VIA EMAIL: memberpolicymailbox@ciro.ca

November 5, 2026

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

Re: Request for Comment, Rules Bulletin 26-0150 Rule amendments relating to the proposed adoption of an Incorporated Approved Person compensation option

Aviso Financial Inc. ("Aviso") a dually registered dealer would like to thank the Canadian Investment Regulatory Organization ("CIRO") for its leadership in this initiative and for the opportunity to comment on the Proposed adoption of an Incorporated Approved Person compensation option published July 9, 2026.

Aviso strongly supports the proposal and commends CIRO for advancing this important step toward a more modern, flexible and harmonized regulatory framework. We believe the proposed amendments represent a meaningful improvement for Canada's wealth management industry, providing greater consistency across registration categories while preserving the regulatory accountability and investor protection standards that are fundamental to the advisory relationship.

As an organization supporting an investment dealer, a mutual fund dealer, and credit union distribution channels, Aviso recognizes the importance of providing advisors and Dealer Members with flexibility to structure their businesses to support clients, long-term business objectives and the communities they serve.

We believe the proposal will bring several important benefits:

- Greater consistency and fairness across mutual fund and investment dealer registration categories.
- Advisor flexibility, business development, recruitment, retention and succession planning.
- Improved access to coordinated financial advice and complementary services.
- Regulatory efficiency through a harmonized framework with appropriate oversight.
- Recognition of diverse independent and institutional distribution models.

We submit our specific comments for your consideration below. We believe this is an important initiative and would be happy to answer any questions you may have.

Sincerely,

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Specific Request for Feedback

The following are our comments on some of the specific topics outlined in the Consultation Questions:

Question A1
Should the proposals restrict the financial services that may be offered from within an advisor-owned corporation to the above detailed financial services? Please also provide your response rationale.

Aviso supports a flexible principles-based approach. A prescribed list may not reflect the range of complementary services currently provided to clients, accommodate different dealer and credit union business models, or adapt to future changes in regulation, licensing and client needs. It could also require advisors to maintain multiple entities or contractual arrangements, creating unnecessary complexity, cost and potential client confusion. CIRO should consider a principles-based approach that permits other lawful financial services where the Approved Person is appropriately qualified and licensed, the activity is disclosed to and approved by the sponsoring Dealer Member, conflicts of interest are identified and addressed in the client's best interests, and appropriate supervision and complaint-handling arrangements are in place. This approach would protect clients without unnecessarily limiting access to integrated financial services or disrupting established business structures.

Question A2
Please detail any impact of prohibiting the client-facing Approved Person from providing services other than those detailed above within their corporation on existing activities or legal structures currently used by dealing representatives.

The incorporation framework should accommodate established advisory business structures wherever possible. Advisors may already provide complementary services through integrated practices with shared staff, infrastructure and operations. An unnecessarily restrictive framework could force additional entities or contractual changes without corresponding investor protection benefits. Aviso encourages flexibility and appropriate transitional accommodations

Question A3
What types of financial services other than those listed above should be permitted to be conducted within a corporation by its client-facing Approved Person owner?

Aviso believes advisor-owned corporations should be permitted to provide complementary financial services where the individual is properly qualified and licensed. These could include:

- insurance and annuity services;
- financial, retirement, and estate planning;

- tax planning and related advisory services; and
- group benefits and pension-related services;

This flexibility is important because Aviso provides investment, mutual fund, insurance, independent advisor, and credit union services. Limiting advisor-owned corporations to a prescribed list of services could disrupt existing arrangements, make it harder to provide clients with coordinated services, and add unnecessary complexity.

Question A5
What level of supervision or oversight over the other financial services related activities conducted by the client-facing Approved Person within their corporation should be performed by the sponsoring Dealer Member?

Aviso would be required to supervise each Incorporated Approved Person in the same manner as an employee. Aviso is responsible for ensuring that both the Approved Person and the Incorporated Approved Person comply with applicable laws and CIRO requirements. Aviso will maintain adequate systems and controls to approve, monitor and supervise the activities of Incorporated Approved Persons and to identify and prevent unpermitted outside activities.

Question A6
Are there conflicts of interest that can arise by allowing the client-facing Approved Person to conduct other regulated financial services within their corporation? If there are conflicts, can they be managed in the best interests of their clients?

