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**Rules Bulletin > Request for Comments**

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*Rule Connection:* CIRO Rules, IDPC Rules, MFD Rules,

*Division:* Investment Dealer and Mutual Fund Dealer

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## **Rule amendments – Request for comments– Proposal to harmonize CIRO Continuing Education Programs – Phase 2**

### **Executive Summary**

The Canadian Investment Regulatory Organization (CIRO) is publishing for a 90 day comment period the second phase of proposals to finalize harmonization of continuing education (CE) program requirements under the Investment Dealer and Partially Consolidated (IDPC) Rules and the Mutual Fund Dealer (MFD) Rules (Phase 2).

The objective of the Phase 2 proposals is to finalize harmonization of CIRO CE program requirements that apply to:

- CE credit requirements
- Approved Persons subject to CE requirements
- Definitions and vocabulary
- Automatic suspension and reinstatement for CE non-compliance
- Cycles
- Proration
- Leaves of absence
- Exemptions
- Mandatory accreditation assessments
- CE activities with an examination
- Express prohibition on carry forwards
- CE reporting for terminated individuals
- Compliance manual training
- Legacy exemptions
- Mandatory Conduct Training used for CE

### **How to submit comments**

We invite interested parties to make written submissions on the proposed rule amendments and also welcome feedback on Phase 2 considerations. Please submit your comments in writing by July 15, 2026 to:

#### **Registration, Proficiency**

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A copy should also be delivered to the Canadian Securities Administrators (**CSA**):

#### **Trading and Markets**

Ontario Securities Commission  
Suite 2200  
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e-mail: [tradingandmarkets@osc.ca](mailto:tradingandmarkets@osc.ca)

and

#### **Market Oversight**

Alberta Securities Commission  
Suite 600  
250-5th Street SW, Calgary AB T2P 0R4 email: [CIRO-Reporting@asc.ca](mailto:CIRO-Reporting@asc.ca)

Commentators should be aware that a copy of their comment letter will be made publicly available on the [CIRO website](#).

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## 1. Background

The objective of CE harmonization emerged with a position paper published by the Canadian Securities Administrators (CSA) in 2021 for the New SRO to implement a streamlined CE program to strengthen the regulatory regime's proficiency framework.<sup>1</sup>

In June 2024, CIRO committed to developing a proposal to harmonize the two programs as part of its Fiscal 2025 Annual Priorities.<sup>2</sup> In December 2024, CIRO published a first request for comments to harmonize CIRO's CE program requirements in [Bulletin 24-0356](#) (Phase 1). Further details on the history and current rule frameworks of the MFD and ID CE programs are laid out in the referred Bulletin.

### 1.1. Phase 1

The objectives of Phase 1 were to seek comments on the following to harmonize the IDPC and MFD Rules:

- Imposing CE reporting and recording keeping obligations primarily on CIRO firms
- Harmonizing our accreditation approach including removing the mandatory accreditation requirement currently set out in the MFD CE program
- Adopting a principles-based approach to CE course/activity approval
- Permitting CE course repeats where appropriate
- Eliminating carry forwards of completed CE hours from one cycle to the next
- Removing the Voluntary Participating Program from the ID CE program.

The CSA approved the proposed Phase 1 rule amendments in December 2025. **1.2.**

### Delayed implementation of CE Harmonization Project Phase 1

Phase 1 was originally planned to be implemented on January 1, 2026, at the start of the current CE cycle. Phase 2 implementation would then follow in the next CE cycle. As noted in [Rules Bulletin 26-0005](#), based on the comments from dealers requesting a longer timeline to implement changes, we decided to delay Phase 1 implementation<sup>3</sup> to the same time as Phase 2.

### 1.3. Regulatory updates in Québec

In June 2025, following the closure of Phase 1's public comment period, the National Assembly of Québec adopted an *Act to amend various provisions mainly with respect to the financial sector, S.Q. 2025, c. 15*, (Act) colloquially referred to as Bill 92. This Act amalgamated the Chambre de la sécurité financière (CSF), which oversaw mutual fund dealer activity, and the former Chambre de l'assurance des dommages into one new Chambre de l'assurance ("Chambre") effective July 4, 2025. The Chambre carries out all the functions of its predecessors on a temporary basis since the Autorité des marchés financiers (l'Autorité) must, no later than July 4, 2026, render a decision to withdraw the exercise of the functions and powers of the Chambre regarding mutual fund representatives, which includes CE oversight.

At the time of this publication, CIRO continues to work closely with l'Autorité and the Chambre to ensure a smooth transition for all MFD activities and their representatives. This transfer of functions and powers supports a consistent and harmonized approach to regulation, in line with

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<sup>1</sup> [CSA Position Paper 25-404 - New Self-Regulatory Organization Framework](#)

<sup>2</sup> [CIRO Annual Priorities for fiscal 2025 | Canadian Investment Regulatory Organization](#)

<sup>3</sup> One exception to this was the Voluntary Participation provision which was implemented as of January 8, 2026.

the evolving needs of investors and dealers across Canada, while maintaining investor protection. For more information, refer to the [Mutual Fund Dealers – Québec](#) section of the CIRO website.

