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Guidance on the new CIRO Proficiency Model for Approved Persons of Investment Dealers – Exemptions, Recognition, Transition and Validity Provisions

Executive Summary

On January 1, 2026, Canadian Investment Regulatory Organization (**CIRO**) will implement new rules to establish an assessment centric proficiency model with some mandatory education and training requirements (**proficiency model**).

The purpose of this Guidance Notice is to assist Dealer Members (**dealers**), existing Approved Persons and individuals seeking approval, prepare for the new rules in advance of the implementation date. This guidance will continue to be relevant beyond January 1, 2026.

In this Guidance Notice, we specifically discuss the application of provisions relating to:

- specific exemptions within the rules,
- the recognition of proficiencies that will apply to those approved as of January 1, 2026,
- transitions to single derivatives product proficiencies,
- transitions from the previously mandated courses and exams, and
- validity of exams.

We also provide Frequently Asked Questions (**FAQs**) in the Appendix to illustrate scenarios that may fall within these provisions. We remind dealers that there are specific Investment Dealer and Partially Consolidated (**IDPC**) Rules that deal with, or refer to, proficiency obligations at an investment dealer, and that this Guidance Notice should be read in conjunction with those rules.

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1. Background

Background and history leading to implementation of the proficiency model is described in:

- Bulletin [23-0094](#), published on July 7, 2023, which contained the initial Consultation Paper intended to ensure that we considered our current proficiency model, and any changes that need to be made, before proceeding with any rule amendments, and
- Bulletin [24-0206](#), published on July 4, 2024, which contained the proposed amendments, modified to address issues raised and suggestions received following the initial publication.

Additional details on the amendments are included in approval Bulletin [25-0110](#).

2. Overview and applicability

This Guidance Notice covers and describes the application of provisions relating to:

- the recognition of proficiencies that will apply to those approved as of January 1, 2026,
- specific exemptions within the rules,
- transitions to single derivatives product proficiencies,
- transitions from the previously mandated courses and exams, and
- validity of exams.

Dealers should consider the applicable requirements, including CIRO rules and securities laws, when sponsoring individuals who must meet our prescribed proficiency requirements to be approved by CIRO. They should also update applicable policies and procedures, as needed, keeping in mind the implementation date of January 1, 2026.

Dealers are reminded that there are specific IDPC Rules that deal with, or refer to, proficiency obligations at an investment dealer, and that this Guidance Notice should be read in conjunction with those rules.

3. Relevant Rules

The relevant rules which fall within Part B of the IDPC Rule 2600 include:

- partial completion of courses or exams prescribed prior to December 31, 2025¹,
- individuals who are currently in the midst of a post approval requirement and will continue to be subject to its completion as of January 1, 2026²,
- transitional relief for any individuals who have a minimum of two years of experience³,
- transition of Approved Persons who trade in either options or futures under new single derivatives-product proficiency requirements⁴, and

¹ Subsection 2629(1)

² Subsection 2629(2)

³ Clause 2625(2)(i)

⁴ Subsection 2625(3)

- validity of CIRO exams⁵.

3.1. Continuing in the same role

Individuals approved prior to January 1, 2026 will not be subject to the proficiency requirements in effect as of January 1, 2026 if they continue in the same role⁶. It is important to note that the individual would still be required to complete the conduct training as prescribed under subsection 2604(2).

We will deem an individual to have continued in the same role as long as their approval did not cease for a period longer than 180 days. If an individual ceases to be approved for 180 days or less and returns to the same role at a dealer, they will be exempted from completing the proficiency requirements in force as of January 1, 2026.⁷ If the individual returns to the same role, longer than 180 days, they will be subject to the new proficiency requirements.

For the exemption to apply, registration staff will consider an individual's Approved Person category. If the individual returns within the 180-day period but to an Approved Person category that does not require the same baseline proficiencies, they will not qualify for the exemption from the new proficiencies.

We have attached FAQs to provide examples of types of scenarios that may fall within this provision. Please refer to questions #1 to 9.

3.1.1. Exemption from the CIRE

Individuals are exempt from having to complete the Canadian Investment Regulatory Exam (**CIRE**) provided they have minimum two years prior experience in the same Approved Person category within the last three years prior to the date of application for approval. It is important to note that the individual must still satisfy the other prescribed pre-approval and post-approval proficiency requirements for their category of approval.⁸

This provision provides an exemption from having to complete the CIRE if an individual does not satisfy the conditions in subsection 2625(2) described in 3.1 above. If an individual ceases to be approved for longer than 180 days, as stated above, they will be subject to the proficiency requirements. However, if they have over two years of experience within the same Approved Person category, in the three years prior to the date of application, they will not have to complete the CIRE.

