From:	Keir Clark (Home)
To:	Member Regulation Policy
Cc:	CIRO-Reporting; TradingandMarkets@osc.ca
Subject:	Comment - Rule amendments relating to the proposed adoption of an Incorporated Approved Person compensation option
Date:	Thursday, July 9, 2026 5:36:02 PM

[EXTERNAL EMAIL / COURRIEL EXTERNE]

Dear SIr/Madame,

I am a recently retired Portfolio Manager who worked diligently to have this change made in years past.

I'm pleased to see it is finally happening. I fully support the proposed changes.

Question A1 - Yes, services offered within the corporation should be restricted as detailed in your proposal.

It is generally the same as those activities advisors receive compensation for as individuals at present.

Question A2 - I can't think of any negative consequences of limiting the services advisors offer as "incorporated approved persons" to those services for which they receive compensation currently as individuals.

Question A3 - None

Question A4 - No

Question A5 - No change in required supervision of Dealer Members

Question A6 - Unknown, but if there are conflicts they must be handled as conflicts are at present.

Question A7 - Yes, the proposal must be revised to allow for multiple client-facing (licensed and approved) persons to work within an advisor-owned corporation.

Question A8 - Unknown, but if conflicts arise, they must be managed as conflicts are at present.

Question B1 - Ownership structures should be permitted as they are for other Canadian Professional Corps now (e.g. Dentists, Doctors, Lawyers, Accountants, Veterinarians, etc).

Question B2 - Unknown.

Question B3 - See my response to B1.

Question B4 - Yes. My answer doesn't change if family members.

Question B5 - Yes.

Question B6 - Perhaps. See my response to B1.

Question C1 - Implementation should happen as soon as reasonably possible.

Question C2 - Unknown.

If you have any additional questions or require clarification, please don't hesitate to get in touch with me.

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While comments are requested on all aspects of the proposed harmonized advisor compensation rule amendments, comments are also specifically requested on the following questions:

Part A - Questions relating to allowable other business activities within an advisor-ow corporation
Relevant background proposal information For client-facing Approved Persons wanting to provide financial services to clients from corporation they own, the proposed amendments restrict the financial services that may to those determined by CIRO to be: ancillary to the activities they perform on the sponsoring Dealer Member's behalf, or regulated Canadian financial services sector activities, provided the client-facing Appro is a qualified individual financial services advisor in those provinces and territories in Ca which these activities are to be performed, and is not prohibited from engaging in these activities in any of the provinces or territories ir which these activities are to be performed. **Questions** A1. Should the proposals restrict the financial services that may be offered from within a owned corporation to the above detailed financial services? Please also provide your response rationale. A2. Please detail any impact of prohibiting the client-facing Approved Person from prov services other than those detailed above within their corporation on existing activities o structures currently used by dealing representatives. A3. What types of financial services other than those listed above should be permitted t conducted within a corporation by its client-facing Approved Person owner? A4. Should there be any restrictions on the other financial services that may be offered t corporation owned by a client-facing Approved Person owner that are performed by the client-facing Approved Person? A5. What level of supervision or oversight over the other financial services related activit conducted by the client-facing Approved Person within their corporation should be perfo

sponsoring Dealer Member?

A6. Are there conflicts of interest that can arise by allowing the client-facing Approved F conduct other regulated financial services within their corporation? If there are conflicts, managed in the best interests of their clients?

A7. Should the proposals be revised to permit an advisor-owned corporation to employ:

multiple client-facing Approved Persons sponsored by the same Dealer Member?

one of more qualified individual financial services advisors to provide other financial ser clients?

A8. If the proposals are revised to permit an advisor-owned corporation to employ one c qualified individual financial services advisors to provide other financial services to clier any conflicts, or risks to clients arising from employees being subject to different statuto care standards within the advisor-owned corporation?

Part B - Questions relating to ownership and control of an advisor-owned corporation

Relevant background proposal information

For client-facing Approved Persons wanting to provide financial services to clients from corporation they own, the proposed amendments restrict corporation ownership to:

a single client-facing Approved Person, who would own the voting shares of the corpora who may also own non-voting shares of the corporation, and

family members of the client-facing Approved Person who qualify as a "related person" within the proposals), who may own non-voting shares of the corporation.

Questions

B1. Should a corporation or family trust be allowed to hold shares of the corporation, if t shareholders/beneficiaries are the client-facing Approved Person or their family membe the family trust or holding corporation be allowed to hold only non-voting shares or also shares, and if voting shares, to hold sufficient voting shares to control the corporation?

B2. Is the proposed use of the "related person" definition to determine those family mer are allowed to hold non-voting shares of the corporation too restrictive or not restrictive Please provide your rationale.

B3. Should "related persons" of the client-facing Approved Person, who are not themsel facing Approved Person of the same sponsoring Dealer Member, be allowed to own shar corporation? Should they be allowed to hold only non-voting shares or also voting share voting shares, to hold sufficient voting shares to control the corporation?

B4. Should other client-facing Approved Persons, sponsored by the same Dealer Membe to do business through, and own shares in the same corporation? Does your answer cha other client-facing Approved Persons are "related person" family members operating w corporation?

B5. Should individuals who qualify as a "qualified individual financial services advisor" (

within the proposals), who are not themselves a client-facing Approved Person, be allov
conduct business within and own shares in the same corporation? Should they be allowe
only non-voting shares or also voting shares, and if voting shares, to hold sufficient votii
control the corporation? Does your answer change if the "qualified individual financial s
advisors" are "related persons" of the client-facing Approved Person operating within tl
corporation?

B6. Is the proposed requirement that the client-facing Approved Person must be the sole
the corporation too restrictive? Please provide your rationale.

Part C - Questions relating to implementation of proposed amendments

Relevant background proposal information

We anticipate there may be significant interest in using the new incorporated advisor co
option if approved by the CSA. As using this option would involve seeking:

registration of the advisor-owned corporation in those CSA jurisdictions requiring corpor
registration, and

CIRO approval of the advisor-owned corporation as an "Incorporated Approved Person"
we are contemplating an implementation period of 12 to 18 months,[15] once necessary re
and legislative amendments have been effected, to be able to ensure that those immedi
interested in using this option can obtain the necessary approvals up front.

Questions

C1. Do you agree there is a need for an implementation period for these proposals and,
do you think would be an appropriate implementation period and why?

C2. Please describe any issues for mutual fund dealing representatives that currently dir
commissions to their corporations to transition to the proposed incorporated advisor co
option. What would be a reasonable transition period to address those issues?