

Submission to CIRO on the Proposed Incorporated Approved Person Compensation Option

CIRO Bulletin 26-0150

Submitted by George Biggar, Independent Financial Advisor

Sponsoring dealer: Aligned Capital Partners Inc.

Insurance business: BigWealth Insurance

This submission is made in my personal capacity and reflects my own views and experience.

Background and perspective

I am an independent financial advisor operating through Aligned Capital Partners Inc. as my sponsoring dealer. My advisory practice serves clients in British Columbia, Alberta, Manitoba, Ontario, and New Brunswick, and I am also licensed to provide life insurance services in Alberta and Ontario.

Before entering the financial services industry in 2008, I gained extensive business operations experience as an Associate Director at Bell Canada, Vice President at SiteCam, and Vice President at Anvil Technologies. I also built a successful technology business from the ground up, serving the homeland security and construction technology sectors. That business served municipal, provincial, and federal government agencies and worked with the largest construction firms in Canada on large hospital projects, power plants and even three PanAm Games stadiums during construction and commissioning. More recently, alongside my advisory practice, I purchased three Liberty Tax franchises.

I transitioned to my financial advisory career at Edward Jones in 2008, where I spent three years, subsequently moved to RBC Dominion Securities for two years, and ultimately found my long-term professional home at Aligned Capital Partners Inc., where I have spent approximately 13 years. This progression has given me first-hand experience across different dealer models, including a major bank-owned investment dealer and the model through which I now operate as an independent advisor.

I am the author of ***Build A Financial Practice That Doesn't Suck - Grow Fast, Stay Sane, and Actually Enjoy the Business You Built*** (2025), and I served on the board, and ultimately as Vice-Chairman of Independent Financial Brokers of Canada (IFB Canada) for several years. I am also a regular weekly contributor to major advisor business coaching panels spanning Canada and the United States.

My perspective is informed by experience as a corporate executive, entrepreneur, franchise owner, and independent advisor. I have worked through many business crises and experienced my fair share of both difficulty and prosperity in my 56 years. This submission reflects my own experience of building a business and the practical effects of restrictions on incorporating my securities advisory practice.

Support for incorporation and harmonization

I support CISO's proposed Incorporated Approved Person compensation option and the objective of harmonizing the options available to investment dealer and mutual fund dealer advisors.

For an independent advisor, incorporation is more than a mechanism for receiving compensation. It provides a structure through which to organize a business, invest in its development, provide benefits, fund retirement, and prepare for succession.

I regularly help incorporated business-owner clients evaluate these possibilities. Yet I cannot consider the same range of structures for my own securities advisory practice. I am seeking the opportunity to use an appropriate corporate structure under applicable law, while retaining my professional accountability and my dealer's supervisory obligations.

My experience across dealer models also informs my support for preserving dealer choice. Firms should retain the ability to determine whether incorporated arrangements fit their business and supervisory models. Where a dealer offers the option, independent advisors should have a practical opportunity to use it.

Retirement planning and family succession

At 56, retirement and succession planning are increasingly concrete considerations for me. I want the years I have invested in building my practice to support my eventual retirement and create an opportunity for the next generation of my family to carry the business forward.

The legacy I hope to leave includes a sustainable practice, enduring client relationships, and opportunities for family members to contribute, assume responsibility, and grow the business in their own rights.

My plans include bringing my daughter-in-law, a 31-year-old licensed insurance professional, and my youngest daughter, who is still in school, into the practice in appropriate capacities. Over time, subject to their interests, qualifications, and the necessary approvals, I would like to explore transitioning ownership of the practice to them.

Incorporation could help me coordinate employment, retirement funding, ownership, and succession. Receiving a salary from my own corporation could support the establishment of an appropriate corporate-sponsored Personal Pension Plan (PPP), based on qualifying employment earnings and subject to applicable pension and tax requirements. Family members genuinely employed in the business could also be considered for appropriate retirement benefits where eligible.

An appropriate pension arrangement could broaden the planning options available when coordinating retirement with the eventual sale or transition of my practice. The results would depend on pension eligibility, actuarial requirements, tax legislation, and the transaction itself.

This is the kind of long-term planning I help incorporated business-owner clients evaluate: using legitimate structures to support retirement, develop the next generation, and create a lasting business legacy. Restrictions on incorporating my securities advisory practice prevent me from considering a comparable approach for my own business.