We have attached FAQs to provide examples of types of scenarios that may fall within this provision. Please refer to question #9.

3.2. Transition to derivatives proficiencies

⁵ Section 2628

⁶ Subsection 2625(2)

⁷ Conduct training in subsection 2604(2) will still apply. See section 3.8 for more information.

⁸ Clause 2625(2)(i)

We have combined the product types of options, futures contract and futures contract options into one consolidated product type to capture all derivatives. Existing Approved Persons who trade in either only options or only futures will be exempted into their existing categories⁹. They are still subject to complete the conduct training as prescribed under section 2604(2). An individual approved to either deal only in options or futures will be able to continue to do so once the new rules are implemented.¹⁰ Accordingly, the product type provided will change from either options to options (legacy), or futures to futures (legacy). The titles of these product types will be updated accordingly on the National Registration Database (**NRD**) as described in section 4.1 below.

These individuals are not approved to deal in a single derivatives product type and will need to ensure any communications, including titles, are clear about being restricted to dealing only in either options only or futures only. We encourage dealers to remind their Approved Persons the importance of communicating their legacy approval to avoid any misunderstanding or confusion to clients.

These Approved Persons will not be required to take the new exams, including the Derivatives Exam unless they wish to deal in all derivatives, or, if they cease to be approved for a period of more than 180 days. Individuals who cease to be approved and return after a period of more than 180 days will no longer be considered as continuing in the same role (to deal with the legacy options or futures) and will be subject to the new proficiency requirements, which includes a requirement to complete the Derivatives Exam.

An Approved Person who seeks approval to supervise or deal in any derivatives product must complete the Derivatives Exam. An individual seeking approval to become a Registered Representative (**RR**) dealing in derivatives will be subject to:

- the applicable Retail Securities Exam and the Derivatives Exam,
- the CIRE, if they do not qualify for the exemption discussed in section 3.1.1. above,
- a relevant diploma or degree from an accredited post-secondary institution, or minimum four years of relevant experience acceptable to CIRO, and
- any outstanding post approval requirements.

Individuals currently approved to deal in both options and futures, can continue to do so in the new proficiency model as long as they continue in their role, and they will automatically be mapped over to the new product type of derivatives on NRD. These individuals continuing in the same role are exempt from the new exam requirements, but they are still subject to complete the conduct training as prescribed under subsection 2604(2).

We have attached FAQs to provide examples of types of scenarios that may fall within this provision. Please refer to questions #10 to 11.

⁹ Subsection 2625(3)

¹⁰ Section 3640 - Misleading communications

3.3. Financial Industry Regulatory Authority (FINRA) and National Futures Association (NFA) registrants

3.3.1. Exemption from CIRE for FINRA registrants

Individuals registered with FINRA are exempt from completing the CIRE if:

- previously registered with FINRA in a similar capacity within three years prior to the date of application for approval, and
- have completed the applicable FINRA requirements for that registration category¹¹.

We will consider the activities an individual was conducting in their registered role with FINRA in order to determine 'similar capacity'. For example, an individual registered as a General Securities Representative (**GS**) with FINRA conducts similar activities as an approved RR-securities with CIRO.

We recognize FINRA requirements to be the applicable qualifying exams an individual is required to pass in order to qualify for registration.

While we do not specify a minimum timeframe that an individual would need to be registered for with FINRA, we expect that individuals would have been registered for a reasonable amount of time in order to demonstrate their foundational knowledge needed to deal with clients in the investment industry. Therefore, if an individual was previously registered as a GS with FINRA within three years of applying for RR approval with CIRO, and the individual completed the Securities Industry Essentials Exam (**SIE**) and the Series 7 General Securities Exam, in addition to other relevant requirements, they would be exempt from having to complete the CIRE for RR approval.

3.3.2. Exemption from Derivatives Exam for FINRA and NFA registrants

Individuals who were previously registered with FINRA and the NFA, applying as an RR or Investment Representative (**IR**) dealing in derivatives, or as a Supervisor over these individuals, will be exempt from completing the Derivatives Exam, if they meet the following:

- previously registered and dealing in options and futures with FINRA and the NFA within three years prior to the application for approval, and
- completed the Series 3 and Series 7 exams offered by FINRA¹².

