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**Rules Bulletin > Request for Comments**

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## **PROPOSED AMENDMENT OF APPROVED PERSON FEES COMPONENT WITHIN THE ANNUAL FEE OF DEALER MEMBER FEE MODEL**

### ***Executive Summary***

**Comments Due By: November 7, 2025**

The Canadian Investment Regulatory Organization (CIRO) is proposing to amend the [Fee Model](#) related to the Approved Person (AP) Fees Component of the Annual Fee of the Dealer Member Fee Model, revising the rate to \$300 from \$250 per AP of the Dealer Member (the Proposed Fee Amendment). Concurrently, CIRO is proposing to cease collection of its main activity-based registration-related submission fees collected through the National Registration Database<sup>1</sup> (CIRO NRD fees). CIRO will also end its cost recovery arrangements with certain provincial securities regulatory authorities. The following materials are provided for comment:

- (1) Bulletin describing the proposal and the work performed
- (2) Integrated Fee Model – blacklined (**Appendix A**) and clean (**Appendix B**)
- (3) Frequently Asked Questions (FAQs) to further explain the details included in the proposed amendment (**Appendix C**)

**CIRO is proposing that the amendment be effective on April 1, 2026.**

### ***Expanded CIRO Registration Activities***

On April 1, July 1, and October 1, 2025 CIRO was delegated and assigned additional registration functions for investment dealers (ID), mutual fund dealers (MFD), and the

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<sup>1</sup> National Registration Database (NRD) is an online system that allows Dealer Members and advisors to complete registration forms electronically.

individuals who act on their behalf. It is anticipated that by Spring 2026, additional delegation for investment and mutual fund dealers and the individuals they regulate will be granted in the remaining jurisdiction.

The new registration functions delegated and assigned to CIRO by the provincial securities regulatory authorities are as follows:

A. Additional ID Registration Functions (by Jurisdiction)

Firms	Individuals
<ul style="list-style-type: none"> <li>• Ontario</li> <li>• Québec</li> <li>• Nova Scotia</li> <li>• Prince Edward Island</li> <li>• Northwest Territories</li> <li>• Nunavut</li> <li>• Yukon</li> <li>• Manitoba</li> </ul>	<ul style="list-style-type: none"> <li>• Nova Scotia</li> <li>• Prince Edward Island</li> <li>• Northwest Territories</li> <li>• Nunavut</li> <li>• Yukon</li> <li>• Manitoba</li> </ul>

B. Additional MFD Registration (by Jurisdiction)

Firms	Individuals
<ul style="list-style-type: none"> <li>• Alberta</li> <li>• Manitoba</li> <li>• New Brunswick</li> <li>• Newfoundland and Labrador</li> <li>• Northwest Territories</li> <li>• Nova Scotia</li> <li>• Nunavut</li> <li>• Ontario</li> <li>• Prince Edward Island</li> <li>• Québec</li> <li>• Saskatchewan</li> <li>• Yukon</li> <li>• British Columbia (subject to approval)</li> </ul>	<ul style="list-style-type: none"> <li>• Alberta</li> <li>• Manitoba</li> <li>• New Brunswick</li> <li>• Newfoundland and Labrador</li> <li>• Northwest Territories</li> <li>• Nova Scotia</li> <li>• Nunavut</li> <li>• Ontario</li> <li>• Prince Edward Island</li> <li>• Québec</li> <li>• Saskatchewan</li> <li>• Yukon</li> <li>• British Columbia (subject to approval)</li> </ul>

**Proposed Cost Recovery Model**

In compliance with Canadian Securities Administrators (CSA) Recognition Orders and the CIRO's Guiding Principles (discussed below), CIRO must ensure full cost recovery. Currently,

CIRO has been recovering certain registration costs through activity-based submission fees from the NRD and cost recovery arrangements relating to ID registration activities with certain provincial securities regulatory authorities. With this Proposed Fee Amendment, CIRO will cease collecting CIRO NRD fees<sup>2</sup> and end its cost recovery arrangements with certain provincial securities regulatory authorities and instead adopt a harmonized and simplified approach that recovers all costs by way of the Annual Dealer Member Fee.

The proposal would amend only the AP Fees Component, increasing the annual AP rate by \$50 a year, from \$250 to \$300. This adjustment is intended to recover the incremental costs associated with expanded registration responsibilities, replaces the existing CIRO NRD fees and cost recovery arrangements with certain provincial securities regulatory authorities, while also meeting the key tenants of CIRO's Guiding Principles.