A workable framework should accommodate advisor teams, appropriate ownership participation, and practical governance arrangements while preserving effective control over securities-related activities by appropriately approved advisors. Incorporation could also broaden the transaction structures available for succession, including a potential qualifying share sale where all statutory requirements are met.

These possibilities are particularly valuable while I remain actively involved and able to mentor potential successors. My objective is to prepare for retirement alongside the continued development of the practice and continuity of service for clients.

My concerns also have a broader industry context. Investment Executive's 2025 Report Card research reported an average age of 51 among surveyed brokerage advisors. While this is survey evidence rather than a census of all licensed advisors, it reinforces the relevance of retirement and succession planning to the profession. A workable incorporation framework could help established advisors prepare successors and support continuity of service for clients over the years ahead.

Canadian Advisor Age Profile Average age of surveyed advisors · 2025	
ADVISOR CHANNEL	AVERAGE AGE
Brokerage advisors	51.0 years
Dealer advisors	52.8 years
Retail bank advisors	42.4 years
All surveyed channels combined	49.8 years

Source: Investment Executive, 2025 Report Card Series, "The average advisor."
Survey respondents; not a census of all licensed Canadian advisors.
Combined figure is the reported overall survey average.

Reinvestment and the timing of growth

Growing an advisory practice requires spending well before the resulting revenue fully develops. I bear the expense of expanding the business upfront, while the return on that investment may emerge over several years.

Significant growth expenditures in 2024, for example, may help produce substantial revenue growth in 2026. Those years are economically connected: the later revenue reflects the investment and risk undertaken earlier. Yet annual taxable income can fluctuate considerably across that growth cycle, affecting both my personal tax burden and the funds available for further investment.

Revenue earned in a strong year is not necessarily available for personal consumption. It may be needed to replenish reserves depleted during expansion, support ongoing commitments, or fund the next investment in staff and client service.

I recognize that existing expense deductions, capital cost allowance, and loss carryover rules can provide relief where applicable. My concern is broader: the restriction on managing this growth cycle through a corporate structure, including retaining eligible business earnings to finance future development, subject to applicable tax rules.

Technology, cybersecurity, staff development, and client service systems all require continuing investment. Greater flexibility in accumulating and deploying business capital would help me plan these commitments over a longer horizon and support the sustainable growth of my practice.

Access to financing for growth

Expanding my practice requires access to capital before the resulting revenues fully develop. Under my current structure, arranging financing for business growth is closely intertwined with my personal borrowing capacity and financial affairs. This makes it more difficult to establish a distinct financing structure for the practice and can constrain the resources available for expansion.

An incorporated practice could provide a clearer framework for borrowing, accepting permitted ownership investment, and servicing business financing from business revenues. It would not guarantee access to credit or eliminate personal guarantees, but it would give me another legitimate structure through which to pursue funding.

My concern is practical: I need to finance the development of a business whose returns may take years to materialize. Greater flexibility in structuring that financing would help me invest in the practice while managing my personal finances and retirement planning.

Health and employee benefits

Business structure also affects how an owner establishes and funds health and dental benefits for themselves and their employees.

Qualifying corporate health benefit arrangements can offer flexibility that differs from the options available to an unincorporated business. CRA, for example, distinguishes incorporated businesses from sole proprietors without arm's-length employees when assessing certain health spending arrangements.

The availability and treatment of benefits should remain subject to applicable tax rules and employment circumstances. My concern is the restriction on choosing a business structure through which to evaluate and provide appropriate benefits as part of operating a sustainable practice.

Business travel and vehicle expenses

Travelling to meet clients is a practical part of operating my advisory business. As a self-employed individual, I generally claim eligible actual vehicle expenses according to the proportion of business use, subject to applicable deduction limits.

An incorporated practice could offer another approach: paying a reasonable allowance for documented business kilometres travelled in my personally owned vehicle while performing duties as an employee of the corporation. This would remain subject to CRA's requirements and would not necessarily produce a greater deduction in every circumstance.

My concern is the inability to choose between legitimate approaches available under different business structures. Incorporation would allow me to evaluate which arrangement best fits my practice, while maintaining proper records and complying with the applicable tax rules.