While there is no specific minimum timeframe stated in our rules for dealing in options, experience dealing with options should be meaningful. As a guideline, registration staff will look for a minimum of 12 months of experience dealing in options and futures contract and futures

¹¹ Subsection 2627(1)

¹² Subsection 2627(2)

contract options in addition to other relevant requirements. We will assess this experience on a case-by-case basis.

3.4. Exam Validity

CIRO exams remain valid when an individual is deemed to have successfully completed an exam if:

- the *individual* successfully completed the prescribed exam within three years prior to the date of application for approval,
- the *individual* who successfully completed the prescribed exam was previously approved in the same *Approved Person* category, or another category which required the same exam, within three years prior to the application for approval, or
- the *individual* who successfully completed the prescribed exam gained one year of relevant securities industry experience, acceptable to the *Corporation*, within three years prior to the application for approval.¹³

For the purposes of exam validity, an Approved Person is not considered to have been approved during any period in which they are either suspended or otherwise not conducting activities requiring CIRO approval¹⁴.

3.4.1. Experience gained during a three-year period

We include an additional validity provision to recognize one year of relevant experience during the three-year period prior to the date of application for approval in order to allow an individual who may have taken a CIRO exam not required for their approval category, or an individual who was not in an approval category, to keep the exam valid through their experience, i.e., an individual required by a dealer to complete an exam as per internal dealer policies.

We have taken an approach consistent with guidance set out in National Instrument (**NI**) 31-103 Companion Policy (**CP**), where relevant experience applies to the category sought for approval. The one-year experience requirement does not have to be completed in consecutive months, or with the same dealer. Relevant experience may also include:

- during employment at a CIRO dealer, an investment fund manager or another Canadian Securities Administrators (**CSA**) registered dealer,
- in related investment fields, such as investment banking, securities trading on behalf of a financial institution, securities research, portfolio management, investment advisory services or supervision of those activities,
- in legal, accounting or consulting practices related to the securities industry,
- in other professional service fields that relate to the securities industry, or
- in a securities-related business in a foreign jurisdiction.

¹³ Subsection 2628(1)

¹⁴ Subsection 2628(2)

3.4.2. Training and designations

Dealers and Approved Persons should note that the validity period in section 2628 applies only to CIRO exams. Other courses or qualifications that would have satisfied the proficiency requirements in force prior to January 1, 2026, will only be recognized as set out in section 2625, where applicable, or through discretionary exemption in accordance with any standards in the relevant rule, subject to any terms and conditions CIRO considers appropriate.

Although the validity provision in section 2628 does not apply to the training requirements in section 2604, dealers have an ongoing obligation to ensure their Approved Persons receive the appropriate training relevant to their business type including its client and product type to ensure compliance with the proficiency principle in section 2602. However, if an Approved Person was not approved in the last 3 years, such that their exams would no longer be valid under section 2628, then we would expect dealers to provide appropriate training, including compliance with the training requirement under 2604(1)(i). See [Guidance note GN-2600-25-002 section 2.1.](#)

In addition, validity periods do not apply to the Canadian Investment Manager Designation, the Chartered Investment Manager Designation (CIM®) and the CFA Charter, provided the holders of these designations continue to have the right to use the designation and the designation has not been revoked or otherwise restricted¹⁵. If an individual loses the right to use the CFA Charter, Canadian Investment Manager Designation, or the CIM® Designation, by reason of revocation or otherwise, CIRO may consider the reasons for such a revocation to be relevant in determining an individual's continued fitness for registration. Approved Persons are required to notify CIRO of any change in the status of their CFA Charter or the Canadian Investment Manager Designation, or CIM® Designation, within 10 days of the change, by submitting the applicable form on NRD.

3.5. Transition from courses prescribed prior to January 1, 2026

Individuals in the midst of completing the mandated courses, offered by the Canadian Securities Institute (CSI) in effect prior to January 1, 2026, will have their courses recognized if they meet the criteria set out in section 2629. With the expiry of the CSI contract as of December 31, 2025, individuals who enroll in a CSI course prior to January 1, 2026, will have up until December 31, 2026, to complete any exams offered through the CSI.