### ***Guiding Principles***

In the development and evaluation of the proposed fee amendment, CIRO continued to apply the following overarching principles ("Guiding Principles") per CSA Recognition Orders:

- a) **Proportionality** – A Dealer Member should pay fees proportionate to its usage or consumption of regulatory services provided and/or benefits received from being regulated by CIRO.
- b) **Practicality** – Fees should be efficient and easy to administer.
- c) **Consistency** – Rules and principles that determine fees should be consistently applied to all Dealer Members.
- d) **Transparency** – Fees should clearly reflect the application of the Guiding Principles. Dealer Members should be able to recalculate the fee payable based on billing drivers, as noted in an invoice, to information that is verifiable.

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<sup>2</sup> These include CIRO's activity-based fees for the initial registration of individuals, reactivation and reinstatement of individuals, adding jurisdictions or an additional sponsoring firm, changing or surrendering categories, and ending registration or permitted individual status.

CIRO will continue to collect through the NRD:

- Exemption applications fees, including as per the Investment Dealer and Partially Consolidated Rules 2626(3) and 2806(3).
- Late filing fees, including as per the Investment Dealer and Partially Consolidated Rules 2806(2)ii.
- Any other-registration related fees established by the provincial securities regulatory authorities, such as for registrant acquisitions.
- In Québec, NRD fees for MFD members, until full transition of MFD members with Québec-based revenues and dealing representatives.

- e) **Serving the Public Interest** – Fees should not unreasonably inhibit new entrants from joining the industry or prevent smaller Dealer Members from remaining in the industry.
- f) **Sustainability** – CIRO must operate on a cost-recovery basis with consideration to stability of fees for ongoing services without compromising the ability to address new regulatory requirements and future needs.

This Proposed Fee Amendment satisfies the above noted Guiding Principles while also minimizing the impact on Dealer Members upon implementation. Registration responsibilities (and costs) are driven by changes in the number of APs. By increasing the AP Fees Component, this allows for a more appropriate and equitable cost recovery from those members with higher AP count.

The Proposed Fee Amendment was presented to both the CIRO Finance, Audit & Risk Committee and CIRO Board on September 23-24, 2025, where it was approved for publication for comment.

#### ***Engagement with Dealer Members***

In the upcoming weeks, CIRO will be sending communication to materially impacted Dealer Members with information on the directional impact of the Proposed Fee Amendment on their Annual Dealer Member Fee.

#### ***How to Submit Comments***

Comments on the Proposed Fee Amendment should be in writing and delivered by November 7, 2025 (30 days from the publication date of this Bulletin) to:

#### **Membership Services**

Canadian Investment Regulatory Organization  
40 Temperance Street, Suite 2600  
Toronto, Ontario M5H 0B4  
e-mail: [MembershipServices@ciro.ca](mailto:MembershipServices@ciro.ca)

A copy should also be delivered to the CSA:

#### **Trading and Markets**

Ontario Securities Commission  
22nd Floor  
20 Queen Street West Toronto, Ontario M5H 3S8  
e-mail: [MTradingandMarkets@osc.gov.on.ca%20](mailto:MTradingandMarkets@osc.gov.on.ca%20)

and

#### **Capital Markets Regulation**

B.C. Securities Commission  
P.O. Box 10142, Pacific Centre  
701 West Georgia Street, Vancouver, British Columbia, V7Y 1L2  
e-mail: [MCMRdistributionofSROdocuments@bcsc.bc.ca](mailto:MCMRdistributionofSROdocuments@bcsc.bc.ca)

**Commentators should be aware that a copy of their comment letter will be made publicly available on the CIRO website at [www.ciro.ca](http://www.ciro.ca).**

After considering the comments on the Proposed Fee Amendment received in response to this Request for Comments together with any comments of the CSA, CIRO staff may recommend revisions to the Proposed Fee Amendment. If the revisions and comments received are not material in nature, the Board has authorized the President to approve the revisions on CIRO's behalf and the revised Proposed Fee Amendment will be subject to approval by the CSA. If the revisions or comments are material, CIRO staff will submit the revised Proposed Fee Amendment to the Board for approval for republication or implementation, as applicable.