The applicable rules and the impact of the Act have been considered as part of the Phase 2 CE harmonization rules proposal process. A comparative table between the current Québec CE requirements, and the proposed CIRO CE requirements is included in Appendix 9.

#### **1.4. CIRO review of relevant CE IT Systems**

Outside of Québec, we currently have two CE systems operating in parallel: CIRO Services for IDs and Continuing Education Reporting and Tracking System (CERTS) for MFDs. In Québec, CIRO MFDs and their Approved Persons use a prescribed system developed specifically for the Québec CE program. Full harmonization of CIRO CE programs requires taking into account the significant differences between IT systems that separately support each program. We will be reviewing harmonized operation and technology solutions that reflect the proposal, and the rules once approved, in parallel.

#### **2. Phase 2 proposals**

To provide details of the Phase 2 proposals, the following documents have been included as appendices to this Bulletin:

- a clean copy of the Phase 2 proposed amendments to the MFD Rules
- a blackline comparison of the Phase 2 proposed amendments to the equivalent MFD Rules
- a clean copy of the Phase 2 proposed amendments to the IDPC Rules
- a blackline comparison of the Phase 2 proposed amendments to the equivalent IDPC Rules
- a table of concordance comparing the Phase 2 proposed amendments to any existing equivalent requirements in the IDPC Rules and MFD Rules
- a comparative table between the proposed continuing education program and the program currently applicable in Québec.

In the next sections of this Bulletin, we summarize the key elements of the Phase 2 proposals, which either amend, adopt or clarify existing rule provisions in the IDPC Rules, the MFD Rules or both. Also, given the Rules Consolidation Project (RCP) currently in progress, we are including proposals that align the Phase 2 proposals with the relevant RCP proposals relating to the proposed CIRO Rules.

To provide details, the following documents are included as appendices to this Bulletin:

- a clean copy of the proposed CIRO Rules
- a blackline comparison of proposed CIRO Rules to the Phase 2 proposed IDPC Rules,
- a blackline comparison of the proposed CIRO Rules against the proposed CIRO Rules as published on February 12, 2026 in [Rules Bulletin 26-0039](#)
- a table of concordance comparing the proposed CIRO Rules to any existing equivalent in the Proposed IDPC Rules, Proposed MFD Rules and National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (NI 31-103) (where applicable).

### **3. Request for comment on Phase 2**

The objective of the Phase 2 proposals is to finalize harmonization of CIRO's CE program requirements that apply to:

- CE credit requirements
- Approved Persons subject to CE requirements
- Definitions and vocabulary
- Automatic suspension and reinstatement for CE non-compliance
- Cycles
- Proration
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- CE activities with an examination
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- CE reporting for terminated individuals
- Compliance manual training
- Legacy exemptions
- Mandatory Conduct Training used for CE

With this objective in mind, and considering the comments we received in Phase 1, Phase 2 proposals consider:

- longer implementation periods to balance the impact of proposed changes
- relevant legislative changes in Québec that affect CE rule harmonization in all jurisdictions, and,
- where applicable, alignment with the RCP.

Consistent with Phase 1, Phase 2 proposals aim to:

- Reinforce the ongoing proficiency principle codified in the MFD Rules, IDPC Rules and section 3.4 of NI 31-103, which provide that,
  - Registered individuals should update their knowledge and training to keep pace with new securities, services and developments in the industry that are relevant to their business, and
  - Dealers are required to provide training on compliance with securities legislation to their registered individuals.
- Strike an appropriate balance between providing an effective, fair CE program for CIRO dealers and Approved Persons, while keeping in mind our objectives of strengthening the proficiency regime and protecting investors without imposing unnecessary regulatory burden on dealers.

#### **3.1. Overview of the Harmonized CE Program**

Phase 2 proposals reflect CIRO's strategic objective to integrate the two CE programs. CE harmonization in its final form will result in:

### Approved Phase 1 rule amendments:

- an emphasis on dealer responsibilities for proficiency and supervision of CE, including responsibility for record-keeping and reporting
- promotion of a principles-based approach for dealers to approve CE courses/activities and a harmonized accreditation approach
- consistency with the CIRO Proficiency Model for Approved Persons under the IDPC Rules, including eliminating carry forwards and the Voluntary Participation Program

### After approval of Phase 2 rule amendments:

- increased application of streamlined rules, vocabulary and definitions for all CIRO dealers to:
  - eliminate duplicative, obsolete and redundant requirements, and
  - further simplify rules, where appropriate
- replacement of prescriptive requirements with principles-based rules for more flexible, scalable and proportionate compliance obligations, where applicable.
- consistent application of CE credit requirements for all CIRO dealers and Approved Persons, where applicable
- alignment of all CE cycle dates to sync with a standard calendar year beginning January 1st
- extended reporting deadlines for all CIRO dealers to 30 days post-cycle, and
- proration to improve regulatory efficiencies for dealers.