Aviso recognizes that allowing an Approved Person to conduct other regulated financial services within the same corporation may create conflicts of interest. These may include incentives to recommend products or services that generate higher compensation, favour a proprietary product, or direct clients to services offered by the corporation without adequately considering available alternatives. Conflicts may also arise where different regulatory bodies impose different standards of conduct, disclosure, recordkeeping or complaint handling requirements.

Aviso believes these conflicts can generally be managed in clients' best interests through clear Dealer Member controls. Clients should receive clear disclosure regarding the capacity in which the Approved Person is acting, the entity providing the service, how the individual and corporation are compensated, and the complaint handling process that applies. Where a material conflict cannot be addressed in the client's best interests, the activity or transaction should be avoided.

Question A7
Should the proposals be revised to permit an advisor-owned corporation to employ:
a. multiple client-facing Approved Persons sponsored by the same Dealer Member?
b. one of more qualified individual financial services advisors to provide other financial services to clients?

Aviso supports revising the proposal to permit an advisor-owned corporation to employ both multiple client-facing Approved Persons sponsored by the same Dealer Member and one or more qualified individual financial services advisors who provide other financial services to clients. This flexibility would better reflect Aviso's integrated business model, including arrangements in which advisors share staff, clients, infrastructure, succession planning responsibilities, and would support more coordinated service for clients. It would also avoid requiring separate corporations or contractual structures where individuals are working within the same supervised practice.

Question A8
If the proposals are revised to permit an advisor-owned corporation to employ one of more qualified individual financial services advisors to provide other financial services to clients, are there any conflicts, or risks to clients arising from employees being subject to different statutory duty of care standards within the advisor-owned corporation?

Different regulated activities may involve different legal and regulatory standards, but this should not by itself preclude a common corporation. Each individual should remain subject to the standards applicable to their activity, with clear client disclosure regarding service provider, capacity and regulator.

Question B1
Should a corporation or family trust be allowed to hold shares of the corporation, if the shareholders/beneficiaries are the client-facing Approved Person or their family members? Should the family trust or holding corporation be allowed to hold only non-voting shares or also voting shares, and if voting shares, to hold sufficient voting shares to control the corporation?

Aviso supports non-voting ownership by family trusts and holding corporations where shareholders or beneficiaries are the Approved Person or eligible family members. This accommodates legitimate tax, estate, succession and business-planning while maintaining clear regulatory oversight.

Voting control should generally rest with client-facing Approved Person or eligible Approved Persons in an approved multi-advisor corporation.

Question B2
Is the proposed use of the "related person" definition to determine those family members that are allowed to hold non-voting shares of the corporation too restrictive or not restrictive enough? Please provide your rationale.

The use of the Income Tax Act "related person" definition to determine eligible family shareholders is appropriate and practical.

Question B3
Should "related persons" of the client-facing Approved Person, who are not themselves a client-facing Approved Person of the same sponsoring Dealer Member, be allowed to own shares in the corporation? Should they be allowed to hold only non-voting shares or also voting shares, and if voting shares, to hold sufficient voting shares to control the corporation?

Yes, related persons of the client-facing Approved Person should be allowed to own shares in the corporation to help facilitate and expedite any estate planning needs of the Approved Person and their family.

Question B4
Should other client-facing Approved Persons, sponsored by the same Dealer Member, be allowed to do business through, and own shares in the same corporation? Does your answer change if the other client-facing Approved Persons are "related person" family members operating within the corporation?

Aviso would support allowing another client-facing Approved Person, sponsored by the same Dealer Member, to do business through, and own shares in the same corporation. The caveat would be that there needs to be a solid business reason for such an arrangement such as an Approved-Person partnership, or team. If the other Approved Person (sponsored by the same Dealer Member) is also a related person, this would also be acceptable with the caveat that it makes business sense have such an arrangement.

Question B5
Should individuals who qualify as a "qualified individual financial services advisor" (as defined within the proposals), who are not themselves a client-facing Approved Person, be allowed to conduct business within and own shares in the same corporation? Should they be allowed to hold only non-voting shares or also voting shares, and if voting shares, to hold sufficient voting shares to control the corporation? Does your answer change if the "qualified individual financial services advisors" are "related persons" of the client-facing Approved Person operating within the corporation?

