

October 21, 2026

Submitted via E-Mail: memberpolicymailbox@ciro.ca

Member Regulation Policy
Canadian Investment Regulatory Organization
Suite 2600
40 Temperance Street
Toronto, Ontario M5H 0B4

Dear Sirs/Mesdames:

RE: MODERNIZATION OF REQUIREMENTS FOR ACCOUNT TRANSFERS

The Canadian Forum for Financial Markets/Forum Canadien des Marchés Financiers (the “**CFFiM**”) writes in response to the Canadian Investment Regulatory Organization’s proposal to modernize the requirements for account transfers and bulk account movements, republished with amendments on July 23, 2026 (the “**Proposed Amendments**”).

The CFFiM acknowledges the enhancements made to CIRO’s proposal as reflected in the CFFiM’s initial recommendations with the result that the Proposed Amendments effectively:

- Delineate each step in the account transfer process along with the corresponding responsibilities for receiving and delivering dealers;
- Set outside deadlines for each step in the transfer process while including best effort obligations to ensure that each step is completed as soon as practicably possible;
- Emphasize the importance of identifying transfer impediments at the outset and obtaining client instructions on their resolution before proceeding with a full or partial account transfer;
- Ensure that clients make informed decisions throughout the account transfer process by providing clients with information on their options to resolve an impediment, within reasonable bounds, including the potential impacts of each option on the client; and
- Expand access to transfer facilities while mandating electronic communications between receiving and delivering dealers where a recognized facility is available.

The CFFiM continues to support CIRO’s Proposed Amendments, which have potential to eliminate unnecessary delays and avoid negative client outcomes in account transfers between CIRO dealer-members. We encourage CIRO to continue working with other affected regulatory authorities to address impediments that extend beyond its jurisdiction.

THE NEED FOR DATA

Currently, the exact scope of the account transfer problem and its causes remain unknown.

CIRO's white paper, *Enhancing Timely and Efficient Account Transfers in Canada*, provides empirical information concerning account-transfer practices and delays. CIRO reported more than 500 account-transfer complaints and inquiries in 2024, with more received during the first six months of 2025 than throughout 2024, and a more than fivefold increase in complaints since 2015. Fundserv data indicates that 86% of transfers in 2023 and 91% in 2024 were processed manually. ATON data shows a median transfer-in time of 7.9 days and a 90th-percentile completion time of 15.4 days, increasing to 17.2 days for transfers involving non-CIRO members. CIRO also cites OBSI investment-firm account-transfer complaints, which increased from 12 in 2016 to 45 in 2023 before declining to 37 in 2024. These findings highlight operational inefficiencies and instances of delay. However, in the absence of corresponding data on total transfer volumes, the incidence and causes of unreasonable delays, and resulting investor harm, CIRO's data does not establish the magnitude of the account transfer problem.

Similarly, CIRO's July 2025 white paper identifies a range of operational impediments to efficient account transfers, including: continued reliance on manual documentation, fax transmissions, signatures and cheques; incompatible technologies and fragmented transfer systems; products; incomplete or inaccurate documentation; delays in issuer re-registration; inadequate access to centralized contact information and escalation procedures; inconsistent requirements across regulated entities; and operational constraints arising from staffing shortages, processing backlogs and differing incentives to prioritize incoming over outgoing transfers. These findings identify practical impediments within the existing account-transfer infrastructure. However, identifying potential sources of delay does not establish their relative frequency, their contribution to overall transfer times, or the extent to which the proposed regulatory amendments would address them.

CIRO acknowledges that the available account-transfer data is fragmented and incomplete, limiting CIRO's ability to undertake a comprehensive assessment of transfer volumes, processing times and operational inefficiencies. The result is a lack of data on the proportion of account transfers experiencing unreasonable delays, the relative contribution of each identified impediment to those delays, the extent of non-compliance with existing regulatory requirements, and the financial harm suffered by investors within CIRO's membership.

NEED FOR AN IMPACT ASSESSMENT

CIRO's impact analysis anticipates minor positive near-term effects for clients and minor negative near-term effects for dealers, with more favourable outcomes expected over the longer term. A framework is needed to determine whether the Proposed Amendments actually improve account-transfer efficiency and reduce unreasonable delays moving forward.

The CFFiM recommends that CIRO measure annual transfer volumes, average and median completion times, along with changes in the frequency and causes of unreasonable delays, distinguishing dealer-controlled processes from client instructions, product restrictions and third-party activities. This should be accomplished through minimal additional administrative requirements for dealers.

CIRO should publicly report on the results of its assessment 12 and 24 months following implementation, comparing outcomes against established baseline measures. Results should be broken down by dealer category, transfer type and complexity, distinguishing delays within dealers' control from those attributable to clients, product issuers or other third parties. The assessment should evaluate both compliance with prescribed procedural requirements and actual end-to-end transfer outcomes.

Further data will inform an effective and proportionate regulatory response.

Respectfully submitted,

Canadian Forum for Financial Markets

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cc.

Market Oversight

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