Coordinating investment and insurance services

My life insurance licences in Alberta and Ontario illustrate another practical consideration. Clients' financial needs frequently involve both investment advice and insurance planning.

Allowing appropriately licensed services to be delivered through one advisor-owned corporation could support a more coordinated business structure. Such an arrangement would need to comply with the requirements governing each activity, receive the necessary dealer approval, and clearly communicate to clients the capacity in which each service is provided.

I support a framework that permits complementary financial services while addressing conflicts of interest and maintaining clear regulatory responsibilities. Oversight should reflect the risks involved and the responsibilities of the regulator governing each activity.

Ordinary business risks and regulatory accountability

I understand why regulators would want to ensure that incorporation cannot be used to evade compliance obligations or accountability for advice provided to clients. I strongly support maintaining individual advisor accountability, dealer supervision, and effective regulatory access to the corporation and its records.

I consider myself extremely fortunate to work with a dealer that treats regulatory compliance as a matter of the utmost importance and reinforces that commitment through rigorous supervision and firm enforcement of its compliance requirements. I value that discipline as an essential part of protecting clients and maintaining trust in our profession.

My support for incorporation is grounded in that same commitment. I would expect an incorporated practice to remain subject to rigorous dealer oversight, with clear individual accountability and full cooperation with regulatory requirements.

At the same time, an independent advisory practice faces ordinary business risks beyond its securities-related activities. These can include commercial lease disputes, contractual obligations, claims arising from an accident at business premises, human resources issues, and the many other challenges an operating business might face. The framework should distinguish these risks from the professional and regulatory obligations attached to providing investment advice.

My experience has made this distinction particularly tangible. In November 2019, I purchased three Liberty Tax franchises, with 21 staff and three property leases, only a few months before the COVID-19 lockdowns began. That experience reinforced how quickly circumstances outside an owner's control can place pressure on a business and its obligations.

Advisors who operate businesses should have access to the ordinary protections of an appropriate corporate structure, subject to the same legal exceptions and obligations that apply to other business owners. Incorporation does not eliminate every source of personal liability, nor should it excuse misconduct. It can, however, provide a legitimate means of separating certain business liabilities or risks from an owner's personal affairs.

I encourage CRO and the relevant securities authorities to preserve accountability for securities-related conduct while avoiding unnecessarily broad requirements that would undermine ordinary corporate protections for unrelated business liabilities.

Professional responsibility and business structure

Other regulated professionals, including physicians and lawyers, are permitted to practise through authorized corporate structures while remaining subject to professional standards and regulatory oversight. Their experience demonstrates that incorporation and rigorous professional accountability can coexist.

As an advisor, I am entrusted with helping Canadians protect their financial futures. I take that responsibility seriously. I believe it is reasonable to allow me to plan for the financial future of my own practice and family through an appropriate corporate structure, while continuing to meet the obligations that protect my clients.

Requested outcome

I encourage CIRO and the Canadian Securities Administrators to advance a workable incorporated advisor framework without unnecessary delay. The framework should accommodate legitimate business investment, pension and benefit planning, complementary licensed financial services, and practical ownership and succession arrangements.

For a practice serving clients in several provinces, coordinated implementation is particularly important. Clear requirements and an efficient approval process would help advisors and dealers adopt the framework with greater certainty.

Dealers that are ready should be permitted to adopt it once the necessary regulatory and legislative conditions are satisfied, while existing arrangements receive a reasonable transition period.

For me, timing matters. At 56, I need a meaningful planning horizon to establish appropriate retirement arrangements, mentor potential successors, and prepare the business for an orderly transition. These steps take years.

I do not believe my circumstances are unique among the many thousands of licensed advisors across Canada. Others are also building businesses, investing in client service, preparing for retirement, and developing the next generation of advisors.

My experience illustrates the practical importance of allowing advisors to structure and develop their businesses using tools available to other eligible business owners, subject to applicable law and continuing professional accountability. Providing that opportunity could support more sustainable practices, orderly succession, and continuity of advice for the Canadians who rely on us.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "G. Biggar", written over a horizontal line.

George Biggar

Aligned Capital Partners Inc. / BigWealth Insurance

Appendix A — Responses to Selected Consultation Questions

These responses supplement my personal submission and focus on the questions most relevant to my plans for practice development, family participation, and succession.