The rationale for each Phase 2 proposal is detailed in the subsequent sections of this Bulletin.

## **3.2. CE credit requirements**

In this section, we describe proposals to eliminate inconsistencies with CE credit requirements for MFDs and IDs.

### **3.2.1. Compliance-related CE credit requirements**

Currently, the MFD and IDPC Rules distribute compliance related credit requirements for participating individuals differently. We propose harmonizing these requirements to remove any unnecessary burden on dealers who presently manage two different sets of CE credit requirements. Furthermore, harmonizing credit requirements will allow individuals who move between IDs and MFDs to seamlessly use the same types of CE requirements at both types of dealers.

We propose in detail to:

- merge the MFD Business Conduct credit requirement (8 credits) and MFD Compliance credit requirement (2 credits) to equal a total number of 10 credits in alignment with the IDPC Rules, and
- permit MFD participating individuals to complete more than 2 ethics credits per cycle by removing the prescribed cap on ethics related activities per cycle in the MFD Rules, as is currently the case in the IDPC Rules.

### **3.2.2. CIRO developed CE training**

Each rulebook currently includes a requirement to complete CIRO developed CE training in each cycle. In the IDPC Rules, this requirement is called a “mandated annual continuing education” requirement, which may be applied to either compliance or professional development credit

requirements as prescribed by CIRO. By comparison, in the MFD Rules, the “mandatory compliance credit” requirement is a standalone two-hour requirement.

We propose to apply the more flexible requirement in the IDPC Rules to the MFD Rules to ensure that all CE participating individuals keep up to date with those matters CIRO finds to be of utmost importance each year, and to have the requirement apply flexibly to either compliance or professional development as prescribed by CIRO. The proposed requirement will be included within the total number of CE credit requirements per cycle. Annual CE requirements will be subject to end of cycle reporting.

### **3.2.3. Topics lists**

Currently, the MFD Rules require that all business conduct and professional development credit hours reflect a prescribed topic area. By comparison, IDPC Rules use a principles-based approach for dealers to determine which content is most appropriate and relevant to satisfy compliance and professional development requirements. Also, the current ID CE Guidance Note provides a list of topic areas for dealers to consider.

We propose to incorporate the IDPC Rules principles-based approach in the MFD Rules, in order to remove the prescribed topics lists. We believe the proposal will level fair treatment between dealers by not limiting flexibility in how dealers meet their obligations in a principles-based rules framework.

### **3.2.4. Foreign compliance activities**

The IDPC Rules currently permit a participating individual to receive up to five hours of compliance CE credits offered by a foreign securities dealer or foreign external course provider where the MFD Rules do not. We propose to add this provision to the MFD Rules and to clarify its application in the IDPC Rules.

### **3.2.5. Completing CE while ceasing approved or registrable activities**

Currently, the MFD and IDPC Rules do not permit a participating individual who ceases approved or registrable activities to complete CE requirements. We propose permitting a dealer to accept CE activities under these circumstances if the activities are completed during the applicable cycle. The proposal will benefit those who either move between dealers and approval categories to use any CE course/activity completed if they cease registration or approval during that period. We will expect dealers to ensure these courses/activities meet the applicable requirements and are subject to appropriate approval oversight to ensure compliance with the relevant requirements.

## **3.3. Definitions and vocabulary**

In this section, we describe proposals relating to definitions and vocabulary that will:

- improve rule consistency, clarity, and
- eliminate duplicative and overlapping requirements.

These proposals directly apply to:

- CE statements of purpose (section 3.3.1)
- use of the term “hours” in place of “credits” (section 3.3.2)
- specific definitions (section 3.3.3)

### **3.3.1. CE Statement of Purpose**

Currently, MFD Rules do not include a clear statement that CE is meant to enhance and further develop baseline proficiencies of Approved Persons. By contrast, the IDPC Rules do. We propose to modify the language in the MFD Rules in alignment with the IDPC Rules to reinforce the relationship between CE and baseline proficiencies, to underscore that they are a minimum competency standard for the protection of investors, and to reinforce consistency with the proficiency principle.

### **3.3.2. Changing the vocabulary from “credits” to “hours”**

Both rulebooks refer to “credits” to describe the total number of hours that needs to be gained in a CE cycle. We propose to move away from this vocabulary. In its place, we propose adopting “hours” to clearly convey that CE is not intended to serve as a ‘tick box’ exercise for gaining credits. Instead, CE is intended to reinforce the proficiency principle and should be recognized as part of the time resource that dealers dedicate to maintaining ongoing compliance with other prescribed training/education requirements.