3.5.1. Completing course prescribed prior to January 1, 2026

Individuals will be exempt from the requirements in section 2603 if, alternatively, they can satisfy the proficiency requirements in effect prior to January 1, 2026, provided they meet all of the following conditions¹⁶:

- The individual enrolls in a course(s) offered by the CSI prescribed under the rules prior to January 1, 2026,
- The individual successfully completes the course(s) and its exam(s) prior to January 1, 2027,

¹⁵ Subsection 2628(3)

¹⁶ Section 2629

- The individual would satisfy the proficiency requirements applicable to the same Approved Person category being sought prior to January 1, 2026, upon completion of the course(s) and exam(s), and
- The sponsoring dealer submits an application for approval for the individual, prior to January 1, 2027.

Dealers must ensure that if they have candidates they are hiring, or Approved Persons who are in the midst of completing the proficiencies prescribed prior to January 1, 2026, that they communicate the changes to these individuals and that they comply with the above noted conditions including filing an application for approval on NRD prior to January 1, 2027, for individuals if they satisfied the other prescribed conditions.

Individuals may be in the midst of completing a CSI course(s), including but not limited to the following, in order to:

- apply for or add a new approval category or product type,
- complete their RR licensing requirement, or
- upgrade to RR or IR securities from an RR or IR mutual funds only category.

In any of these cases, dealers and Approved Persons should review the above noted conditions to ensure compliance.

We have attached FAQs to provide examples of types of scenarios that may fall within this provision. Please refer to questions #17 to 20.

3.5.2. WME post-approval requirements under the previous proficiency requirements

Subsection 2629(2) provides flexibility to individuals subject to the Wealth Management Essentials course (**WME**) post approval requirements prior to January 1, 2026. RRs that are required to complete the WME course as of December 31, 2025, may choose to either complete:

- the WME by their required completion date or December 31, 2026, whichever date is earlier as prescribed under the rules that were in effect prior to January 1, 2026, or
- the Retail Securities Exam by their completion date prescribed under the rules that were in effect prior to January 1, 2026¹⁷.

An individual approved as an RR-securities, prior to January 1, 2026, would need to complete the WME post-approval requirement within 30-months of approval. If the 30-month date falls after January 1, 2026, the RR will have the flexibility to complete the WME by the completion due date or Dec 31, 2026, whichever date is earlier. Otherwise, they will be required to complete the Retail Securities Exam by their post-approval due date.

¹⁷ Subsection 2629(2)

An important reminder, that if an RR is choosing to complete the WME through the CSI, they must enroll in the course prior to January 1, 2026, as required in subsection 2629(1). The CSI is not obligated to offer CISO any course enrollments after that date.

Dealers need to review the requirements, and available choices, with individuals at their firms who are subject to the WME to ensure they meet the conditions prescribed. If an individual does not complete their post-approval requirement by their completion date, they would be automatically suspended of their RR-securities retail approval status.

We encourage dealers to review these requirements as soon as possible with their RRs to plan accordingly. Dealers should consider the requirements and time needed to satisfy the prescribed conditions. Dealers are required to notify CISO on the completion of the RRs post-approval requirement by their required completion due date.

We have attached FAQs to provide examples of types of scenarios that may fall within this provision. Please refer to questions #21 to 23.

3.6. Mandatory conduct training

Individuals approved after January 1, 2026, will have 30 days from the date of their approval to complete the conduct training in clause 2604(2)(i). Dealers must notify CISO of their Approved Persons' completion of the conduct training within this same 30-day due date.¹⁸

Individuals that are already Approved Persons as of January 1, 2026, will have until December 31, 2026, to complete the conduct training. Dealers must notify CISO of their Approved Persons' completion of the conduct training by December 31, 2026.¹⁹

CISO will automatically suspend an Approved Person if they do not complete the conduct training by their prescribed completion date²⁰ as described in section 3.7, below. Once an Approved Person has completed the conduct training and the dealer has notified CISO of completion, CISO will lift the suspension and reinstate the individual.²¹

We encourage individuals to enroll in and to complete the conduct training in a timely manner and to notify their dealer upon completion. Individuals may use completion of the mandatory conduct training towards their mandatory Continuing Education (CE) requirement for the first year of the program.

We also encourage firms to review the conduct training obligation and to plan accordingly to notify CISO within the prescribed time period.

