS or comparable IT system to provide integrity to users to manage registration of APs – this is important in respect of proration (IFIC, CBA). 	<p>See response #13</p> <p>See response #14 for IT Systems/Operational Considerations.</p>
<p>19. Three commentors indicated that CIRO services is user friendly (IFIC), but very basic (IFIC) and lacks tracking features (Desjardins, IFIC) (including for APs to monitor their progress) (IA, IFIC) and does not enable CIRO to input completion credits for mandatory CE. (IFIC)</p>	<p>See response #13</p> <p>See response #14 for IT Systems/Operational Considerations</p>



SUMMARY OF COMMENTS	CIRO RESPONSE
<p>20. One commenter favoured CIRO Services over CERTS in the absence of another system, citing it being principles-based. (Learnedly)</p>	<p>See response #13 See response #14 for IT Systems/Operational Considerations</p>
<p>21. Several commentors urged CIRO not to eliminate CERTS for the following reasons:</p> <ul style="list-style-type: none"> • costs: while CIRO may want to eliminate CERTS due to costs, the cost to the industry to build or buy a system replacing CERTS would be much greater, as most MFD firms rely on CERTS as their tracking system (FID, CBA), • control over data collection by CIRO (FID), • clarity of CE standards for everyone (FID), and • value: CERTS functionality has significant value and should retain its role and functionality under harmonized rules. (IFIC, CBA) <p>Two commenters indicated that it is unlikely that MFD firms would be sufficiently prepared to meet Phase 1 requirements under the proposed timeline if CERTS is not retained. (IFIC, Canada Life)</p> <p>Three commenters indicated that they would need clarification regarding changes to CERTs to assess operational and systems impacts (PEAK), as there may not be capacity to absorb the additional reporting burden. (IG, IFIC)</p>	<p>See response #13 See response #14 for IT Systems/Operational Considerations</p>



SUMMARY OF COMMENTS	CIRO RESPONSE
<p>Two commenters indicated that removing features and functionality from CERTS may leave some MFD firms ill-equipped to meet their supervisory and reporting obligations for the upcoming CE cycle, as they may have to manage extensive records manually which is cumbersome and resource intensive. (IFIC, Canada Life)</p> <p>One commenter urged there should be no changes or new systems introduced, as it has already taken a significant amount of time and resources to get used to CERTS. (PFSL)</p> <p>One commenter indicated that the current CIRO process requires extensive modernization. (CIFIC)</p> <p>Two commentors recommended that CIRO establish a user-friendly centralized portal for firms to upload certificates or confirmation of course completion. The system should keep track and clearly display ongoing credit requirements, provide alerts and be able to provide information about the credit requirements based on a hypothetical start date. (CIFIC, IG)</p> <p>One commenter suggested creating a streamlined process for applying for CE credits and uploading materials (CIFIC)</p> <p>One commenter suggested that CIRO's CE IT systems should offer monitoring, efficient data transmission and compatibility with tools already in place at firms. (PEAK)</p>	



SUMMARY OF COMMENTS	CIRO RESPONSE
<p>22. Two commentors recommend creating a web-based interactive database of all accredited courses for each CE cycle. (CIFIC, CBA)</p>	<p>See response #13 See response #14 for IT Systems/Operational Considerations</p>
Other Comments	
<p>23. CIRO should consider hosting a webinar to provide direct training on the new CE model to all CIRO registrants. (CIFIC)</p>	<p>We acknowledge the comment. We intend to finalize our public communications on CE harmonization following approval and closer to implementation.</p>
<p>24. CIRO should maintain and expand its Complimentary Webcast catalogue to ensure there is access to a diverse range of courses to choose from in any given cycle. (CIFIC)</p>	<p>We acknowledge the comment.</p>



