Friday, June 26, 2026

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Re: Proposal to Harmonize CIRO Continuing Education Programs – Phase 2 (26-0089), Published on April 16, 2026

The **Canadian Independent Finance and Innovation Counsel (CIFIC)** appreciates the opportunity to provide comments to CIRO on the proposal to harmonize CIRO Continuing Education (CE) Programs – Phase 2 (the Proposal).

The Canadian Independent Finance and Innovation Counsel represents more than 40 national Investment Dealers and their industry's position on securities regulation, public policy, and industry issues. We represent notable CIRO-regulated Investment Dealers in the Canadian securities industry.

Industry View

The Investment Dealers we represent support CIRO's transition toward a principles-based and outcomes-focused proficiency framework. Our recommendations seek to ensure that the framework measures actual competency and proficiency while minimizing unnecessary administrative burden and duplicative regulatory processes.

Compliance Hours

The Proposal states the following with respect to the vocabulary of “credits” and “hours”:

> **3.3.2. Changing the vocabulary from “credits” to “hours”**
> Both rulebooks refer to “credits” to describe the total number of hours that needs to be gained in a CE cycle. We propose to move away from this vocabulary. In its place, we propose adopting “hours” to clearly convey that CE is not intended to serve as a ‘tick box’ exercise for gaining credits. Instead, CE is intended to reinforce the proficiency principle and should be recognized as part of the time resource that dealers dedicate to maintaining ongoing compliance with other prescribed training/education requirements.

The Investment Dealers we represent do not believe that replacing “credits” with “hours” aligns with CIRO’s stated objective of moving toward a principles-based framework. In practice, the terminology of “hours” introduces a more rigid and prescriptive, time-based approach that focuses on duration rather than the quality and effectiveness of learning, which is inconsistent with CIRO's stated objective of focusing on proficiency outcomes.

Accordingly, we believe that 3.3.3.3 “Compliance hours” and 3.3.3.4 “Professional Development hours” should be harmonized as “Compliance credits” and “Professional Development credits”.

We also recommend explicitly allowing flexibility for partial-hour CE recognition (e.g., 30-minute increments). Much of today’s training is delivered in shorter, targeted formats, and a rigid hourly structure does not reflect how learning actually occurs. Allowing flexible crediting would better support efficient, relevant training while remaining consistent with a principles-based approach.

The Proposal states the following with respect to the continuing education requirements relevant to compliance:

> 3.3.3.3. “Compliance hours”
>
> MFD and IDPC Rules use different terms to capture a similar type of continuing education requirement relevant to compliance. In the MFD Rules, “Business Conduct” means:

- "educational material that promotes, directs and guides ethical and compliant conduct. It includes education regarding ethical issues, Rules, other applicable legislation, and Member's policies and procedures for complying with regulatory requirements."

In the IDPC Rules, Compliance course means:

- "training covering ethical issues, regulatory developments and rules governing investment dealer conduct."

We propose to streamline these terms under a harmonized "Compliance hours" definition.

In addition to our concerns above regarding the proposed change from "credits" to "hours," the Investment Dealers we represent distinguish between moral principles ("ethics") and the actions and behaviours that constitute professional conduct. Consistent with this distinction, we believe the definition of "compliance hours" (or "credits") should include "compliance conduct" to ensure it does not unintentionally exclude training that Dealers consider relevant and applicable within a principles-based regulatory framework.

CIRO Exams

Section 2.4 of guidance note, GN-2700-26-001, *Guidance on the CIRO Investment Dealer Continuing Education Program*, published on February 4, 2026, states the following:

> As set out in subsection 2701(1), a guiding principle of CE is to enhance and further develop an individual's baseline proficiencies. As of January 1, 2026, CIRO baseline proficiencies include CIRO exams required under IDPC Rule 2600. CE is meant to build upon these fundamentals.
>
> A CE Participant may use a CIRO exam for CE if the exam they completed enhances and further develops their baseline proficiencies, subject to approval by the CE Participant's Dealer. Any CIRO exam completed prior to being a CE Participant will not qualify towards CE credit hours.
>
> Completed CIRO exams are eligible for CE. Subject to a Dealer's approval, a CE Participant who wishes to use a complete CIRO exam may claim up to the equivalent of the allotted time to complete the exam. For example, an exam that last 1.5 hours is eligible for 1.5 CE credit hours.

