



CIRO · OCRI

Canadian Investment
Regulatory
Organization

Organisme canadien
de réglementation
des investissements

Policy Initiatives Update Report (as at April 10, 2025)

L E G E N D	Orange coding means the initiative has been published in its final form and is currently in the implementation phase . This may require immediate attention from Dealer Members.
	Yellow coding means the initiative may require attention from Dealer Members within the next 3 months .
	Blue coding means the initiative may require attention from Dealer Members within the next 3 to 6 months .
	Green coding means the initiative may require attention from Dealer Members within the next 6 to 12 months .

Introduction

This document describes the policy initiatives that we anticipate proposing or implementing over the next 12 months. For each initiative, we've provided our estimate of when Dealer Members may be required to take appropriate action. This information will help Dealer Members to plan for and/or respond to policy initiatives on a timely and efficient basis. Except for initiatives where we have published an Approval/Implementation Bulletin with an effective date, all next step dates are staff's best estimate. The estimated date for next steps is based on quarters within CIRO's fiscal year.

Legend for estimated date

- Q1 - April 1 to June 30, 2025
- Q2 - July 1 to September 30, 2025
- Q3 - October 1 to December 31, 2025
- Q4 - January 1 to March 31, 2026

Legend for "Rules"

- ***Dealer and Consolidated Rules*** – DCR

Table of Contents

IDPCR & MFDR - Integrated Fee Model	3
IDPCR & UMIR - Rule & Guidance – Short Selling and Failed Trades	3
UMIR - Rule - Trading increments for interlisted securities - Harmonization with SEC tick sizes	3
IDPCR - Non-Tailored Advice in the Order Execution Only Channel	3
IDPCR - Rule - Proposed Proficiency Model	3
IDPCR & UMIR - Rule - Mandatory Close-out Provision	3
UMIR - Rule - Contingent Derivative Orders	4
DCR - Rule - Rule Consolidation Project – Phase 5	4
IDPCR & MFDR - Rule - Account Transfers	4
UMIR - Rule - ETFs and Intentional Crosses	4
IDPCR & MFDR - Rule - Enhanced cost reporting	4
IDPCR - Rule - Fully paid securities lending and financing arrangements	5
IDPCR & MFDR - Rule - Continuing Education Programs	5
MFDR - Rule - Hearing panel disgorgement orders	5
DCR - Rule - Rule Consolidation Project – Phase 1	5
DCR - Rule - Rule Consolidation Project – Phase 2	5
DCR - Rule - Rule Consolidation Project – Phase 3	6
DCR - Rule - Rule Consolidation Project – Phase 4	6
Initiatives from the previous Update Report that have been closed and are excluded from this report	6
IDPCR & UMIR - Rule - Reporting, Internal Investigation and Client Complaint Requirements	6

- **Investment Dealer and Partially Consolidated Rules – IDPCR**
- **Mutual Fund Dealer Rules – MFDR**
- **Universal Market Integrity Rules – UMIR**

We will update this chart on a quarterly basis.