## **BULLETIN**

### ***1. Background and Current State***

CIRO had previously been delegated authority to register firms and individuals who act on behalf of IDs in Alberta, British Columbia, New Brunswick, Newfoundland and Labrador, and Saskatchewan. Ontario and Québec had delegated authority for ID individuals only. CIRO, and one of the predecessor organizations (The Mutual Fund Dealers Association), did not conduct any registration activity for MFD firms or individuals.

On November 20, 2024, [the CSA announced](#) that its members are exploring delegating and assigning certain registration functions and powers to CIRO.

On April 1, 2025, nine CSA jurisdictions delegated to CIRO registration functions for ID and MFD firms and individuals.<sup>3</sup> The Autorité des marchés financiers (AMF) delegated registration functions for ID, MFD and Derivatives Dealers and individuals who act on behalf of MFD on July 1, 2025. On October 1, 2025, the Manitoba Securities Commission assigned to CIRO registration functions for ID and MFD firms and individuals, and the Financial and Consumer Affairs Authority of Saskatchewan assigned to CIRO additional registration function for MFD firms and individuals.

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<sup>3</sup> In Ontario, CIRO was also delegated registration functions for Futures Commission Merchants and associated individuals.

With the additional delegation and assignment of powers taking effect on April 1, 2025, July 1, and October 1, 2025 delegation of registration functions across the country for ID and MFD is largely harmonized.<sup>4</sup>

Prior to the additional delegation and assignment, CIRO recovered the costs of performing registration-related regulatory activities in three ways:

- Activity-based NRD fees;
- Cost recovery arrangement with certain provincial securities regulatory authorities to recover the direct costs relating to previously delegated ID registration activities; and
- Annual Dealer Member Fees.

For the fiscal year ending March 31, 2025, CIRO collected approximately \$1.9 million in NRD fees and recovery from provincial securities regulatory authorities. For FY26, CIRO has undertaken transitory measures to help fund its expanded registration activities (refer to Section 4).

## **2. Cost Recovery**

Starting April 1, 2026, CIRO will cease collecting CIRO NRD fees<sup>5</sup>, as well as cost recovery arrangements with certain provincial securities regulatory authorities. Instead, full costs are proposed to be recovered through the Annual Dealer Member Fee. The additional delegation and assignment results in incremental costs for CIRO, including costs of performing Canadian and international criminal, bankruptcy and insolvency checks, staffing requirements, and related IT support. The incremental costs are mostly driven by the delegated and assigned MFD registration functions as CIRO had not previously performed any of these activities. CIRO estimates annual incremental costs to be approximately \$4.6 million.

In totality, the Annual Dealer Member Fee must recover \$6.5 million (consisting of the incremental costs plus fees previously collected) to offset the additional registration functions delegated and assigned to CIRO.

## **3. Dealer Member Fee Model and Proposed Amendment**

Under the Dealer Member Fee Model, a CIRO Dealer Member pays, among other fees, Annual Fees for each fiscal year. The Annual Dealer Member Fee is the primary method of recovering operating costs from Dealer Members.

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<sup>4</sup> British Columbia is subject to approval as of the date of this bulletin. It is anticipated that CIRO will have full delegation and assignment by Spring 2026.

<sup>5</sup> See footnote 3 for further details.

The Annual Fee for each Dealer Member is determined with reference to the following components:

- a) Revenue Component;
- b) AP Fees Component; and
- c) Minimum Dealer Regulation Fee Component.

To recover the \$6.5 million in the Dealer Member Fee Model, the proposal would amend only the AP Fees Component of the Annual Fee, increasing the annual rate from \$250 to \$300.

Under the CIRO Fee Model, the AP Fee Component of the Annual Dealer Member Fee is calculated by taking the number of APs of the Dealer Member based on the 12-month average of the previous calendar year and multiply by the AP rate (\$300 in the Proposed Fee Amendment). Each AP is only counted once for each Dealer Member, regardless of how many categories or provincial jurisdictions that person is registered in.

#### **4. *Transitional Measures***

##### ***Fiscal Year ending March 31, 2026***

CIRO started to incur incremental costs commensurate with additional delegation activities in FY26. As part of CIRO's FY26 Budget, the Board of Directors approved \$2 million of the reserves to be used to fund the net deficit related to these activities during this transition year. To ensure continuing alignment with CIRO's Guiding Principle, CIRO is required to recover the full costs starting FY27.

##### ***Fiscal Year ending March 31, 2027***

In FY27, we propose to cease collecting CIRO NRD fees.