As CIRO continues to modernize and streamline its proficiency and continuing education framework, it is important to recognize that implementation extends beyond policy updates and training delivery. Firms must also operationalize changes across systems, tracking tools, and reporting processes.

While the Proposal may appear straightforward when read, in practice it introduces unnecessary complexities: firms would need to maintain additional records to determine whether the CE for exams completion applies to all individuals and, if not, document the rationale. This creates a risk of confusion among registrants, inconsistent interpretation of CE eligibility, and increased potential for error.

An Investment Dealer we represent has an individual who is already registered as a supervisor and is seeking to add the "Supervisor of Options" Approved Person (AP) category to their profile. CIRO Proficiency has advised the Investment Dealer that under the new CIRO Proficiency Model, this individual must complete three CIRO courses. However, based on the guidance section excerpted above, it is unclear whether these courses would qualify for CE credits.

The Investment Dealers we represent believe that all mandatory annual continuing education prescribed by CIRO, as well as any CIRO examinations, should *automatically* be accredited by CIRO and eligible for CE credits within the applicable cycle.

Requiring each Dealer Member to independently assess whether CIRO-developed examinations qualify for CE introduces unnecessary regulatory burden and results in duplicative efforts across the industry. It also creates the potential for inconsistent treatment of the same CIRO material.

If CIRO developed the examination and has determined it demonstrates proficiency, it is difficult to see why each Dealer Member should be required to independently assess whether the same examination contributes to ongoing proficiency.

From an efficiency perspective, it is not practical for both Dealer Members and CIRO (through compliance reviews) to repeatedly assess identical examinations. Central accreditation by CIRO would promote consistent treatment across the industry, reduce duplicative assessments by Dealer Members, minimize compliance uncertainty, and represent a more efficient use of regulatory and industry resources.

Legacy Exemptions in the Investment Dealer (ID) Continuing Education Program

In section 3.8.7 of the Proposal, CIRO has proposed to remove the legacy exemptions certain Approved Persons have from completing the professional development (PD) course requirement under the Investment Dealer and Partially Consolidated (IDPC) Rules, to match with the Mutual Fund Dealer (MFD) Rules which do not include any legacy exemptions.

Registered Representatives (RRs), Associate Portfolio Managers (APMs), and Portfolio Managers (PMs) who have been continuously approved since January 1, 1990 or earlier have been exempt from PD requirements. If these exemptions were removed, individuals who have relied on them for almost four decades (given CIRO's proposed effective date of January 1, 2028) would suddenly be required to begin completing PD credits.

CIRO has not provided a fulsome or substantive explanation as to *why* such a requirement is necessary after almost four decades of regulatory reliance and has only stated that the removal of the exemption is intended to align the IDPC rules with the MFD rules. The Investment Dealers we represent would like to point out that alignment, on its own, does not justify overturning longstanding regulatory treatment, particularly where affected individuals have been permitted to operate under this framework for decades without any identified regulatory shortcomings. This exemption has never been shown to have harmed clients in any manner and the fact that it never existed for mutual fund registrants is not a valid reason to repeal it.

Further, subjecting long-time chief executive officers (CEOs), chief information officers (CIOs), and chief compliance officers (CCOs) to further educational requirements when they have been in the industry and registered for, in some cases, well over four decades, goes against years of precedent set by the exemption and is, as discussed, an unjustified and unnecessary change, particularly for older individuals to adjust to, for no reason other than harmonizing the rulebook. These individuals have knowledge of the markets, client needs, and compliance requirements which exceed anything they could gain by taking additional PD courses over and above what is presently necessary.

The Investment Dealers we represent view this as a material concern that would unnecessarily burden senior registered representatives. They further believe it represents an unwarranted expansion of CIRO's regulatory scope, adding unnecessary complexity without corresponding regulatory benefit.

One Investment Dealer we represent does not object to the removal of the legacy exemption, and has commented that everyone should be keeping up with PD, particularly those who have been in the industry for a long time. Conversely, many of the Investment Dealers we represent recommend that rather than *repealing* the exemption, CIRO should be *expanding* the scope of it (for non-compliance-related PD courses) to anyone actively registered and working uninterrupted in the industry for 20 to 25 years or more.

