

APPENDIX 9 - COMPARATIVE TABLE

In the table below, we compare the proposed continuing education (CE) requirements as they will be applicable to Mutual Fund Dealer Members and their Approved Persons, to the CE requirements currently applicable to Mutual Fund Dealing Representatives in Québec.

We have used the following terms to refer to regulatory and legislative instruments:

- **Securities Act:** *Securities Act* (c. V-1.1)
- **Regulation :** *Regulation of the Chambre de la sécurité financière respecting compulsory professional development* (c. D-9.2, r. 13.1)
- **MFD Rules:** Mutual Fund Dealer Member Rules, as proposed in this publication
- **CIRO Rules:** Canadian Investment Regulatory Organization Rules, as proposed in this publication

| CURRENT QUÉBEC CE REQUIREMENTS | PROPOSED CIRO CE REQUIREMENTS | | COMMENTS |
|--|---|---|--|
| | MFD Rules | CIRO Rules | |
| PARTICIPANTS | | | |
| <ul style="list-style-type: none"> Dealing Representative | <ul style="list-style-type: none"> Dealing Representative (DR) Chief Compliance Officer Ultimate Designated Person Branch Manager Alternate Branch Manager Alternate Chief Compliance Officer | <ul style="list-style-type: none"> Registered Representative (RR) Chief Compliance Officer Ultimate Designated Person Supervisor Executive Chief Financial Officer | <p>In the RCP, we proposed to harmonize the titles used for Approved Persons, which will result in Dealing Representatives being renamed as Registered Representatives, and Branch Managers as Supervisors. We also proposed harmonizing the categories of Approved Persons and their proficiency requirements across Dealer Members, where appropriate.</p> <p>In the current publication, we are proposing to maintain who is subject to CE requirements in the MFD Rules, and to expand CE requirements to all Approved Persons, except Directors, under the CIRO Rules</p> |
| Section 1 Regulation | 1.2(1)(f) MFD Rules – Participant | 2702(1) CIRO Rules – continuing education participant | |
| CYCLE | | | |
| <ul style="list-style-type: none"> 24 months December 1 – November 30 | <ul style="list-style-type: none"> 24 months January 1 – December 31 | | <p>We propose to add an additional month to the 1st cycle for MFDs, to allow more time to complete CE requirements.</p> |
| 2 Regulation – reference period | 1.2(1)(d) MFD Rules – cycle | 2703(2) CIRO Rules | |
| REPORTING DEADLINE | | | |
| <ul style="list-style-type: none"> Before end of cycle, by participant | <ul style="list-style-type: none"> 30 days after the end of a cycle, by Dealer Member | | |
| Section 17 Regulation | s. 11.2 R900 MFD Rules | 2711(1)(vi) CIRO Rules | |
| REQUIREMENTS | | | |
| Overview | | | |
| <p>30 Professional development units (PDU) total:</p> <ul style="list-style-type: none"> 10 PDU general subjects | <ul style="list-style-type: none"> 10 Compliance hours (CH) 20 Professional development hours (PDH) (for DR/RRs only) Mandated annual continuing education (MACE) (1-3 hours, counts towards CH/PDH, as designated by CIRO) | | |

| CURRENT QUÉBEC CE REQUIREMENTS | PROPOSED CIRO CE REQUIREMENTS | | COMMENTS |
|--|-------------------------------|---|----------|
| | MFD Rules | CIRO Rules | |
| <ul style="list-style-type: none"> • 10 PDU in standards compliance, ethics and business conduct, with 3 PDUs related to training developed by the Chamber over two cycles • 10 PDU in sector specific subjects | | | |
| Section 2-3 Regulation | 1.2.6(b)-(c) MFD Rules | 2703 and 2704 CIRO Rules | |
| Component description | | | |
| <ul style="list-style-type: none"> • standards compliance, ethics and business conduct • general subjects: <ul style="list-style-type: none"> ○ management of a financial services firm ○ Civil Code ○ accounting ○ economics ○ finance ○ business planning for clients ○ business planning for representatives ○ financial planning ○ tax planning ○ actuarial sciences ○ legislative environment ○ intestate and testamentary successions • specific subjects: <ul style="list-style-type: none"> ○ <i>client counselling</i> ○ <i>underwriting or risk management</i> ○ <i>retirement and estate planning</i> ○ <i>trusts</i> ○ <i>strategy of wealth accumulation and use</i> ○ <i>deferred income plans</i> ○ <i>mutual funds</i> ○ <i>investor profile and asset allocation</i> ○ <i>investment strategy</i> | | <ul style="list-style-type: none"> • CH: Training covering ethical issues, regulatory or legislative developments, CIRO rules and other applicable laws, governing Dealer Member conduct. • PDH: Training that either maintains, enhances or fosters learning, knowledge and development in areas relevant to Dealer Member business. • MACE: Training prescribed by CIRO that may be designated as satisfying compliance hours or professional hours. | |