A7 — Employing multiple Approved Persons and other qualified financial services advisors

I support allowing an advisor-owned corporation to employ multiple client-facing Approved Persons sponsored by the same Dealer Member, as well as appropriately qualified professionals providing other permitted financial services.

Building a sustainable practice requires the ability to develop a team. It should be possible to bring qualified people into the business, mentor them, and progressively transfer responsibilities while maintaining dealer supervision and clear individual accountability.

My daughter-in-law is a licensed insurance professional, and I would like to explore bringing her into the practice in an appropriate capacity. The ability to employ qualified insurance professionals alongside investment advisors could support coordinated client service and the development of future successors.

Each person should remain within their qualifications and permitted activities. Clients should understand who is providing each service, the capacity in which they are acting, and the applicable regulatory protections.

B3 — Ownership by family members who are not Approved Persons

I support allowing eligible family members who are not themselves client-facing Approved Persons to hold non-voting shares. I also support permitting voting participation where appropriately approved advisors retain ultimate effective control, particularly over securities-related activities.

Family ownership can support a gradual succession process. A family member may initially contribute through administration, operations, or another permitted role before pursuing additional qualifications or assuming greater responsibilities.

Ownership must not confer authority to provide regulated services without the necessary qualifications and approvals. Nor should family relationships exempt anyone from ownership disclosure, suitability requirements, or other applicable safeguards.

My objective is to develop a pathway through which family members can contribute to the business and potentially become successors, while preserving professional accountability throughout that process.

B4 — Shared business operations and ownership by Approved Persons of the same dealer

I support allowing multiple client-facing Approved Persons sponsored by the same Dealer Member to operate through, and own shares in, one corporation.

This would allow an established advisor to bring a successor into the practice, share responsibilities, and transfer ownership progressively. It could also help maintain service when an advisor retires, becomes ill, or is otherwise unavailable.

My answer does not change where the other Approved Persons are family members. The same qualifications, supervision, and accountability should apply to family and non-family participants.

A framework that permits shared ownership would give advisors more practical options for succession while allowing clients to develop relationships with the people who may eventually assume responsibility for their service.

B5 — Business participation and ownership by other qualified financial services professionals

I support permitting appropriately qualified financial services professionals who are not client-facing Approved Persons to conduct permitted activities within the corporation and participate in its ownership.

Non-voting ownership could recognize their contribution to the practice. Voting participation should also be possible where the structure preserves ultimate effective control over securities-related activities by appropriately approved advisors and is acceptable to the sponsoring dealer.

This question is directly relevant to my daughter-in-law's potential involvement as an insurance professional. She could make a meaningful contribution to the business without necessarily holding the same registration as an investment advisor.

My position would be the same for a qualified professional who is not a family member. The important considerations are competence, permitted activities, transparent ownership, appropriate control, and protection of clients.

I would not support an ownership arrangement that allows an unqualified person to direct securities advice or interfere with an advisor's professional obligations.

B6 — The requirement for a sole director

I consider a mandatory sole-director requirement too restrictive.

My experience operating businesses has shown me the value of involving people with complementary skills in governance. A growing practice may benefit from additional directors with experience in operations, finance, or succession planning.

Requiring the advisor to remain the sole director could also make it more difficult to prepare successors for responsibility. Appropriate participation in governance can be part of a deliberate transition while the existing advisor remains actively involved.

The framework should permit additional directors, subject to dealer approval and safeguards that preserve effective advisor control, regulatory access, and accountability for securities-related conduct.

C1 — Implementation period and early adoption

I agree that an implementation period is necessary. Dealers need time to establish agreements, supervisory procedures, approval processes, and training. Advisors also need time to obtain professional advice and establish appropriate structures.

I do not have sufficient information about dealers' operational requirements to recommend a single fixed period for every firm. I support a reasonable transition period informed by those requirements, with clear milestones and coordinated implementation across jurisdictions.

However, a transition period should not require a dealer and advisor who are ready to wait until its conclusion. Early adoption should be permitted once the necessary legislative, regulatory, and operational conditions have been satisfied.

At 56, I need time to establish retirement arrangements, develop potential successors, and prepare the practice for transition. A clear implementation timetable would allow me - and other advisors in comparable circumstance - to begin making those decisions with greater confidence.