A key concern is that CIRO has not identified any investor protection concerns, compliance deficiencies, or regulatory gaps at CIRO-regulated Investment Dealers that would justify eliminating an exemption that has existed for several decades. In the absence of evidence demonstrating a regulatory problem, the Investment Dealers we represent do not believe that imposing new continuing education requirements on individuals who have operated successfully under the exemption for decades is justified. As highlighted above, regulatory harmonization, by itself, should not be viewed as a sufficient basis to eliminate a longstanding exemption that has not been shown to create harm.

It is important to recognize that Investment Dealers and mutual fund dealers have not historically been subject to equivalent proficiency or continuing education requirements. Investment Dealers have operated under a more robust regulatory framework for several decades. Accordingly, harmonizing the two regimes should not result in the elimination of a longstanding Investment Dealer exemption in the absence of evidence demonstrating investor protection concerns, compliance deficiencies, or regulatory gaps.

Extended Licence Retention

We wish to reiterate that the Investment Dealers we represent believe that instead of focusing on actual proficiency (ostensibly the purpose of the new registration process), CIRO is unfortunately opting to adopt overly restrictive regulatory constructs. For example, a senior banker with 25 years of experience who left the industry for around five years should be considered by CIRO to have the requisite background and proficiency to be re-admitted with minimal re-qualification and not be forced into litigious proceedings to secure justified regulatory exemptions.

By way of background, many highly qualified former industry leaders (such as former heads of sales or trading desks) with specialized industry knowledge that is not easily trained and is increasingly lacking across all firms, have left the industry due to recent market conditions. The Investment Dealers we represent believe that CIRO should be seeking ways to re-engage these former industry leaders rather than to drive them out of the market or create adversarial barriers to their re-entry. This is particularly problematic for smaller firms trying to expand their teams and looking to attract and retain more knowledgeable employees.

While we recognize that the issue of extended license retention falls outside the narrow scope of the Proposal, it does form part of the broader proficiency and registration framework that CIRO is currently modernizing. Given the close relationship between continuing education, proficiency, and ongoing registration requirements, we believe it is appropriate to reiterate these comments, previously raised in CIFIC's September 17, 2024 comment letter and raised again in its March 17, 2025 comment letter, for CIRO's consideration as part of its overall regulatory modernization efforts:

> We frequently hear concerns from Investment Dealers that seasoned professionals, despite remaining active in the industry, are required to re-take their exams due to lapsed licenses. This can be both frustrating and unnecessary, as their expertise and experience remain intact.

By allowing registered representatives and Approved Persons to retain their licenses for an extended period of five years, CIRO would foster a more adaptable and resilient workforce, better equipped to meet the demands of our evolving industry.

This important issue affects many firms within our industry, and particularly smaller ones. It also concerns the ability of professionals in a pre-retirement phase to maintain their registration status while working intermittently within the investment industry. The same issue applies to professionals with more than 10 years of experience in the industry.

CIRO is likely aware that many experienced professionals nearing retirement often prefer to contribute their expertise on a part-time or seasonal basis. These individuals may work for a few months at a time, taking extended breaks in between periods of employment. Their knowledge and experience are invaluable to our Investment Dealers, yet the current regulatory framework presents challenges with respect to retaining their registration during these gaps in active employment.

The Investment Dealers we represent believe CIRO should **create a new framework that allows individuals with extensive experience (for example, 10 years or more) to easily put their licence on hold for an extended period of time**. The framework could include an annual fee for a licence that is on hold and some mandatory continuing education. Such a framework could lower the number of exemption requests made to CIRO and decrease the barriers to industry re-entry for such professionals, who can flexibly contribute their vast experience to a firm or multiple firms on a part-time basis.

Investment Dealers have found that the existing exemption process, while useful in certain situations, is not well-suited to the recurring, flexible, and modern employment model that these professionals require. It appears to be designed for one-time exemptions, rather than accommodating the ongoing, intermittent nature of their work. Consequently, firms, especially smaller ones, face difficulties re-engaging these professionals as they navigate repeated, burdensome registration procedures.