In Québec, until CIRO begins conducting all oversight activities related to MFDs and the individuals acting on their behalf, and receives approval from the AMF, the applicable CIRO NRD fees will continue to apply, along with the transitional measures in [Section 2.2](#) under the Integrated Fee Model will remain in effect.

In Ontario, we will continue to receive the OSC's NRD fees related to ID and MFD registration activities until March 31, 2027.

#### **5. *Analysis and Work Done***

CIRO conducted a comprehensive analysis of the impact upon Dealer Members under the Proposed Fee Amendment with the Annual Dealer Member Fee. Important considerations of this analysis includes:

- **Registration activities (and costs) are driven by the AP count.** MFD firms have a higher average AP count than ID firms, with MFD firms making up 67% of the total.

Therefore, changes in AP rate have a more significant impact upon MFD firms as they have a higher average AP count. Changes in revenue rate have more significant impact on ID firms as they have larger revenue base.

- **Cost recovery must be aligned with the Guiding Principles.** CIRO operates on a cost recovery basis. Without the Proposed Fee Amendment of the AP rate, the additional fees will flow through the Revenue Component and unfairly allocate a greater proportion of Registration costs to ID firms. We recommend that the review of the Proposed Fee Amendment be guided by whether the methodology meets the Guiding Principles.
- **Proposed fees are estimates based on historical AP data.** The analysis is based on historical data from 2024 which was used for the FY26 annual fee calculation. The analysis should be viewed as an estimation of the isolated impact of the Proposed Fee Amendment only and is not intended to be an indication of FY27 Annual Dealer Member Fees. Only existing Dealer Members are included in the analysis.
- **This analysis assumes full transition of MFD Members with Québec-based revenues and dealing representatives.** Based on CIRO's Integrated Fee Model, Dealer Members do not pay fees associated with their Québec-based MFD activities and dealing representatives until CIRO starts to provide full regulatory services to these Dealer Members and individuals. When CIRO starts to provide such regulatory services and is fully transitioned, the following Québec-based MFD activities are included:
  - MFD Members who are registered only in Québec ("deemed members");
  - The Revenue Component of the Annual Dealer Member Fee calculation includes 100% of Québec-based revenue for MFD Members registered in Québec and other provinces; and
  - The AP Fees Component includes MFD dealing representatives who are only registered in Québec

Until CIRO begins delivering full regulatory services to MFD Members in Québec and obtain the AMF's approval, the transitional measures in [Section 2.2](#) under the Integrated Fee Model will remain in effect.

### **5.1 Overall CIRO Fee Impact**

- **Total CIRO fees to Dealer Members will increase by 5%.** This increase reflects solely the cost recovery for registration delegation, comprising \$6.5 million to be recovered through Annual Dealer Member Fees, net of the \$1.3 million NRD fees that are no

longer collected<sup>6</sup>, totaling to \$5.2 million. This does not include other fee increases we can expect in FY27 (ie: Québec delegation of other regulatory functions, indexing for inflation, etc.)

- The majority of the fee increase will be absorbed by **large MFD firms** that have the highest average AP count.
- **Small ID and MFD firms will not be materially impacted.** Small ID firms that pay the minimum annual fee may see an overall fee reduction, benefiting from removal of NRD fees.
- Below table summarizes total CIRO fee impact by member division and size<sup>7</sup>:

Member Division and Size	Total CIRO Fee Impact	Allocation of Total CIRO Fee Increase	Max Individual Member Impact (\$M and %)
<b>ID</b>			
Small firms	(\$0.1) / (3%)	(1%)	-
Medium-sized firms	\$0.4 / 3%	9%	\$0.1 / 10%
Large firms	\$1.0 / 2%	18%	\$0.3 / 2%
<b>Total ID</b>	<b>\$1.3 / 2%</b>	<b>26%</b>	
<b>MFD</b>			
Small firms	\$0.1 / 9%	1%	<\$0.1 / 12%
Medium-sized firms	\$0.2 / 14%	5%	\$0.1 / 19%
Large firms	\$3.5 / 14%	68%	\$0.6 / 13%
<b>Total MFD</b>	<b>\$3.8 / 14%</b>	<b>74%</b>	
<b>All Members</b>	<b>\$5.2 / 5%</b>	<b>100%</b>	

- Most Dealer Members will not experience a material impact on their total CIRO fees. Below table summarizes CIRO fee impact at member firm level:

<sup>6</sup> \$1.3 million reflects the NRD fees collected by CIRO in FY25. Removal of this reflects the point at which all NRD fees cease to be collected. However, as part of OSC's transitional provisions outlined in Section 4, NRD fees will continue to be collected within the province in FY27.

