

SERIES 1000 | INTERPRETATION AND PRINCIPLES RULES

RULE 1200 | DEFINITIONS

1201. Definitions

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(2) The following terms have the meanings set out when used in the *Corporation requirements*:

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"designated Supervisor"	A <i>Supervisor</i> that the <i>Dealer Member</i> makes responsible for a supervisory role defined in the <i>Corporation requirements</i> , including a <i>Supervisor</i> responsible for: (i) the supervision of <i>futures contracts</i> and <i>futures contract options</i> trading accounts under Part F of Rule 3900, (ii) the supervision of <i>options</i> trading accounts under Part F of Rule 3900, (iii) the supervision of <i>discretionary accounts</i> under Part G of Rule 3900, (iv) the opening of new accounts and the supervision of account activity under Part B of Rule 3900, (v) the supervision of <i>managed accounts</i> under Part G of Rule 3900, (vi) the pre-approval of <i>advertising, sales literature</i> and <i>correspondence</i> under Part A of Rule 3600, and (vii) the supervision of <i>research reports</i> under Part B of Rule 3600.
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"recognized foreign regulatory organization"	A foreign regulatory organization, including a foreign self-regulatory organization, which offers reciprocal treatment to Canadian applicants and which has been recognized by the <i>Corporation</i> as such.

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SERIES 2000 | DEALER MEMBER ORGANIZATION AND INDIVIDUAL APPROVAL RULES

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RULE 2500 | DEALER MEMBER DIRECTORS AND EXECUTIVES, AND APPROVAL OF INDIVIDUALS

2501. Introduction

(1) Rule 2500 sets out requirements for a *Dealer Member's Approved Persons*.

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PART A - DEALER MEMBER DIRECTORS AND EXECUTIVES

2502. General requirements for Directors

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(2) At least 40% of the *Dealer Member's Directors* must:

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- (i) either:
 - (a) be *actively engaged in the business of the Dealer Member* and spend the majority of their time in the securities industry, except those on active government service, or who for health reasons are prevented from such active engagement, or
 - (b) occupy a position equivalent to an *Executive* or a *Director* at a related or *affiliated* firm registered with a *securities regulatory authority*, an *affiliated* foreign securities dealer or advisor, or an *affiliated* Canadian financial institution,
- (ii) satisfy the applicable proficiency requirements of clause 2602(3)(xxix), and
- (iii) have at least five years of experience in the financial services industry, or such lesser period as may be acceptable to the *Corporation*.

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2503. General requirements for Executives

- (1) A *Dealer Member's Executives* must:
 - ...
 - (ii) satisfy the applicable proficiency requirements of clause 2602(3)(xxviii).
- (2) At least 60% of the *Dealer Member's Executives* must have at least five years of experience in the financial services industry, or such lesser period as may be acceptable to the *Corporation*.

2504. Exemption

- (1) The *Corporation* may grant an exemption from any requirement or part of a requirement in sections 2502 or 2503 if it is satisfied that it would not harm the interests of the *Dealer Member*, its clients, the public or the *Corporation*. The exemption may be on any terms and conditions that the *Corporation* considers appropriate.

2505. Chief Financial Officer

- (1) A *Dealer Member* must designate a *Chief Financial Officer* who must:
 - (i) be designated as an *Executive* and meet the general requirements for *Executives* set out in section 2503, and
 - (ii) satisfy the applicable proficiency requirements of clause 2602(3)(xxx).

...

- (4) When an acting *Chief Financial Officer* is designated:
 - (i) that *individual* must satisfy the applicable proficiency requirements of clause 2602(3)(xxx) and be designated as *Chief Financial Officer*, or

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...

2506. Chief Compliance Officer

- (1) A *Dealer Member* must designate a *Chief Compliance Officer* who must:
 - (i) be designated as an *Executive* and meet the general requirements for *Executives* set out in section 2503, and

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- (ii) satisfy the applicable proficiency requirements of clause 2602(3)(xxxi).

...

- (5) When an acting *Chief Compliance Officer* is designated:

- (i) the *individual* must satisfy the applicable proficiency requirements of clause 2602(3)(xxxi) and be designated as *Chief Compliance Officer*, or

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2507. Ultimate Designated Person

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- (2) The *Ultimate Designated Person* must be:

- (i) the chief executive officer of the *Dealer Member* or, an *Executive* acting in a capacity similar to a chief executive officer, provided it is acceptable to the *Corporation*, and applicable relief is granted under the applicable National Instrument,

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...