To address this issue, we respectfully request that CIRO consider implementing a regulatory adjustment that allows professionals, including those in the pre-retirement phase, to maintain their registration status during periods of non-employment, including during sick leaves. Such a framework should enable firms to quickly and efficiently re-engage these experienced individuals as needed, thereby improving operational flexibility and reducing the costs and unknowns associated with constantly seeking, hiring, and registering new staff.

This proposed change would be particularly beneficial to smaller firms, which often rely on the specialized expertise of seasoned professionals. Enabling these firms to retain such part-time or seasonal employees with minimal regulatory hurdles would strengthen the overall stability, competitiveness, and diversity of the industry, while maintaining strong investor protections.

Training Requirements for Order-Execution-Only (OEO) Firms

The Investment Dealers we represent are of the view that training requirements for OEO firms differ materially from those applicable to full-service Dealers and portfolio management firms. A number of regulatory requirements are not applicable to the OEO business model, and as a result, certain existing training modules place significant emphasis on the provision of advice, which is not relevant in the context of OEO firms. Accordingly, consideration should be given to developing training content that is more closely aligned with the distinct nature and obligations of the OEO model.

FINRA Equivalency Recommendation

The Investment Dealers we represent recommend that CIRO reinstate or expand its recognition of equivalent US registrations for supervisory analysts. Some firms employ supervisory analysts who hold US Series 16 qualifications and have decades of relevant supervisory experience, however the current framework does not recognize this experience as equivalent, instead requiring these individuals to complete an additional Canadian supervisory examination. We question the rationale for not recognising the equivalency of established FINRA supervisory registrations, particularly where individuals have demonstrated extensive expertise and a long track record of regulatory compliance.

Recognition of equivalent US qualifications would also support firms' business continuity planning and operational resilience. For many firms, particularly those with specialized research functions, it is neither practical nor cost-effective to maintain multiple supervisory analysts in Canada solely to satisfy registration requirements. CIRO should recognize the value that experienced US-qualified supervisory personnel can bring to the Canadian capital markets, provided that appropriate Canadian oversight remains in place and a registered individual in Canada retains responsibility for supervising and addressing the specific requirements of the Canadian regulatory environment.

Proficiency Process - Documentation Recommendation

The Investment Dealers we represent note that the new process is much more complicated than the previous one and is not easy to understand. We therefore recommend that CIRO produce a "play-by-play" document or FAQ for *existing registered individuals*. Such a document would lay out the process for both compliance and professional development credits and explain how that process unfolds, what the examination requirements and expectations are, and what the timelines are for each registered individual.

Approved Persons Subject to CE Requirements

The Proposal states the following with respect to expanding the application of CE requirements:

> […] Separately, we propose expanding the application of CE requirements in the IDPC Rules to cover Executives and Chief Financial Officers to address a present inconsistency where some Executives (i.e., Chief Compliance Officers and Ultimate Designated Persons) are subject to CE, but others (i.e., Chief Financial Officers and other Executives designated by the dealer) are not.

The Proposal goes on to state the following:

> […] in the parallel RCP, CIRO has proposed to harmonize the Approved Persons categories across all CIRO dealers when the CIRO Rules take effect. Considering this proposal, we propose to impose CE requirements on MFD Executives and Chief Financial Officers under the CIRO Rules to streamline the application of CE across all CIRO dealers when those rules take effect.

The Investment Dealers we represent are not opposed to enlarging the scope of CE requirements to include executives and chief financial officers; however, we would like to ensure the mandated annual continuing education prescribed by CIRO includes courses that are relevant to the actual responsibilities of the Approved Person category (e.g., for a chief financial officer, topics related to financial matters including net capital requirements).

2708. Carry-Forwards

The proposed revised rules state the following with respect to carry forwards:

> (1) A *continuing education participant* cannot carry forward *compliance hours or professional development hours* to a subsequent *continuing education program cycle*.