### **3.3.3. Specific definitions and terms**

As indicated in section 3.3., we believe that using the same definitions and terms in both rulebooks, where possible, provides rule consistency and clarity. We thereby propose to streamline specific definitions or concepts based on either MFD, ID definitions, or a combination of both to include:

- “Continuing education program” (section 3.3.3.1)
- “Continuing education activity” (section 3.3.3.2)
- “Compliance hours” (section 3.3.3.3)
- “Professional development hours” (section 3.3.3.4)

#### **3.3.3.1. “Continuing education program”**

MFD and IDPC Rules define their respective CE programs in different ways. The MFD Rules define the continuing education program as the “Mutual Fund Dealer Continuing Education Program”. By comparison, the IDPC Rules use a more fulsome definition that refers to the three parts of the program, namely compliance, professional development and mandated annual CE.

We propose to harmonize the definitions by:

- deleting “Mutual Fund Dealer” from the relevant definition in the MFD Rules,
- streamlining the use of references to components in both definitions, and
- adopting the term hours in place of credits as discussed in section 3.3.2.

#### **3.3.3.2. “Continuing education activity”**

The MFD Rules do not include a formal definition for continuing education activity. In contrast, the IDPC Rules include a definition for “continuing education course”. We propose to apply a streamlined definition to both rulebooks by:

- adding a formal definition to the MFD Rules, and
- changing the term “course” to “activity” in the IDPC Rules to remove any ambiguity about the types or forms that CIRO will accept in a CE program.

### **3.3.3.3. “Compliance hours”**

MFD and IDPC Rules use different terms to capture a similar type of continuing education requirement relevant to compliance. In the MFD Rules, “Business Conduct” means:

- “educational material that promotes, directs and guides ethical and compliant conduct. It includes education regarding ethical issues, Rules, other applicable legislation, and Member’s policies and procedures for complying with regulatory requirements.”

In the IDPC Rules, Compliance course means:

- “training covering ethical issues, regulatory developments and rules governing investment dealer conduct.”

We propose to streamline these terms under a harmonized “Compliance hours” definition.

### **3.3.3.4. “Professional Development hours”**

To conform with the proposal in section 3.3.2., we propose to change the term “professional development credits” to “professional development hours” to streamline its meaning in both rulebooks.

## **3.4. Approved Persons subject to CE requirements**

The MFD and IDPC Rules use different terms and definitions to describe a participating individual who must complete CE. The MFD Rules use the term “Participant”, which captures Dealing Representatives, (alternate) Branch Managers, (alternate) Chief Compliance Officers, and Ultimate Designated Persons. By comparison, the IDPC Rules use the term “continuing education participant”, which currently captures all ID Approved Person categories, except for Executives, Chief Financial Officers and Directors.

We propose to maintain the distinct terms in the MFD and IDPC Rules because “Participant” in the IDPC Rules is already defined in reference to the Universal Market Integrity Rules (UMIR). Separately, we propose expanding the application of CE requirements in the IDPC Rules to cover Executives and Chief Financial Officers to address a present inconsistency where some Executives (i.e., Chief Compliance Officers and Ultimate Designated Persons) are subject to CE, but others (i.e., Chief Financial Officers and other Executives designated by the dealer) are not.

Presently, we cannot adopt the same changes in the MFD Rules because they do not require MFDs to have Executives beyond Chief Compliance Officers and Ultimate Designated Persons. However, in the parallel RCP, CIRO has proposed to harmonize the Approved Persons categories across all CIRO dealers when the CIRO Rules take effect. Considering this proposal, we propose to impose CE requirements on MFD Executives and Chief Financial Officers under the CIRO Rules to streamline the application of CE across all CIRO dealers when those rules take effect.

## **3.5. Cycles and reporting**

In this section, we discuss aligning CE cycles and corresponding reporting requirements post-cycle.

### **3.5.1. Cycles**

Currently, in MFD Rules, the CE cycle runs from December 1 to November 30 in alignment with the MFD CE cycle in Québec. By comparison, in the IDPC Rules, the CE cycle runs from January 1

to December 31 in sync with a calendar year. There is currently a one-month gap between the two CE cycles.

In Phase 1, we requested preliminary feedback on the consideration to shift the current MFD CE cycle to a standard calendar year in order to validate our policy rationale, which includes aligning with several other comparable financial service regulatory CE cycles. We received mixed comments from stakeholders. On one hand, some commenters, including dealers within and outside Québec, expressed support for the adoption of a calendar year cycle for all CIRO dealers.

On the other hand, some other dealers, largely based in Québec, expressed concern that adopting a calendar year cycle adds complexity and regulatory burden for MFDs in Québec.

Other comments noted were:

- concerns about managing multiple reporting obligations
- year-end vacations, and
- significant transformation of systems and procedures.