- (4) If an *individual* who is approved as a *Dealer Member's Ultimate Designated Person* ceases to meet any of the conditions listed in subsections 2507(1) and 2507(2), the *Dealer Member* must immediately designate another qualified *Executive* to act as its *Ultimate Designated Person* or if unable to do so, promptly notify the *Corporation* of its plan to designate another qualified *Executive* as its *Ultimate Designated Person*.

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PART B - APPROVAL OF INDIVIDUALS

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2551. Individual approval

- (1) An *individual* is not permitted to act as an *Approved Person* and a *Dealer Member* is not permitted to allow an *individual* to act as an *Approved Person* unless:

- (i) the *Dealer Member* is registered (or exempt from such registration) in the appropriate category under *securities laws* in each jurisdiction in which clients of the *Dealer Member* reside or in which the *Dealer Member* carries on *securities related business*,
 - (ii) the *individual*, if required to do so under *securities laws*, is registered (or exempt from such registration) in the appropriate category under *securities laws* in each jurisdiction in which clients of the *individual* reside or in which the *individual* carries on *securities related business*, and

...

...

- (6) If an *Approved Person* ceases to be approved, the former *Approved Person* must immediately cease any activity requiring *Corporation* approval.

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2552. Compliance with the proficiency requirements or other conditions

- (1) Each *Approved Person* must:
 - (i) meet the applicable proficiency requirements set out in Rule 2600 before *Corporation* approval is granted, and
 - (ii) complete the applicable post-approval proficiency requirements of subsection 2602(3) after receiving *Corporation* approval.
- (2) The *Corporation* will automatically suspend an *Approved Person* if they do not complete the applicable post-approval proficiency requirements in the *Approved Persons* category as set out in Rule 2600.
- (3) The *Corporation* will reinstate an *Approved Person* once they have completed the required post-approval proficiency requirements and the *Corporation* has been notified.

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2553. Approval of Registered Representatives, Investment Representatives, Portfolio Managers and Associate Portfolio Managers and their obligations

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- (2) An *Associate Portfolio Manager* must not advise on securities unless, before giving the advice, the advice has been pre-approved by the *Portfolio Manager*.
- (3) A *Registered Representative*, *Investment Representative*, *Portfolio Manager* or *Associate Portfolio Manager* may not conduct on behalf of a *Dealer Member*, and a *Dealer Member* may not permit the *Approved Person* to conduct on its behalf, the type of business as set out in clause 2553(3)(iv) and deal with a type of customer as set out in clauses 2553(3)(i) and (ii), unless the *Dealer Member* complies with the following:

...

- (4) An *individual* applying for approval as a *Registered Representative* or *Investment Representative* dealing in mutual funds only must comply with the applicable proficiency requirements in clauses 2602(3)(vi), 2602(3)(vii) or 2602(3)(xiii).
- (5) The post-approval proficiency requirements in clauses 2602(3)(vi) or 2602(3)(xiii) do not apply to a *Registered Representative* or *Investment Representative* approved prior to September 28, 2009 and registered in provinces or territories which allowed the *individual* to be restricted to mutual funds only, provided they remain in the same restricted category of approval in the same provinces/territories.
- (6) The approval of an *individual* qualified to deal in mutual funds only is automatically suspended if the *individual* fails to satisfy the post-approval requirements in clauses 2602(3)(vi) or 2602(3)(xiii) in accordance with subsections 2552(2) and 2552(3).

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2555. Approval of investors

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- (2) A Dealer Member’s Director who, directly or indirectly, owns or controls a voting interest of a Dealer Member of 10% or more must satisfy the proficiency requirements of clause 2602(3)(xxxii).
- (3) Any individual, other than a Dealer Member’s Director, who:
- (i) is actively engaged in the business of the Dealer Member, and
 - (ii) directly or indirectly owns or controls a voting interest in a Dealer Member of 10% or more, must satisfy the proficiency requirements of clause 2602(3)(xxxii) applicable to approved investors.

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RULE 2600 | PROFICIENCY REQUIREMENTS AND EXEMPTIONS FROM PROFICIENCIES

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PART A - PROFICIENCY REQUIREMENTS

2602. Proficiency requirements for Approved Persons and approved investors

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- (2) The Dealer Member must ensure that an individual does not perform an activity that requires Corporation approval unless the individual has the education, training provided in accordance with section 1407, and experience that a reasonable person would consider necessary to perform the activity competently, including understanding the structure, features and risks of each security the individual recommends.
- (3) Each applicant in an Approved Person category or approved investor category must meet the proficiency requirements set out below for that category unless an exemption has been granted from the applicable proficiency requirements before the Corporation will grant approval. Unless otherwise stated, the Canadian Securities Institute administers the courses and examinations noted below.