INITIATIVE	RULES	STATUS	DESCRIPTION	NEXT STEPS
Integrated Fee Model	IDPCR & MFDR	Approval published on January 30, 2025 in Rules Bulletin 25-0017 .	To bring a consistent and harmonized approach to cost recovery that can be applied to all Dealer Members under an integrated Fee Model as required by CIRO's Recognition Orders. There are 3 parts to the changes proposed: <ul style="list-style-type: none"> • Annual Dealer Member Fees, • Membership Application Fees and Fees for Dealer Member Business Changes, and • the Qualified Market Maker Discount. 	Amendments effective April 1, 2025.
Short Selling and Failed Trades	IDPCR & UMIR	Approval published on December 5, 2024 in Rules Bulletin 24-0349 .	Amendments respecting the reasonable expectation to settle a short sale and new guidance on UMIR requirements related to short selling and failed trades.	Amendments effective April 4, 2025.
Trading increments for interlisted securities – Harmonization with SEC tick sizes	UMIR	Proposed amendments published for comment on December 12, 2024 in Rules Bulletin 24-0363 . Comment period closed January 27, 2025.	Proposed amendments to harmonize trading increments for interlisted securities with the tick size changes for tick-constrained securities adopted by the United States Securities and Exchange Commission.	Estimated publication of Approval – Q2.
Non-Tailored Advice in the Order Execution Only Channel	IDPCR	Preliminary consultation published for comments on December 13, 2024 in Rules Bulletin 24-0367 . Comment period closed on February 26, 2025.	The objective is to evaluate the limitation of advice in the order execution only channel and propose revisions to our guidance that would enhance investor protection by ensuring access to high-quality information from verified sources and allowing the use of tools designed to help investors make better investment decisions.	Estimated publication of Request for Comments of revised guidance – Q1.
Proposed Proficiency Model	IDPCR	Proposed amendments published for comment on July 04, 2024 in Rules Bulletin 24-0206 . Comment period closed on September 17, 2024.	Amendments to enhance proficiency standards and regime for investment dealers.	Estimated publication of Approval – Q1.
Mandatory Close-out Provision	IDPCR & UMIR	Proposed amendments published for comment on January 9, 2025 in Rules Bulletin 25-0001 .	Proposed amendments to introduce a mandatory close-out requirement and expand the requirement to have a reasonable expectation to settle on investment dealers that are not Participants.	Comment period closes April 10, 2025.

INITIATIVE	RULES	STATUS	DESCRIPTION	NEXT STEPS
Contingent Derivative Orders	UMIR	Proposed amendments published for comment on February 27, 2025 in Rules Bulletin 25-0059 .	Proposed amendments to facilitate the execution of an order that is contingent on the execution of one or more trades in a related derivative.	Comment period closes May 28, 2025.
Rule Consolidation Project – Phases 5	DCR	Proposed amendments published for comment on March 27, 2025 in Rules Bulletin 25-0080 . Comment period closes June 25, 2025.	The objective of Phase 5 of the Rule Consolidation Project is to adopt rules that are common to the IDPCR and MFD Rules and have been assessed as having a material impact on stakeholders. The Phase 5 Proposed DC Rules involve the adoption of rules relating to: <ul style="list-style-type: none"> • outsourcing and service arrangements, • continuing education, • reporting and handling of complaints, internal investigations and other reportable matters, • recordkeeping and client reporting, • financial solvency, • client asset use and custody, and • financing arrangements. 	Estimated re-publication of Request for Comments together with all phases as one final rulebook – Q4.
Account Transfers	IDPCR & MFDR	Under development.	Develop a proposed harmonized rule requirement to facilitate more timely transfers of an expanded group of account assets amongst investment dealers and mutual fund dealers.	Estimated publication of Request for Comments – Q2.
ETFs and intentional crosses	UMIR	Proposed amendments published for comment on July 18, 2024 in Rules Bulletin 24-0213 . Comment period closed on October 18, 2024.	Amendments to: <ul style="list-style-type: none"> • increase transparency around the execution of ETFs trading at NAV • remove the prohibition on acting as jitney on one side of an intentional cross. 	Estimated publication of Approval – Q1.
Enhanced cost reporting	IDPCR & MFDR	Proposed amendments published for comment on October 10, 2024 in Rules Bulletin 24-0288 . Comment period closed on January 8, 2025.	Develop proposed rule requirements to harmonize with Canadian Securities Administrators' amendments relating to enhanced cost disclosure reporting requirements for investment fund embedded fees.	Estimated publication of Approval – Q2.