<sup>7</sup> The criteria for categorization of firms by size is noted below:

Firm Size	Number of firms	ID Members	MFD Members
Small	123	Revenues < \$10 million	AUA < \$1 billion
Medium	106	Revenues >= \$10 million and < \$1 billion	AUA >= \$1 billion and < \$10 billion
Large	27	Revenues >= \$1 billion	AUA >= \$10 billion

Total CIRO Fee Impact	# of Member Firms	% of Member Firms	Max Individual Member Impact (\$M and %)
<\$5,000 or 5%	221	86%	\$0.3 / 1%
\$5,000-\$10,000 or 5%-10%	13	5%	\$0.1 / 10%
>\$10,000 and >10%	22	9%	\$0.6 / 13%

## **5.2 Alternatives Considered**

In determining the methodology for cost recovery of the additional costs associated with the additional registration delegation and assignment, we considered several alternatives:

- **Recovering through NRD fees:** We considered recovering a portion of the additional costs through NRD fees based on activity type. However, this methodology does not align with the Guiding Principles. It would be dependent on harmonizing the NRD activity fee schedule across multiple jurisdictions, resulting in additional costs and an inconsistent cost recovery due to variable activity-based fees depending upon the number of applicable jurisdictions.
- **No change to current Fee Model:** Without any amendments to the existing fee model, the \$6.5 million additional fees will be recovered by increasing the Revenue Rate in the Revenue Component of the Annual Dealer Member Fees. This will result in 88% of the additional fees being borne by ID members. As one of the key considerations mentioned, registration activities are driven by changes in AP base, with no direct relationship with member's revenue. Therefore, it would run counter to the Guiding Principles to recover the additional costs related to registration functions through the Revenue Component and from ID members that have lower average AP count compared to MFD members.
- **Lower AP rate increase:** We also considered a moderate AP rate increase of \$25 (from \$250 to \$275). However, similar to the previous alternative with no change to the AP rate, the majority (64%) of the additional fees will be borne by ID members, which also does not align with the Guiding Principle of proportionality.

## **5.3 Benchmarking**

We compared our Proposed Fee Amendment of the AP Fees Component to those of other comparable regulators with similar principles and methodologies, like the Financial Industry Regulatory Authority (FINRA), the Financial Conduct Authority (FCA), the Australian Securities and Investments Commission (ASIC), the British Columbia Securities Commission (BCSC), the Alberta Securities Commission (ASC), and the Ontario Securities Commission (OSC).

## **6. Alignment with Guiding Principles**

Overall, the Proposed Fee Amendment meets the Guiding Principles:

**a) Proportionality:**

- Registration activities are driven by changes in the AP count. Therefore, it is most proportionate and fair to recover the additional costs through the AP Fee Component of the Annual Dealer Member Fee.
- MFD firms have a higher average AP count than ID firms. MFD members make up 67% and ID members make up 33% of the total AP count. Therefore, it is most proportionate and fair to recover the additional costs from MFD firms that have a higher AP count.

**b) Practicality:**

- Instead of NRD fees, it is most practical to recover the additional costs through the Annual Dealer Member Fee. Recovering through NRD fees will be dependent on harmonizing of NRD activity fee schedule across multiple jurisdictions, and will drive additional costs for CIRO to administer such fees.

**c) Consistency:**

- The Proposed Fee Amendment will have the same AP rate (\$300) for all members.

**d) Transparency:**

- With the set AP rate, Members will be able to recalculate the AP Fees Component of their Annual Dealer Member Fee.

**e) Serving the Public Interest:**

- Small firms with a low AP count will not be materially impacted.

**f) Sustainability:**

- Full cost recovery of the additional costs incurred by CIRO. Recovering through the Annual Dealer Member Fee instead of activity-based NRD fees ensures consistent recovery and aligns with the fixed nature of registration function costs.

## **APPENDICES**

[Appendix A](#) – Integrated Fee Model – blacklined

[Appendix B](#) – Integrated Fee Model – clean

[Appendix C](#) – Frequently Asked Questions (FAQs)