We understand that the range of comments reflects the impact on different dealer types and jurisdictions, especially in Québec.

We acknowledge that these proposed changes are likely to have a significant impact on MFDs.

As we described in section 3, Phase 2 proposals consider:

- longer implementation periods to balance the impact of proposed changes, and
- relevant legislative changes in Québec that affect CE rule harmonization in all jurisdictions.

Standardizing the CE cycle for all dealers is an essential part of CE harmonization, as it generally impacts every proposed element of the project. From a policy perspective, we believe that adopting a standard calendar year CE cycle for all CIRO dealers will streamline completion and reporting timelines for all CIRO dealers now that MFD dealing representatives in Québec will no longer be subject to separate CE requirements. As noted above, the primary concern with the calendar year proposal was the inconsistency with the regime in Québec, which at the time, was to be separate and not part of the harmonization. This has now changed and the harmonized approach will also be applicable to MFDs in Québec.

We anticipate that the proposed change will create a more efficient national framework for all CIRO dealers and Approved Persons, and the proposed calendar CE cycle will also align more closely with other financial services regulators, including domestic insurance regulators and other foreign securities regulators. As part of the transition, we also propose to add one additional month in the first cycle to give MFD dealing representatives more time to complete CE requirements in that cycle.

For this proposal, we specifically request comments on the question posed in section

#### **6. 3.5.2. Post-cycle reporting**

Currently, both MFD and IDPC Rules prescribe a 10 business day post-cycle reporting requirement. We propose lengthening the reporting requirements for all dealers to 30 days after the end of a CE cycle to give dealers more time to meet reporting obligations.

### 3.6. Automatic suspension and reinstatement for CE non-compliance

Currently, the IDPC Rules grant CIRO the power to automatically suspend a CE participating individual for failure to meet CE requirements in a prescribed cycle. The MFD Rules do not grant CIRO the same power. We propose to include the power to suspend in the MFD Rules to ensure the same penalties apply equally across both types of CIRO dealers for a participating individual's CE non-compliance. The proposal to include the power to suspend in the MFD Rules will streamline the same process for both types of CIRO dealers in alignment with Part 6 of NI 31-103.

We also propose to remove the current timeline for CIRO to suspend in the IDPC Rules, which is currently prescribed to be "last business day of the first month of a continuing education program cycle". We believe this provision limits our ability to exercise our suspension powers with discretion, where appropriate. We have proposed that this occur following the prescribed reporting timeline.

### 3.7. Proration, Leaves of Absence (LOA) and Discretionary Relief

In this section, we discuss proration as it applies to CE requirements, LOAs and discretionary relief. The table below contrasts the CE completion requirements that currently apply under the MFD and IDPC Rules to:

- new and returning participating individuals in a CE cycle,
- participants who change approval categories in a given cycle, and
- LOAs.

<b>MFD</b>	<b>IDPC</b>
<b>New participating individual</b>	
Complete CE requirements on a prorated basis, unless participation begins within the 23rd or 24th month of the cycle	CE requirements do not apply if participation begins in the last six months of a cycle
<b>Returning participating individual</b>	
Complete CE on a prorated basis, unless participation begins within the 23 <sup>rd</sup> or 24 <sup>th</sup> month of the cycle <sup>4</sup>	Complete all CE requirements in the current cycle, unless returning in the last six months of the CE cycle
<b>Changes made during a cycle</b>	
Complete CE on a prorated basis, unless the requirement was applicable for less than 3 months	Complete all CE requirements in the current cycle, unless returning in the last six months of the CE cycle
<b>LOAs</b>	
Credit reduction, where the participating individual was absent for a period of at least 4 consecutive weeks	Discretionary relief for LOA (extension or, for an indefinite LOA exemption)

#### 3.7.1. Proration

Currently, the MFD Rules include proration to address circumstances illustrated in the table above. The IDPC Rules do not include proration. Instead, a dealer must file a discretionary

<sup>4</sup> A participating individual must also, within 10 business days of returning, satisfy any outstanding CE credits from the immediately preceding cycle

exemption application on behalf of a participating individual, for a fee, to either be exempt from completing CE requirements in a CE cycle or to extend completion into a new CE cycle. A CE extension does not eliminate the requirement to complete both outstanding and current CE requirements.

We propose to add proration to the IDPC Rules for consistency between rulebooks and to reduce the number of discretionary relief applications filed under the IDPC Rules at cost to time and resources for dealers. We propose to make consequential changes to each rulebook to give effect to proration and to remove any unnecessary regulatory burden, including:

- removing the six-month CE exemption in the IDPC Rules, and
- removing the MFD Rule deadline for a returning participating individual to complete outstanding CE requirements from the immediately preceding cycle within 10 business days.