SUMMARY OF COMMENTS	CIRO RESPONSE
<p>25. Further review and clarifications of CE non-completion is required to ensure APs are subject to the same repercussions, whether they are with a MFD firm or an ID firm. (IG)</p> <p>CIRO should harmonize the rules for non-completion and adopt the current MFD Rules as it encourages communication and flexibility to resolve discrepancies or misunderstandings with CE reporting rather than having an immediate suspension that is not necessary. (IG)</p>	<p>When we published the CE harmonization proposal for public comment, the authority to suspend MFD Approved persons for non-compliance of an MFD Rule was held exclusively by individual CSA jurisdictions and subject to applicable securities legislation, including NI 31-103. However, on April 1, 2025, nine CSA jurisdictions delegated registration functions to CIRO for MFD firms and individuals. The AMF delegated registration functions for MFD firms and individuals who act on behalf of MFD on July 1, 2025.</p> <p>With these changes now in effect, CIRO will review MFD CE non-completion and ID CE suspension rules as part of Phase 2, keeping in mind its wider impact on other separate projects, including the Rules Consolidation Project.</p>
<p>26. CIRO should harmonize rules relating to outstanding CE requirements of APs who seek registration after an absence from the industry. APs currently have 3 years to return in their registration category, while each cycle is 2 years. If CIRO requires outstanding CE completion, they should provide APs with a grace period of at least 30 days when seeking reactivation of registration to provide flexibility to the AP to begin registrable activities while completing outstanding CE requirements. (IG)</p>	<p>We acknowledge the comment. However, it is outside the scope of CE harmonization proposal as it relates to requirements not included within the MFD and IDPC CE Rules.</p>



SUMMARY OF COMMENTS	CIRO RESPONSE
<p>27. CIRO should create a new framework that allows individuals with extensive experience to easily put their license on hold for an extended period of time, allowing for additional fees and some mandatory CE. This could reduce the number of exemption requests and reduce the barriers to re-entry for professionals who can contribute their experience to a firm or firms on a part time basis. (CIFIC)</p>	<p>See response #26</p>
<p>28. CE credits need to be meaningful and relevant, but credits are granted for attending superficial seminars or insubstantial lectures that fail to contribute meaningfully to professional development. (Naglie)</p>	<p>We agree that CE credits should be meaningful and relevant. Currently, the MFD Rules require completion of 2 CE compliance credits specifically designated by CIRO. Effective January 1, 2026, investment dealers will be subject to mandated annual continuing education training specifically prescribed by CIRO as part of the <i>Proficiency Model for Approved Persons under the Investment Dealer and Partially Consolidated Rules</i>. As part of CE harmonization, we intend to build on these requirements by reinforcing that all dealers are responsible for ensuring that CE approved for their Approved Persons are relevant based on the individual's role and the firm's business model. The responsibility is directly related to the proficiency principle which requires firms to ensure their Approved Persons are proficient at all times.</p>
<p>29. Areas of renewed CE focus should be:</p> <ul style="list-style-type: none">• risk profiling, with training programs that equip registrants with more advanced tools and techniques to assess client risk tolerance to differentiate between a client's stated	<p>We acknowledge the comment.</p>



SUMMARY OF COMMENTS	CIRO RESPONSE
<p>willingness to take risks and their actual capacity to endure losses,</p> <ul style="list-style-type: none">• ethics training that includes real-world scenarios to help advisors navigate complex decisions and conflicts of interest,• de-accumulation strategies: given Canada’s aging population, registrants need to become specialized in including effective use of Registered Retirement Income Funds (RRIFs) and understanding how social benefit programs such as Canadian Pension Plan (CPP) and Old Age Security (OAS) interact with personal investments,• knowledge of tax laws and strategies for tax-efficient investing are important to understand the impact on long-term returns for clients,• analytical and mathematical skills necessary for registrants to perform scenario analysis that help clients evaluate risks and rewards,• soft skills such as clear communication and empathy, especially when dealing with senior clients who may be experiencing cognitive decline,• new asset classes, such as cryptocurrencies,• foundational skills, such as modern portfolio construction theory,• practical client-facing topics such as power of attorney issues, basic estate planning and resolving client dissatisfaction, and• the range of considerations associated with using Artificial Intelligence (AI) tools in client interactions, ensuring that	



SUMMARY OF COMMENTS	CIRO RESPONSE
these technologies build trust rather than undermine it. (Naglie)	
30. The gatekeeping nature of listing specific licensing courses creates the risk that courses become unavailable. (FID)	We acknowledge the comment.
31. Three commentators proposed to maintain the agreement the CSF concluded with CIRO, in 2023, for future cycles (MICA, CSF, IFIC) , with one urging this happens as soon as possible to avoid confusion and have operational and regulatory predictability. (IFIC)	See response #6 for impact in Québec.
32. CIRO could draw attention to known high-quality educational offerings by highlighting and drawing attention to them, as an incentive. CE subjects go beyond licensing knowledge requirements and may not be relevant to all advisors. Price versus quality tradeoff must remain a decision at the advisor level, to source education relevant to their practice that will provide the most advantage to their future business goals and align with the needs of their particular client segment. (FID)	We acknowledge the comment.