In our March 17, 2025 submission to CIRO, the Investment Dealers we represent made the following suggestions:

> **Allow Limited Carry Forwards when CE Credits Exceed the Requirement in a Cycle**
> Advisors often exceed their CE requirements within a given cycle due to scheduling considerations and the availability of relevant courses. While we acknowledge the importance of ensuring that advisors fulfill their obligations in each cycle, we believe their

> proficiency would be further enhanced by allowing a limited carry-forward of excess credits. This would recognize the value of additional coursework, particularly when it contributes to real-time professional development, while maintaining the integrity of ongoing education requirements.
>
> Consistent with existing carry-forward allowances in regulatory frameworks, we are not proposing that all excess credits be carried forward. Rather, we recommend permitting advisors to carry forward up to 50% of their surplus CE credits. This strikes a balance between the new proficiency regime's emphasis on continuous learning and the recognition of advisors' commitment to exceeding baseline requirements.

We remind CIRO that we respectfully disagree with its decision to have removed this flexibility. While we understand the intent of the Proposal is to ensure ongoing engagement with CE requirements, a strict prohibition on carry-forwards may lead to unintended consequences that do not advance the underlying objective of maintaining the competency of registrants.

Carry-forward credits reward participants who proactively exceed minimum CE requirements. **Eliminating this flexibility may disincentivize early or accelerated completion of training and encourage a "minimum compliance" mindset rather than one of continuous learning**.

The Investment Dealers we represent wish to emphasize that participants who invest additional time in development should not be disadvantaged relative to those who meet only the minimum requirements.

2709. Non-avoidance

The proposed revised rules state the following with respect to non-avoidance:

> (1) A *continuing education participant* may not change their *Approved Person* category to avoid completing more onerous continuing education requirements, or to avoid penalties for failing to complete continuing education requirements.

The Investment Dealers we represent respectfully disagree with CIRO's decision to eliminate the ability of an Approved Person to change their category and believe that Approved Persons should be permitted to change their registration category without penalties, as doing so can reflect legitimate business or career needs, and not an attempt to avoid regulatory obligations.

A blanket restriction risks creating unnecessary rigidity and may unfairly penalize individuals who are transitioning roles, adjusting their practice focus, or aligning their registration with evolving responsibilities. In many cases, such changes *enhance*, rather than reduce, investor protection by ensuring individuals are properly registered for the activities they perform.

A more balanced approach would allow category changes, supported by appropriate oversight, rather than assuming avoidance.

The Investment Dealers we represent firmly believe that a principles-based framework should focus on intent, conduct, and competency, rather than restricting legitimate registration changes that reflect normal business evolution.

2711. Dealer Member's Administration of the Continuing Education Program
Mandatory Conduct Training - Use toward CE Credits

2711.(3) of the proposed rules states the following:

> A Dealer Member may allow a continuing education participant to use mandatory conduct training prescribed in subsection 2604(2) towards compliance hours, if the individual either was required to do so pursuant to clause 2604(2)(ii), **or was not required to complete that training during the cycle and did not complete it in the previous cycle** [emphasis added]**.**

The Proposal states the following with respect to restricting the use of mandatory conduct training to compliance hours:

> 3.8.8. Mandatory Conduct Training used for CE
>
> Currently, the IDPC Rules permit Approved Persons to use Mandatory Conduct Training for CE, which is a prescribed post-approval requirement originally implemented under the Proficiency Model Project, published on April 17, 2025, in Rules Bulletin 25-0110.
>
> We propose **restricting the use of the Mandatory Conduct Training to Compliance hours only for participating individuals** [emphases added] who are either:
>
> - **not subject to the post-approval requirement**, or
> - **those who did not complete the training in the previous cycle** [emphasis added]**.**
>
> This proposal will not affect current ID Approved Persons who are currently required to complete the Mandatory Conduct Training by December 31, 2026, because they will have already complied with the requirement by the time Phase 2 is implemented.

The Investment Dealers we represent do not agree with the proposed restrictions on applying mandatory conduct training toward compliance credits (referred to as "hours" under the proposed framework) for individuals who are not subject to the post-approval requirement.

As noted above, we believe that as CIRO moves toward a principles-based framework, it is important to recognize that implementation extends beyond policy updates and training delivery. Firms must also operationalize changes across systems, tracking tools, and reporting processes.

The proposed change, a departure from the provision in place since January 2026, would result in a significant administrative burden being placed on Dealers that are already tracking conduct training for hundreds of registrants in at least four different recordkeeping systems (National Registration Database (NRD); CIRO Services; Dealer post-licensing tracking; and Dealer CE tracking). Requiring Dealers to identify a small subsection of instances where the processing would be different and to unwind recordkeeping and advise those specific registrants, would be a significant, net-new administrative burden for Dealers, for no apparent benefit.