### **3.7.2. Leave of Absence**

Currently, the MFD Rules apply proration for LOAs triggered after a minimum absence of 4 consecutive weeks. When an LOA is triggered, the dealer must notify CIRO and credit reduction is applied in that prescribed CE cycle. By comparison, the IDPC Rules require discretionary exemption applications to be filed, which are reviewed on a case-by-case basis. Considering the proposal in section 3.7.1, we propose to apply proration to LOAs in the IDPC Rules for consistency with the MFD Rules.

### **3.7.3. Exemptions**

Currently, the MFD Rules do not include exemptions from CE. By contrast, the IDPC Rules include a discretionary relief provision to provide extensions or exemptions from CE that is prescriptive and procedural. We propose adopting relevant changes to both the MFD and IDPC Rules where exemptions are concerned by:

- adopting an exemption provision in the MFD Rules, and
- replacing the current discretionary exemption provision in the IDPC Rules with a principles-based alternative consistent with other discretionary relief provisions.

We believe that these proposals will provide consistency for all CIRO dealers and Approved Persons in cases where proration may not be optimal. Relying on an alternate principles-based exemption provision will reduce the time and cost considerations imposed on CIRO dealers. For CIRO, the new exemption provision will provide flexibility to impose any terms and conditions we consider necessary on a per case basis.

## **3.8. Miscellaneous**

In this section, we discuss other distinct Phase 2 proposals under either the MFD Rules, IDPC Rules or both.

### **3.8.1. Rule organization structure changes**

We propose to modify the organization structure of the MFD and IDPC Rules for improved clarity and simplification. Modifying rule organization structures is necessary to re-balance the addition or removal of certain provisions in each rulebook. We have specifically re-organized certain rule sections by either:

- adopting a standard numbering approach for consistency

- changing the order of whole parts or select clauses for improved coherence
- grouping together like provisions for better clarity
- re-phrasing certain sections to better reflect their intended interpretation and purpose, and
- using plain language

None of these structural changes affect the rule substance of any requirements. **3.8.2.**

### **Mandatory Accreditation Assessments**

Currently, MFD Rules include a provision relating to Assessments. IDPC Rules do not. We propose to eliminate the assessment provision in accordance with a principles-based approach.

#### **3.8.3. CE activities with an examination**

Currently, the MFD Rules do not explicitly permit a participating individual to satisfy CE requirements by completing a continuing education activity that has an examination. By comparison, the IDPC Rules include such a provision. We propose adding the same provision to the MFD Rules. The proposal will offer the same option for all participating individuals at a CIRO dealer to apply the successful completion of, and preparation, for an examination in the cycle that it was completed. We will expect dealers to ensure these activities meet the applicable requirements and are subject to appropriate approval oversight to ensure compliance with the relevant requirements.

#### **3.8.4. Express prohibition on carry forwards**

Currently, the IDPC and MFD Rules do not include an express provision to limit the use of completed CE activities to the current cycle. Although earlier amendments made to CE requirements removed all carry forward provisions, we propose to provide further clarity by including a rule in each rulebook that restricts the application of completed CE activities to a current cycle.

#### **3.8.5. CE reporting for terminated individuals**

Currently, the MFD Rules require a MFD to file a report of all completed CE credits within 30 days from when a CE participating individual ceases to be an Approved Person at that MFD. By comparison, the IDPC Rules do not and we see no substantive reason to maintain this provision. We propose to remove this requirement, which we believe creates unnecessary regulatory burden on dealers considering their responsibility to oversee CE as it relates to Approved Persons.

#### **3.8.6. Compliance manual training in the ID CE program**

Currently, the IDPC Rules prescribed CE credit for compliance manual training. By comparison, the MFD Rules do not. We propose to eliminate this provision as it is effectively redundant in a principles-based framework for CE course/activity approval by dealers.

#### **3.8.7. Legacy exemptions in the ID CE program**

Currently, the IDPC Rules include legacy exemptions for certain Approved Persons from completing the professional development course requirement. By contrast, the MFD Rules do not include any legacy exemptions. We propose to remove these legacy exemptions from the IDPC Rules for consistency with the MFD Rules because we take the position that CE should be relevant and timely for all participating individuals.

### **3.8.8. Mandatory Conduct Training used for CE**

Currently, the IDPC Rules permit Approved Persons to use Mandatory Conduct Training for CE, which is a prescribed post-approval requirement originally implemented under the Proficiency Model Project, published on April 17, 2025, in [Rules Bulletin 25-0110](#).

We propose restricting the use of the Mandatory Conduct Training to Compliance hours only for participating individuals who are either:

- not subject to the post-approval requirement, or
- those who did not complete the training in the previous cycle.

This proposal will not affect current ID Approved Persons who are currently required to complete the Mandatory Conduct Training by December 31, 2026, because they will have already complied with the requirement by the time Phase 2 is implemented.

## **4. CIRO Rule proposals**

In order to align the Phase 2 proposals with the proposed CIRO Rules, we are including the relevant RCP proposals in this project.