¹⁸ Clause 2604(2)(i)

¹⁹ Clause 2604(2)(ii)

²⁰ Clause 2552(1)(ii) and Subsection 2552(2)

²¹ Subsection 2552(3)

3.6.1. Transition of Advising Representative and Associate Advising Representatives into the Portfolio Manager and Associate Portfolio Manager approval category

An individual registered as an advising representative (**AR**) or associate advising representative (**AAR**) by a securities regulatory authority, within the 90 days prior to the date of application as a Portfolio Manager or Associate Portfolio Manager, has 90 days after the date of approval to complete the conduct training in clause 2604(2)(i), and the dealer must notify CIRO when complete within 90 days of approval.²²

We recognize that an AAR or AR may be conducting the same or similar regulated activity as an APM or PM, respectively, on the CIRO platform. To facilitate a smooth transition, we have introduced a grace period to permit such individuals to complete the conduct training within 90 days from the date of approval as an APM or PM, provided such individual was registered as an AAR or AR within the 90 days prior to the date of approval as an APM or PM.

Failure to complete the conduct training within the 90 days as of the date of approval as an APM or PM will result in an automatic suspension.²³ An individual will be reinstated as an APM or PM once CIRO receives notification from the dealer on the successful completion of the conduct training.

3.7. Automatic Suspensions

Each Approved Person must meet the applicable pre-approval proficiency requirements set out in section 2603 before approval is granted and complete the applicable post-approval proficiency requirements of section 2604 after receiving CIRO approval.

CIRO will automatically suspend an Approved Person if they do not complete the applicable post-approval proficiency requirements in the Approved Persons category²⁴. CIRO will reinstate an Approved Person once they have completed the required post-approval proficiency requirements and CIRO has been notified.

We encourage dealers to have their Approved Persons complete their required post-approval requirements in a timely manner, and for dealers to build into their policies and procedures sufficient time to notify CIRO in order to avoid suspensions.

3.8. Frequently Asked Questions

To assist with some of the transitional questions that dealers and individuals might have when moving from the existing proficiency model to the new proficiency model, we have compiled a list of FAQs attached as an Appendix to this guidance. This is not an exhaustive list. It is only intended to illustrate some of the more common scenarios. However, if you have a specific factual situation that is not addressed in the FAQs, please contact a member of CIRO's registration team.

²² Section 2630

²³ Subsection 2552(2)

²⁴ Subsection 2552(2)

4. Other information and next steps

4.1. Changes to NRD

We have been working with the CSA to make updates to NRD to reflect the new proficiency model and Rules. Some of the updates we are working on are discussed below.

4.1.1. Item 6 – Customer type

For Approved Persons who deal with both retail and institutional clients, NRD is being updated as of January 1, 2026 to allow for simultaneous selection of both retail and institutional customers, where individuals serve both retail and institutional clients and satisfy the requisite proficiency.

For any such individuals who selected retail, dealers need to review NRD in accordance with relevant requirements under IDPC 2803(2)(i)(c) and 2805(1). We remind dealers that the item 10 disclosure should accurately reflect each individual's current activity including customer type(s) regardless of the current selection availability on NRD. In other words, if someone deals with both retail and institutional clients, the item 10 activity should reflect this even though currently only a "retail" selection is available as a customer type.

Further, once the new rules are in effect, dealers need to ensure that the correct customer type is selected for their Approved Persons, if they previously selected "retail" as a way to capture the individual's activities in dealing with both retail and institutional clients. If an individual only deals with institutional client, they would only select "institutional" and if they deal with both client types, they would select the "retail & institutional" if applicable. If an update is required, the dealer would make the update through submitting a Form 33-109F2 *Change or Surrender of Individual Categories (F2)* to reflect the correct customer type of retail and/or institutional.

4.1.2. Item 6 – Product type

There will be a few changes to the product type selection on NRD as follows:

- the existing options product type will be changed to options (legacy),
- the existing futures contracts and futures contract options product type will be changed to futures contracts and futures contract options (legacy), and
- addition of the new product type for the combined Derivatives.

4.1.3. Item 8.1 - Course, examination or designation information and other education

A list of new proficiency selections to appear on NRD will include the nine new CIRO exams, the CIRO Conduct Training and Dealer Member Training.

4.1.4. Item 8.2 – Student numbers

Individuals will be able to specify a Fitch Learning Student number.

4.2. Related Guidance Notes

To further assist dealers, we will be publishing guidance and information on dealer training. Additionally, we plan on publishing information on the relevant experience and education

requirement. We also plan to update our guidance relating to proficiency exemptions. It should be noted that the discretionary exemption process will remain available for those cases where an individual submits a request for an exemption from the proficiency requirements based on their personal circumstances. For a high-level timeline, please visit the proficiency webpage at [Proficiency | Canadian Investment Regulatory Organization](#).

5. Applicable Rules

Rule 2600. Proficiency requirements and exemptions from proficiencies

6. Appendices

[Appendix - Frequently Asked Questions](#)