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Edward Jones®

November 6, 2026

Via Email

Member Regulation Policy
Canadian Investment Regulatory Organization (CIRO)
40 Temperance Street, Suite 2600
Toronto, Ontario M5H 0B4
email: memberpolicymailbox@ciro.ca

Market Oversight
Alberta Securities Commission
250-5th Street SW, Suite 600
Calgary, Alberta T2P 0R4
email: CIRO-Reporting@asc.ca

Trading and Markets
Ontario Securities Commission
20 Queen Street West. 22nd Floor
Toronto, Ontario M5H 3S8
e-mail: TradingandMarkets@osc.ca

Dear Sirs/Mesdames:

Re: CIRO Rules Bulletin 26-0150 - *Proposed Rule Amendments Relating to the Adoption of an Incorporated Approved Person Compensation Option*

We are writing to provide comments regarding CIRO's proposed rule amendments to introduce an Incorporated Approved Person option. We appreciate the opportunity to provide our views on this important initiative.

Edward Jones is a full-service investment dealer with more than 870 financial advisors across Canada, managing more than $80 billion of assets under care. For over thirty years, Edward Jones has stood firmly on the side of individual investors, helping them achieve their long-term financial goals through personalized advice and solutions tailored to their needs.

Edward Jones fully supports the objectives of CIRO's proposal. We believe that the proposed framework can contribute to a stronger financial advice profession, improve access to advice and provide advisors with greater flexibility to structure their businesses.

However, to fully realize these benefits, we encourage CIRO to reconsider the proposed restrictions that would limit an advisor corporation to a single Approved Person. In our view, accommodating advisor teams is essential to realizing the broader objectives of the proposal. As outlined below, teams are critical to facilitating succession planning, attracting new advisors to the profession and improving the quality and continuity of advice provided to clients.

Accommodating Advisor Teams

Advisor teams are an established and increasingly important feature of the wealth management industry. By bringing together advisors with complementary skills and experience, teams can deliver several important client benefits:

- **Succession planning and continuity of client relationships.** One of the most important advantages of team-based practices is their ability to facilitate an orderly transition when an advisor retires. Clients can develop relationships with other advisors on the team over several years, allowing responsibility for their accounts and financial plans to transition gradually rather than through an abrupt handoff. Shared corporate ownership would further support this process by allowing younger advisors to progressively acquire equity in an established practice. This promotes continuity of advice and helps preserve the trusted client relationships that have developed over time.

- **Specialization and comprehensive advice.** Clients increasingly require advice extending beyond investment selection to encompass financial planning, retirement income strategies, estate planning and other aspects of their financial circumstances. Team-based practices allow Approved Persons with complementary expertise to collaborate in meeting these needs. Rather than expecting each advisor to possess the same depth of expertise across every discipline, teams can draw on individuals with specialized knowledge, improving the quality and breadth of advice available to clients.

- **Attracting and developing new advisors.** Team-based practices provide an important entry point for individuals joining the financial advice profession. Younger advisors can benefit from the mentorship, experience and established infrastructure of senior colleagues while gradually building their own client relationships. The opportunity to acquire an ownership interest in an established practice can also create a meaningful career path and incentive to remain in the profession. Permitting shared corporate ownership would therefore support CIRO's objective of making it more attractive and financially viable for individuals to enter and remain in the industry.

CIRO has recognized the importance of team-based practices in its consultation, including their contribution to continuity of client service and the role of shared ownership in facilitating succession. We believe these considerations strongly support a more flexible approach.

Importantly, permitting multiple Approved Persons to operate through a common corporation need not diminish investor protection. Each advisor would remain individually subject to applicable registration and conduct requirements, and the sponsoring Dealer Member would retain responsibility for supervision of the activities conducted on its behalf. Appropriate contractual arrangements and regulatory safeguards could address any additional considerations arising from shared ownership.

We therefore recommend that CIRO revise the proposal to permit multiple Approved Persons sponsored by the same Dealer Member to conduct business through, and hold voting and non-voting ownership interests in, a common corporation.

Tax Certainty

We also encourage CIRO to continue engaging with CRA and industry stakeholders to facilitate greater clarity regarding the tax treatment of incorporated advisor arrangements. While recognizing that tax treatment ultimately falls within the CRA's jurisdiction, we believe uncertainty in this area may discourage adoption of the proposed model and undermine its intended benefits.

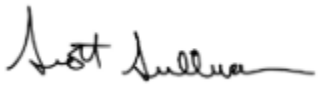
Implementation Period

We support the 12- to 18-month implementation period contemplated by CIRO and a single, common effective date for the proposed framework, so that all dealers can begin offering the incorporation option at the same time. A coordinated approach would provide dealers with sufficient time to make the necessary operational and compliance changes, while giving advisors and clients greater certainty about the transition to the new model. It would also help avoid regulatory arbitrage and the potential for client disruption arising from staggered implementation. In particular, staggered implementation could result in clients being asked to enter new account arrangements or make changes to their advisory relationships because of differences in implementation timing rather than their own needs. A common effective date would help ensure that decisions about incorporation and advisory structures are made in clients' best interests.

Conclusion

We appreciate CIRO's efforts to modernize advisor compensation arrangements. We encourage CIRO to adopt a framework that not only provides greater flexibility for individual advisors, but also supports the continued development of team-based business models that contribute to succession planning, the development of future advisors and better outcomes for Canadian investors.

Yours truly,





Scott Sullivan
Principal, Canada Business Segment

James (JP) Perry
Principal, Canada Wealth & Field Management

cc: David Gunn, UDP