Registered Representative and Investment Representative
...
<ul style="list-style-type: none">Investment Representative dealing in futures contracts and futures contract options with retail or institutional clients
...
Associate Portfolio Manager and Portfolio Manager
<ul style="list-style-type: none">Associate Portfolio Manager providing discretionary portfolio management for managed accountsPortfolio Manager providing discretionary portfolio management for managed accounts
Designated Supervisor
...
<ul style="list-style-type: none">Supervisor designated to be responsible for the supervision of futures contract and futures contract options accounts
...

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Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
Registered Representative and Investment Representative			
(i) <i>Registered Representative dealing with retail clients (other than Registered Representative dealing in options, futures contracts and futures contract options or only in mutual funds)</i>	<p>(a) (I) Either:</p> <p>(A) Canadian Securities Course, or,</p> <p>(B) Level I or higher of the CFA Program administered by the CFA Institute,</p> <p>(II) Conduct and Practices Handbook Course,</p> <p>and</p> <p>(III) 90-day training program after completion of the requirements in paragraph 2602(3)(i)(a)(I),</p> <p>or,</p> <p>(b) If previously registered or approved with a <i>recognized foreign regulatory organization</i> in a similar capacity within three years before requesting approval, New Entrants Course.</p>	(c) Completion of Wealth Management Essentials Course within 30 months after initial approval date as a <i>Registered Representative</i> in accordance with subsection 2552(2).	(d) Six months of supervision from initial approval date as a <i>Registered Representative</i> in accordance with section 3947.
(ii) <i>Registered Representative dealing with institutional clients (other than Registered Representative dealing in options, futures contracts and futures contract options or only in mutual funds)</i>	<p>(a) (I) Either:</p> <p>(A) Canadian Securities Course, or,</p> <p>(B) Level I or higher of the CFA Program administered by the CFA Institute,</p> <p>and,</p> <p>(II) Conduct and Practices Handbook Course,</p> <p>or,</p> <p>(b) If previously registered or approved with with a <i>recognized foreign regulatory organization</i> in a similar capacity within three years before requesting approval, New Entrants Course.</p>		
(iii) <i>Registered Representative dealing in options with retail clients</i>	<p>(a) (I) Requirements in sub-clause 2602(3)(i)(a),</p> <p>and,</p> <p>(II) Either:</p> <p>(A) Derivatives Fundamentals Course and the Options Licensing Course,</p> <p>or,</p>	(c) Requirements in sub-clause 2602(3)(i)(c).	(d) Requirements in sub-clause 2602(3)(i)(d) in accordance with section 3947.

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Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
	<p>(B) Derivatives Fundamentals and Options Licensing Course,</p> <p>or,</p> <p>(b) If previously registered with the Financial Industry Regulatory Authority in a similar capacity and dealing in options within three years before requesting approval:</p> <p>(I) New Entrants Course,</p> <p>(II) Securities Industry Essentials Exam administered by the Financial Industry Regulatory Authority,</p> <p>and,</p> <p>(III) Series 7 Exam administered by the Financial Industry Regulatory Authority.</p>		
(iv) <i>Registered Representative dealing in options with institutional clients</i>	<p>(a) (I) Requirements in sub-clause 2602(3)(ii)(a),</p> <p>and,</p> <p>(II) Either:</p> <p>(A) Derivatives Fundamentals Course and the Options Licensing Course,</p> <p>or,</p> <p>(B) Derivatives Fundamentals and Options Licensing Course,</p> <p>or,</p> <p>(b) If previously registered with the Financial Industry Regulatory Authority in a similar capacity and dealing in options within three years before requesting approval:</p> <p>(I) New Entrants Course,</p> <p>(II) Securities Industry Essentials Exam administered by the Financial Industry Regulatory Authority,</p> <p>and,</p> <p>(III) Series 7 Exam administered by the Financial Industry Regulatory Authority.</p>		
(v) <i>Registered Representative</i>	(a) Futures Licensing Course,		(d) Requirements in sub-clause