| CURRENT QUÉBEC CE REQUIREMENTS | PROPOSED CIRO CE REQUIREMENTS | | COMMENTS |
|---|--|--------------------------------|----------|
| | MFD Rules | CIRO Rules | |
| <ul style="list-style-type: none"> ○ <i>knowing the client</i> ○ <i>registered plans.</i> | | | |
| Section 3-4 Regulation | 1.2(1) MFD Rules | 2702(1) CIRO Rules | |
| Activities in excess of requirements | | | |
| <ul style="list-style-type: none"> • Excess PDUs can be transferred to general subject PDUs • 5 excess PDUs obtained during the last 3 months of the cycle can be carried forward | <ul style="list-style-type: none"> • Excess hours cannot be transferred between components • Carry-forwards are prohibited | | |
| Sections 11 and 12 Regulation | s. 10.4 R900 MFD Rules | 2708 CIRO Rules | |
| EXCEPTIONS AND EXEMPTIONS | | | |
| New participants | | | |
| <ul style="list-style-type: none"> • No requirement first year from registration • Proration for remaining cycle length after 1 year | <ul style="list-style-type: none"> • No requirements if participant enters program in the last 2 months of a cycle • Proration in all other cases for CH and PDH | | |
| Section 6 Regulation | 1.2.6(d) and s. 1 R900 MFD Rules | 2721 and 2731 CIRO Rules | |
| Leave of absence | | | |
| <ul style="list-style-type: none"> • If absent for at least 4 consecutive weeks • Written exemption request to Chamber required • After leave ends: <ul style="list-style-type: none"> ○ Proration ○ Notice to Chamber required | <ul style="list-style-type: none"> • If absent for at least 4 consecutive weeks • Proration after leave ends • Requirement to complete outstanding requirements from the immediately preceding cycle | | |
| Section 7 and 8 Regulation | 1.2.6(e) and s. 4 R900 MFD Rules | 2722, 2723 and 2731 CIRO Rules | |
| Returning participants | | | |
| <ul style="list-style-type: none"> • If more than 1 year, exempt for the period that exceeds 1 year | <ul style="list-style-type: none"> • No requirements for the cycle of return, if return in the last 2 months of the cycle • Proration in all other cases for CH and PDH • Must complete outstanding requirements from the immediately preceding cycle | | |
| Section 9 Regulation | 1.2.6(e) and s. 2 of R900 MFD Rules | 2721, 2723 and 2731 CIRO Rules | |

| CURRENT QUÉBEC CE REQUIREMENTS | PROPOSED CIRO CE REQUIREMENTS | | COMMENTS |
|---|--|------------------------------------|-----------------------------|
| | MFD Rules | CIRO Rules | |
| Change in category | | | |
| n/a | <ul style="list-style-type: none"> No requirements if a component is applicable for 2 months or less in a cycle Proration in all other cases for CH and PDH | | |
| | 1.2.6(d) and s.3 R900 MFD Rules | 2721 and 2731 CIRO Rules | |
| Discretionary exemptions | | | |
| n/a | <ul style="list-style-type: none"> CIRO can grant extensions or exemptions, subject to terms and conditions | | |
| | s. 5.1 and 5.2 R900 MFD Rules | 2741 CIRO Rules | |
| ADMINISTRATION OF ACTIVITIES | | | |
| <ul style="list-style-type: none"> Recognition is required for all CE activities that are not provided by the Chamber Applications for recognition must be submitted within 6 months of the activity, but before end of cycle, either by provider or participant Recognition is valid for 24 months, and can be renewed Changes to activities must be submitted to the Chamber Chamber may terminate or alter the PDUs awarded if activity is different from the recognized activity DRs who provide activities can use double the PDUs awarded towards their CE requirements | <ul style="list-style-type: none"> Dealer Member, CIRO or external provider may provide CE activities Accreditation is optional Dealer Members are responsible for administering the CE Program, including: <ul style="list-style-type: none"> verifying and ensuring compliance during and at the end of the cycle ensuring that activities satisfy requirements assessing knowledge and understanding of activities they provide designating a person responsible for supervising training and approval of CE activities | | |
| | Section 2, 10 and 18-25 Regulation | s. 8.1, 8.2 and 9.1 R900 MFD Rules | 2705 and 2711(1) CIRO Rules |
| RECORDKEEPING | | | |
| <ul style="list-style-type: none"> Participants must keep supporting documents for 24 months | <ul style="list-style-type: none"> Dealer Members must keep records for 7 years | | |
| | Section 16 Regulation | s. 9.1(b) R900 MFD Rules | 2711(1)(ii) CIRO Rules |
| NON-COMPLIANCE | | | |

| CURRENT QUÉBEC CE REQUIREMENTS | PROPOSED CIRO CE REQUIREMENTS | | COMMENTS |
|---|--|--|----------|
| | MFD Rules | CIRO Rules | |
| <ul style="list-style-type: none"> • 30 days before end cycle: Chamber sends notice to participants who have not accumulated the required PDUs • 30 days after end cycle: Chamber sends notice of non-compliance. Participants are given the opportunity to add missing PDUs obtained before the end of the cycle, or ask for an exemption • Mid-February: AMF suspends registration • Once suspended, missing PDUs can be completed and submitted to the Chamber • Once compliant, the Chamber will notify the AMF to allow the suspension to be lifted | <ul style="list-style-type: none"> • If non-compliance, CIRO will automatically suspend participant after the 30-day reporting period • CIRO may lift suspension upon notification that the participant completed the CE requirements • CIRO may impose fines on Dealers for non-compliance | | |
| <p style="text-align: center;">Section 13-16 Regulation Section 151.0.1 Securities Act</p> | <p style="text-align: center;">s. 13-14 R900 MFD Rules DECISION N° 2025-PDG-0024</p> | <p style="text-align: center;">2751 CIRO Rules DECISION N° 2025-PDG-0024</p> | |