It is not our aim to overly complicate things, and we would prefer simplicity in the ownership structure of the corporation. However, Aviso would be supportive in certain circumstances that the qualified individual financial services advisor be allowed to conduct business within and own shares in the same corporation. Those circumstances could include if the qualified individual financial services advisor and the Approved Person operating in the same corporation are related persons. In this circumstance we believe it would be best that the shares be non-voting, thus the Approved Person of the Dealer Member maintains control of the corporation.

Question B6.

Is the proposed requirement that the client-facing Approved Person must be the sole director of the corporation too restrictive? Please provide your rationale.

Yes. Aviso believes the proposed requirement that the client-facing Approved Person be the sole director of the corporation is too restrictive. It may prevent legitimate governance, succession and business-continuity arrangements, particularly where multiple Approved Persons sponsored by the same Dealer Member operate through the corporation or where another director has relevant financial, legal or operational expertise. Aviso supports permitting additional directors, provided the client-facing Approved Person remains actively involved in the corporation's management and accountable for its regulated activities.

Question C1
Do you agree there is a need for an implementation period for these proposals and, if so, what do you think would be an appropriate implementation period and why?

Aviso agrees that an implementation period is necessary and recommends a period of 12 to 18 months after the final rules, and implementation guidance are published. This timeframe would allow Aviso to assess whether and how to offer the Incorporated Approved Person option across its integrated investment, mutual fund, independent-advisor and credit union channels; obtain legal and tax advice; develop and execute appropriate agreements; and update compensation, registration, accounting, recordkeeping and supervisory systems. It would also provide sufficient time to revise policies, procedures, controls, client disclosures and complaint handling processes. A 12- to 18-month period would support an orderly, well-controlled implementation.

Question C2
Please describe any issues for mutual fund dealing representatives that currently direct commissions to their corporations to transition to the proposed incorporated advisor compensation option. What would be a reasonable transition period to address those issues?

We would suggest a transition period of at least 18 months to ensure that these corporations are able to go through a full tax season, and the Approved Persons are able to make necessary changes if and when needed. This will also allow Aviso and other Dealer Member firms to manage this change and to ensure that all corporations are set up in accordance with the regulations and that they are all supervised according to the rules.

Additional Topics for Consideration

Recognizing Integrated Wealth Management and Credit Union Distribution Models

Aviso particularly welcomes CIRO's recognition of the importance of flexibility in advisor compensation and business structures. Canada's wealth management industry operates through a variety of distribution models, including independent advisory practices, financial institutions and credit unions. Each plays an important role in providing Canadians with access to regulated investment advice. Credit unions provide investment and wealth management services to members across Canada, including individuals and families in smaller and underserved communities. These arrangements may involve advisors employed by credit union partners, integrated financial services, shared infrastructure, with the registered Dealer Member maintaining its applicable regulatory responsibilities.

We believe the proposed framework presents an opportunity to recognize and accommodate these established models as part of CIRO's broader harmonization efforts. Aviso encourages CIRO to ensure that the introduction of the Incorporated Approved Person option preserves existing permissible employment, distribution and compensation arrangements, including those operating under regulatory exemptions or relief previously granted by securities regulators or CIRO.

We would welcome express clarification that the new framework provides an additional compensation option rather than requiring changes to otherwise permissible institutional arrangements that are not traditional advisor-directed commission structures.

We also encourage CIRO to consider ongoing credit union mergers, amalgamations, and reorganizations. Where underlying distribution arrangements, regulatory responsibilities and investor protections remain substantially unchanged, a practical process for continuing or amending existing relief would support operational continuity and regulatory

efficiency.

Aviso recommends that CIRO provide additional guidance around the requirement for a try-party agreement which considers the need to provide latitude for difference situations. Aviso has a unique relationship with our credit unions partners where client-facing Approved Persons are dually employed with the Dealer Member and the credit union. Greater clarity around who will need to be a party to the tripartite agreement for Dealer Members with differing circumstances is required.

The proposal is expanding the scope of complaints to include both “employees” & “Approved Persons” which includes “incorporated Approved Persons”. Aviso anticipates this will lead to an increase in complaints of misrepresentations related to client confusion about the legal relationship between the Dealer Member, the client-facing Approved Person and the Incorporated Approved Person. Aviso recommends CIRO provide guidance on clear and consistent client disclosures required to mitigate this risk.

The proposal is expanding the scope of prohibited personal financial dealings to include certain practices that may be engaged in by individuals that are employees and shareholders of an “Incorporated Approved Person”.