We continue to emphasize that the proposed restriction may appear straightforward, but in practice, it introduces unnecessary complexity and obliges firms to maintain additional records to determine whether the training applies to all individuals and, if not, document the rationale. This creates a risk of confusion among registrants; inconsistent interpretation of CE eligibility; and increased potential for error.

As discussed, this added complexity is not proportionate to the intended outcome and may lead to unintended consequences, including inaccurate recordkeeping, without a clear benefit to competency development.

The Investment Dealers we represent would welcome further explanation regarding the rationale for and intended policy objective of the proposal to exclude mandatory conduct training from eligibility for continuing education credit. This training is completed only once by each Approved Person and addresses topics that are directly relevant to compliance and professional responsibilities. Excluding such training from CE requirements may unnecessarily limit recognition of relevant, compliance-focused learning and could additionally create inequitable outcomes for some individuals. While we recognise that mandatory conduct training is categorized as a proficiency requirement, we believe there is a strong basis for permitting this training to count toward an Approved Person's compliance continuing education requirement. Doing so would better align CE requirements with the substantive content of the training and support a principles-based approach to professional development.

The Investment Dealers we represent question the circumstances in which an individual would fall within the category of those who "were not required to complete that training during the cycle and did not complete it in the previous cycle." As mandatory conduct training is expected to apply to all Approved Persons, further clarification is needed regarding the population of individuals who would not be subject to the post-approval requirement.

The Investment Dealers we represent do acknowledge that the proposed change is similar to restricting CE for pre-registration proficiency exams, and therefore, if the restrictions are to remain in place, would request further clarification on how exactly to interpret the exceptions. Following this, we would be open to the proposed change after December 31, 2026, when <u>all</u> other Dealer registrants would have completed their conduct training. We are concerned that a change at this time would require a manual effort that could inadvertently result in fines to Dealers for incomplete CE credits.

<u>Mandatory Conduct Training - Administrative Burden</u>

As mentioned above, we do not support the proposed restriction on the use of mandatory conduct training for continuing education purposes. This proposal would require Dealers to distinguish between individuals who are subject to the post-approval requirement from those who are not, and from those who failed to complete the training in a previous cycle. **This approach results in different CE treatment for the same course**.

In practice, this would create unnecessary administrative complexity and additional compliance monitoring requirements across multiple recordkeeping systems. We therefore recommend that **CIRO continue to permit mandatory conduct training to qualify for compliance CE credits for all Approved Persons**. This approach would be simpler to administer, reduce operational burden on firms, and maintain consistency, while continuing to support the educational and compliance objectives of the CE program.

<u>Mandatory Conduct Training – Timing of Completion</u>

Consistent with the recommendations set out in our June 5, 2026 letter to Sherry Tabesh (Vice-President of Proficiency with CIRO), based on feedback received from the Investment Dealers we represent, CIFIC recommends that mandatory conduct training be permitted prior to registration approval and that successful completion of such training remain valid for a reasonable period (for example, one year).

From a competency perspective, it is unclear what risk is mitigated by restricting the timing with respect to course completion to *only after CIRO approval*. Allowing flexibility to complete the training either pre- or post-approval would better align with a principles-based approach and reflect how applicants typically prepare, often completing all required courses in advance, through platforms such as Fitch Learning.

Further, the current approach results in unnecessary administrative burden, including requests for explanation letters where training was completed early. Rather than a punitive, case-by-case approach, a more practical solution would be to address this operationally, by allowing flexibility in timing.

This would maintain appropriate oversight while reducing friction, improving efficiency, and better aligning with industry practice.

If CIRO determines that pre-registration completion is not appropriate or feasible, the enrolment process should be updated to clearly identify individuals who are undergoing the registration process (e.g., by requiring an NRD number at the time of course registration) to minimize unnecessary confusion regarding eligibility requirements.

<u>Fitch Learning Website FAQs</u>

The Investment Dealers we represent have identified an inconsistency between the proposed requirements and the Fitch Learning website FAQ, which seems to indicate that conduct training is available to all employees of a CIRO Dealer:

> All Approved Persons regulated by CIRO, including employees of CIRO-regulated Investment Dealer Members, are required to complete the Conduct Training.