### **4.1. Background**

The CIRO Rules will be organized and numbered in the same manner as the existing IDPC Rules. As a result, we based our proposals for the CIRO Rules on the currently proposed IDPC Rules. A blackline comparison of the proposed CIRO Rules to the Phase 2 proposed IDPC Rules is set out in Appendix 6.

As well, in the RCP republication of the CIRO Rules, published on February 12, 2026, in [Rules Bulletin 26-0039](#), we proposed to maintain our Phase 5 proposal to adopt and maintain existing separate continuing education regimes as an interim measure, given the current separate CIRO project to harmonize the continuing education regime across CIRO dealers.

On February 12, 2026, we also published proposals, in [Rules Bulletin 26-0040](#), to retire the dual registration regulatory construct in the Proposed CIRO Rules. In this project, we proposed amendments to the proposed CIRO Rules to make Registered Representatives dealing in mutual funds only at an ID with a mutual funds division subject to the separate MFD CE continuing education regime.

### **4.2. Applicable CE requirements**

As indicated above in 3.4, we intend to streamline the individuals subject to CE upon the coming into force of the CIRO Rules Approved Persons regime. Given the proposals to harmonize Approved Persons categories in the RCP, and the proposed definition of “continuing education participant” in the IDPC Rules, i.e. “all Approved Persons, except Directors”, no amendments are necessary to implement this proposal.

However, in order to maintain the Professional Development hours requirement applicable to MFD Dealing Representatives, as well as Registered Representatives dealing in mutual funds only at an ID, we have added language, in line with the proficiency related amendments as set out in 3.3.3(c) of [Rules Bulletin 26-0039](#), that encompass both categories of Approved Persons in subsection 2704(2).

Since CE will be harmonized across CIRO dealers, we are further proposing to repeal section 2710: Registered Representatives dealing in mutual funds only employed by a dually registered CIRO dealer, or, if the Proposed Dual Registration amendments are accepted, employed by IDs with a mutual fund division, will be subject to the same rules and requirements as Registered Representatives of MFDs.

### **4.3. Mandatory Conduct Training under the CIRO Rules**

The requirement to complete post-approval Mandatory Conduct Training was introduced in the IDPC Rules by the proficiency model project, published on April 17, 2025, in [Rules Bulletin 250110](#). Existing ID Approved Persons are currently required to complete the Mandatory Conduct Training by December 31, 2026, and are currently allowed to use this training towards their compliance credits.

In Phase 2, as described in section 3.8.8, we are proposing to restrict the use of the Mandatory Conduct Training as Compliance hours. This proposal will not affect existing ID Approved Persons, as they will have complied with the requirement by the implementation of Phase 2.

In the republication of the RCP, we included proposals to make the post-approval Mandatory Conduct Training requirement applicable to MFD Approved Persons, with the requirement that existing MFD Approved Persons complete the training in a 2-year period from the publication of the approved CIRO Rules (see sections 3.3.3(e) and 6.4 of [Rules Bulletin 26-0039](#)). In order to allow existing MFD Approved Persons to use the conduct training towards their Compliance hours, as existing ID Approved Persons are currently allowed to do, we propose to exclude them from the restriction proposed in Phase 2.

### **5. Alternatives considered**

We initially considered implementing a set of harmonized CE rules in phases, with Phase 1 to begin on January 1, 2026. However, based on feedback requested in Phase 1, we decided that a single implementation date for both Phases is reasonable to ensure full harmonization following the end of the current cycle to ensure dealers have a longer timeline to review operational and system impacts.

### **6. Question**

While comments are requested on all Phase 2 proposals, we specifically request comments on the following question:

<b>Question:</b>
<p>We recognize that even with the addition of the proposed 30 day reporting requirement, shifting the CE cycle in the MFD Rules to sync with a calendar year may still be a significant change to MFDs. As a result, we are seeking the following feedback:</p> <p>For any dealer who does not support this proposal, we would like to know whether there are any regulatory burdens beyond what we have described above that make December 1st - November 30th a better approach for all dealers.</p>

### **7. Impact of other policy projects**

As discussed in this Bulletin, we understand that there will be amendments proposed under the RCP that may impact CE requirements. We will continue to assess these as the RCP moves

forward. Any proposed changes that impact CE will be reviewed and incorporated in the rules with further amendments as necessary, to ensure appropriate application of CE requirements to those impacted categories and timely implementation of the applicable CE requirements.

## **8. Policy Development Process**

### **8.1. Regulatory Purpose**

We took the CIRO public interest guidelines into consideration when developing proposed rule amendments for CE harmonization. We believe the proposals achieve the objectives intended under our set structure, which include to:

- Reinforce the ongoing proficiency principle codified in the MFD Rules, IDPC Rules and section 3.4 of NI 31-103, and
- Strike an appropriate balance between providing an effective, fair CE program for dealers and Approved Persons, while keeping in mind our objectives of protecting investors without unnecessary regulatory burden on dealers.