INITIATIVE	RULES	STATUS	DESCRIPTION	NEXT STEPS
Fully paid securities lending and financing arrangements	IDPCR	Proposed amendments published for comment on February 15, 2024 in Rules Bulletin 24-0067 . Comment period closed on April 15, 2024.	Amendments to: <ul style="list-style-type: none"> enhance the rule framework regarding retail fully paid securities lending, update rules to address lessons learned from Dealer Members offering fully paid lending programs, address inconsistencies in the existing financing arrangements rules. 	Estimated publication of Approval – Q2.
Continuing Education Programs	IDPCR & MFDR	Proposed amendments published for comment on December 19, 2024 in Rules Bulletin 24-0356 . Comment period closed March 19, 2025.	Proposed amendments to develop harmonized continuing education rules applicable to both mutual fund and investment dealers.	To be determined based on public comments received.
Hearing panel disgorgement orders	MFDR	Under development	Proposed amendment to specifically allow hearing panels to order a disgorgement	Estimated publication of Request for Comments – Q2.
Rule Consolidation Project – Phases 1	DCR	Proposed amendments published for comment on October 20, 2023 in Rules Bulletin 23-0147 . Comment period closed December 19, 2023.	The objective of Phase 1 of the Rule Consolidation Project is to establish a framework for the development of consolidated rules that will apply to all CIRO Dealer Members.	Estimated re-publication of Request for Comments together with all phases as one final rulebook – Q4.
Rule Consolidation Project – Phase 2	DCR	Proposed amendments published for comment on January 11, 2024 in Rules Bulletin 24-0007 . Comment period closed March 11, 2024.	The objective of Phase 2 of the Rule Consolidation Project is to adopt rules that are unique to the IDPC Rules or MFD Rules. The Phase 2 DC Rules involve the adoption of rules relating to: <ul style="list-style-type: none"> margin requirements, debt markets and Inter-Dealer Bond Brokers (IDBBs), and trading. 	Estimated re-publication of Request for Comments together with all phases as one final rulebook – Q4.

INITIATIVE	RULES	STATUS	DESCRIPTION	NEXT STEPS
Rule Consolidation Project – Phase 3	DCR	Proposed amendments published for comment on April 18, 2024 in Rules Bulletin 24-0145 . Comment period closed on July 17, 2024.	The objective of Phase 3 of the Rule Consolidation Project is to adopt rules that are common to the IDPC and MFD Rules and have been assessed as not having a material impact on stakeholders. The Phase 3 DC Rules involve the adoption of rules relating to: <ul style="list-style-type: none"> • membership and member business activity approval matters, • clearing and settlement of trades, and trade delivery standards, • examination, investigation, and enforcement. 	Estimated re-publication of Request for Comments together with all phases as one final rulebook – Q4.
Rule Consolidation Project – Phase 4	DCR	Proposed amendments published for comment on October 17, 2024 in Rules Bulletin 24-0293 . Comment period closed on February 4, 2025.	The objective of Phase 4 of the Rule Consolidation Project is to adopt rules that are mostly unique to the IDPC or MFD Rules and have been assessed as having a material impact on stakeholders. The Phase 4 Proposed DC Rules involves the adoption of rules relating to: <ul style="list-style-type: none"> • approval and proficiency for individuals, • managing significant areas of risk, and • business conduct. 	Estimated re-publication of Request for Comments together with all phases as one final rulebook – Q4.

Initiatives from the previous Update Report that have been closed and are excluded from this report

Reporting, Internal Investigation and Client Complaint Requirements	UMIR & IDPCR	Proposed amendments published for comment on January 13, 2022 in Rules Bulletin 22-0009 . Comment period closed April 14, 2022. Proposed amendments withdrawn on March 27, 2025 in Bulletin 25-0091 .	Amendments to: <ul style="list-style-type: none"> • introduce a principles-based reporting requirement which focuses on harm to clients and the capital markets • make our reporting requirements clearer and more consistent with regulatory expectations • better align our reporting requirements and complaint requirements. 	Proposed amendments withdrawn and incorporated into the equivalent rule requirements within the Rule Consolidation Project.
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