ARGOSY SECURITIES INC.

1725 16th Avenue, Suite 101, Richmond Hill, ON L4B 0B3
T: 905.709.7066 F: 905.709.7044 TF: 1.866.709.7066
web: www.argosynet.ca

Independent Thinking. Personalized Investment Advice. Fresh Perspective.

July 22, 2026

Submission to the Canadian Investment Regulatory Organization (CIRO)

Consultation on the Proposed Incorporated Advisor Compensation Option

Dear Sir/Madam,

Argosy Securities Inc. a small independent dealer appreciates the opportunity to comment on CIRO's proposed Incorporated Advisor Compensation Option.

As a CIRO-regulated investment dealer, we support CIRO's objective of modernizing the regulatory framework governing incorporated advisors. We agree that a consistent national framework can enhance regulatory clarity, strengthen investor protection, and reduce uncertainty associated with the current Directed Commission model.

Overall, we support the direction of the proposal. However, we respectfully offer the following recommendations to assist with practical implementation.

1. Provide an Appropriate Transition Period

Many incorporated advisor relationships have existed for years and are supported by established contractual, tax and business structures. We recommend a transition period of at least **24 months** to allow Dealer Members and advisors sufficient time to implement the new framework without disrupting client service.

2. Grandfather Existing Corporate Structures Where Appropriate

Existing ownership structures established for legitimate tax, estate and succession planning purposes should not require unnecessary restructuring where investor protection is not compromised. CIRO should provide practical grandfathering or transition provisions to minimize unintended legal and tax consequences.

3. Promote National Consistency

As a Dealer Member who is registered in numerous provinces , Argosy encourages harmonized implementation across all CSA jurisdictions. Differences in provincial approaches would increase operational complexity and compliance costs while providing little additional investor protection.

4. Clarify Dealer Member Responsibilities

While we agree that Dealer Members should remain responsible for supervising incorporated advisors, additional guidance on supervisory expectations, required documentation and implementation standards would promote consistent application across the industry.

5. Maintain Practical Business Flexibility

The proposed framework should continue to support legitimate advisor entrepreneurship, including reasonable family succession planning and approved ancillary financial services, while preserving Dealer Member oversight and regulatory accountability.

Conclusion

Argosy Securities supports CIRO's objective of creating a modern, transparent and consistent framework for incorporated advisors. We encourage CIRO to implement the proposal in a manner that balances investor protection with practical business realities by providing an appropriate transition period, harmonized national implementation and clear regulatory guidance.

We appreciate the opportunity to participate in this consultation and thank CIRO for considering our comments.

Respectfully Submitted,

Dax Sukhraj

Dax Sukhraj
President & Chief Executive Officer (CEO)
Argosy Securities Inc.