### **8.2. Regulatory Process**

The Board of Directors of CIRO (Board) has determined the Proposed Amendments to be in the public interest and approved them for public comment on March 18, 2026.

We consulted with CIRO advisory committees as described in section 8.3 below.

We took the public interest into account when developing the proposals through these consultations. After we consider the comments received in response to this request for comments, together with any comments of the Recognizing Regulators, CIRO staff may recommend revisions to the proposed rule amendments.

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 rule amendments will be subject to approval by the Recognizing Regulators.

If the revisions or comments are material, CIRO staff will submit the proposed rule amendments, including any revisions, to the Board for approval for republication or implementation, as applicable and subject to the approval of the Recognizing Regulators.

### **8.3. CIRO advisory committee and CE working group feedback**

CE program requirements have been under review since publication of the CSA Position Paper. We have received critical feedback from various stakeholders. We have focused on all stakeholder feedback within the context of the considerations outlined in section 3.

We consulted with CIRO advisory committees and re-established a CE subject matter expert working group to provide feedback based on their experiences with the current mutual fund dealer and investment dealer CE programs. The CE working group comprises national member representation from investment dealers and mutual fund dealers representing various regions and sizes.

The following advisory committees and working groups considered this matter:

- National Council, separately, and National Briefing Call
- Québec Regional Council

- Investor Advisory Panel
- Proficiency Committee
- CCLS OEO Subcommittee
- CCLS Retail Subcommittee
- CE Working Group representing various regions and dealer types

## **9. Impacts of the Proposal**

### **9.1. Impact of the Proposal**

Proposed Phase 2 rule amendments will positively impact stakeholders, including dealers and investors, as they are drafted to align with CIRO strategic objectives and relevant CSA goals. Key long-term benefits include strengthening the proficiency regime, an emphasis on reduced regulatory burden for dealers and downstream benefits to investors, promotion of a principles-based framework, and a streamlined IT/operation approach. For specific regional impact, see section 1.3 - *Regulatory updates in Québec* and section 3.5.1 - *Cycles*.

### **9.2. General technology and operation impacts**

As discussed in this Bulletin, there will be technology and operation impacts on dealers based on the Phase 2 proposals and related rule amendments, which includes regulatory changes arising from the RCP. We acknowledge that the sum total of changes arising from this project and concurrent projects will have unique transitional impacts on CIRO dealers in terms of operations and systems. However, we are of the view that the benefits of the proposed new CE program will outweigh the transitional costs needed to achieve compliance by the next CE cycle.

We will be communicating with key stakeholders regarding technology needs and impacts well in advance of the implementation date, as described in section 10 below. As part of this process we will be considering the impact on different types of dealers.

We will be evaluating our own internal IT needs, in the light of comments received following the consultation question in Phase 1, and as noted in section 1.4.

The potential impact of implementation from an operational and IT perspective on dealers will be a key consideration as we evaluate the most appropriate approach for all types of dealers across Canada, in order to ensure that we are not adding any unnecessary burden on those we regulate.

## **10. Next Steps**

Following the closing of the comment period on July 15, 2026, we will review and consider the comments. The comment letters will be posted on our website.

We aim to publish the final rules for implementation before the second half of 2027 to ensure implementation for all CIRO dealers following the end of their respective cycles. Dealers should note that the end of cycle for mutual fund dealers, including mutual fund dealers in Québec, is November 30, and for investment dealers December 31. The new CE program is proposed to become effective on January 1, 2028.

## **11. Appendices**

[Appendix 1](#) – Proposed CE amendments for Phase 2 – Mutual Fund Dealer Rules (clean)

**Appendix 2** – Proposed CE amendments for Phase 2 – Mutual Fund Dealer Rules (blackline)

**Appendix 3** – Proposed CE amendments for Phase 2 – Investment Dealer and Partially Consolidated Rules (clean)

**Appendix 4** – Proposed CE amendments for Phase 2 - Investment Dealer and Partially Consolidated Rules (blackline)

**Appendix 5** – Proposed CE amendments for Phase 2 – CIRO Rules (clean)

**Appendix 6** – Proposed CE amendments for Phase 2 – CIRO Rules (blackline against proposed IDPC Rules)

**Appendix 7** – Proposed CE amendments for Phase 2 – CIRO Rules (blackline against previous publication)

**Appendix 8** – Table of Concordance, comparing:

- the Proposed IDPC Rules to any existing equivalent in the IDPC Rules
- the Proposed MFD Rules to any existing equivalent in the MFD Rules
- the Proposed CIRO Rules to any existing equivalent in the Proposed IDPC Rules, Proposed MFD Rules and NI 31-103

**Appendix 9** - Comparative table, comparing the proposed continuing education requirements to the requirements currently applicable in Québec.