We suggest CIRO work with Fitch Learning to address this and any other inconsistencies on the Fitch Learning website to minimize unnecessary confusion.

<u>CE Cycle Timing</u>

The overwhelming majority of Investment Dealers we represent **support retaining a calendar-year CE cycle (January 1 – December 31)** and do not support a December 1 – November 30 cycle. We believe a change would introduce additional complexity and compliance risk without providing a corresponding benefit to firms, Approved Persons, or investors:

- **Calendar-Year Cycles Are Intuitive and Well Understood**
  A December 31 deadline is simple, familiar, and aligns with the way individuals and organizations naturally track annual obligations. Registrants are accustomed to year-end deadlines and generally plan their CE activities accordingly. By contrast, a November 30 cut-off is less intuitive and would require ongoing reminders and administrative oversight. In our view, a November 30 deadline would create unnecessary complexity without delivering meaningful operational advantages.

- **Calendar-Year Cycles Align with Other Regulatory Frameworks**
  Maintaining a January 1 – December 31 cycle also promotes consistency with other regulatory regimes. For example, FINRA operates on a calendar-year CE cycle. Aligning with widely recognized industry practices reduces confusion for dual-registered

representatives and minimizes unnecessary operational burden for firms that operate across multiple regulatory environments.

- **December Remains an Important Completion Period**
  Many registrants rely on December, including the period between Christmas Day and New Year's Day, to complete outstanding CE requirements. For many firms, accounting, finance, and compliance personnel are heavily engaged in audits, reporting, and other year-end activities throughout October and November. As a result, December often serves as the most practical and accessible period for completing remaining CE obligations. Eliminating this window could make compliance more challenging for both firms and registrants.

- **Firms Can Establish Earlier Internal Deadlines if Desired**
  Firms that prefer an earlier completion date already have the ability to establish internal pre-December 31 deadlines, and some have done so successfully. This flexibility allows firms to manage CE requirements in a manner that best suits their operational needs without imposing a single approach on the entire industry. We believe firms should continue to retain this discretion.

- **A November 30 Deadline May Increase Risk of Non-Compliance**
  A longstanding December 31 deadline is deeply embedded in firms' compliance processes and registrants' expectations. Moving the deadline to November 30 creates a transition risk whereby registrants may inadvertently miss the new cut-off date, particularly during the initial years following implementation. This could lead to unnecessary compliance deficiencies and regulatory consequences notwithstanding that the underlying CE requirements remain unchanged. In our view, introducing this additional risk is difficult to justify in the absence of a clear and demonstrable benefit.

Additionally, we believe that the two-year cycle must be preserved. Dealers support the flexibility of the existing two-year cycle and strongly oppose any move to a one-year cycle, which would add operational constraints without material benefit.

Conclusion

The Investment Dealers we represent support CIRO's continued transition toward a principles-based and outcomes-focused proficiency framework. However, we respectfully submit that a number of the proposed amendments would introduce unnecessary administrative complexity, reduce operational flexibility, and impose additional regulatory burden without a corresponding investor protection benefit.

In particular, we urge CIRO to preserve the longstanding legacy exemption for certain Investment Dealer registrants, maintain a calendar-year continuing education cycle, allow limited carry-forwards of excess CE credits, continue to recognize mandatory conduct training and CIRO examinations for CE purposes, and adopt practical measures that simplify administration for both Dealers and registrants.

More broadly, we encourage CIRO to ensure that harmonization between the Investment Dealer and mutual fund dealer frameworks does not, in itself, become the basis for imposing new requirements where no regulatory gap, compliance deficiency, or investor protection concern has been demonstrated.

Thank you for considering our comments on this important proposal.

We would welcome the opportunity to engage further on this important issue.

As always, we are available to discuss the content of this submission further, address any concerns you may have, or provide additional information as needed. Your feedback is invaluable to us, and we are committed to ensuring that we all achieve our objectives effectively and efficiently.

Please feel free to contact us with any questions, comments, or to schedule a call to discuss any aspects of the letter or explore potential next steps. We look forward to our continued collaboration on this matter.

Sincerely,

A.Sinigagliese

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