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Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
dealing with <i>retail clients</i> or <i>institutional clients</i> dealing in <i>futures contracts</i> and <i>futures contract options</i>	(b) Conduct and Practices Handbook Course, and, (c) Any of the following: (I) Derivatives Fundamentals Course, (II) Derivatives Fundamentals and Options Licensing Course, or, (III) If previously registered with the National Futures Association in a similar capacity and dealing in futures within three years before requesting approval, Series 3 Exam administered by the Financial Industry Regulatory Authority (on behalf of the National Futures Association).		2602(3)(i)(d) in accordance with section 3947 for those dealing with <i>retail clients</i> .
(vi) <i>Registered Representative</i> dealing only in mutual funds who is an <i>employee</i> of a firm registered as an investment dealer and not registered as a mutual fund dealer	(a) (I) Any of the following: (A) Requirements in paragraph 2602(3)(i)(a)(I), (B) Canadian Investment Funds Course administered by the Investment Funds Institute of Canada, or, (C) Investment Funds in Canada Course.	(b) (I) Completion of the requirements in paragraphs 2602(3)(i)(a)(I) and 2602(3)(i)(a)(II) within 270 days after initial approval date, and, (II) Completion of the 90-day training program within 18 months after initial approval date.	(c) The <i>individual</i> must upgrade to <i>Registered Representative</i> within 18 months of initial approval.
(vii) <i>Registered Representative</i> dealing only in mutual funds who is an <i>employee</i> of a firm registered as both an investment dealer and a	(a) (I) Any of the following: (A) Requirements in paragraph 2602(3)(i)(a)(I), (B) Canadian Investment Funds Course administered by the Investment Funds Institute of Canada, or, (C) Investment Funds in Canada Course.	(b) Completion of the 90-day training program within 90 days after initial approval.	(c) Six months of supervision from initial approval date as <i>Registered Representative</i> in accordance with section 3947.

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Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
mutual fund dealer			
(viii) <i>Investment Representative</i> dealing with <i>retail clients</i> (other than <i>Investment Representative</i> dealing in <i>options, futures contracts</i> and <i>futures contract options</i> or only in mutual funds)	<p>(a) (I) Either:</p> <p>(A) Canadian Securities Course, or,</p> <p>(B) Level I or higher of the CFA Program administered by the CFA Institute,</p> <p>(II) Conduct and Practices Handbook Course,</p> <p>and,</p> <p>(III) 30-day training program after completing the requirements in paragraph 2602(3)(viii)(a)(I),</p> <p>or,</p> <p>(b) If previously registered or approved with a <i>recognized foreign regulatory organization</i> in a similar capacity within three years before requesting approval, New Entrants Course.</p>		(c) Six months of supervision from initial approval date as an <i>Investment Representative</i> in accordance with section 3947.
(ix) <i>Investment Representative</i> dealing with <i>institutional clients</i> (other than <i>Investment Representative</i> dealing in <i>options, futures contracts</i> and <i>futures contract options</i> or dealing in only in mutual funds)	<p>(a) (I) Either:</p> <p>(A) Canadian Securities Course, or,</p> <p>(B) Level I or higher of the CFA Program administered by the CFA Institute,</p> <p>and,</p> <p>(II) Conduct and Practices Handbook Course,</p> <p>or,</p> <p>(b) If previously registered or approved with a <i>recognized foreign regulatory organization</i> in a similar capacity within three years before requesting approval, New Entrants Course.</p>		
(x) <i>Investment Representative</i> dealing in <i>options</i> with <i>retail clients</i>	<p>(a) (I) Requirements in sub-clause 2602(3)(vii)(a),</p> <p>and,</p> <p>(II) Either:</p> <p>(A) Derivatives Fundamentals Course and the Options Licensing Course,</p> <p>or,</p>		(c) Requirements in sub-clause 2602(3)(viii)(c) in accordance with section 3947.

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Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
	<p>(B) Derivatives Fundamentals and Options Licensing Course,</p> <p>or,</p> <p>(b) If previously registered with the Financial Industry Regulatory Authority in a similar capacity and dealing in options within three years before requesting approval:</p> <p>(I) New Entrants Course,</p> <p>(II) Securities Industry Essentials Exam administered by the Financial Industry Regulatory Authority,</p> <p>and,</p> <p>(III) Series 7 Exam administered by the Financial Industry Regulatory Authority.</p>		
(xi) <i>Investment Representative dealing in options with institutional clients</i>	<p>(a) (I) Requirements in sub-clause 2602(3)(ix)(a),</p> <p>and,</p> <p>(II) Either:</p> <p>(A) Derivatives Fundamentals Course and the Options Licensing Course,</p> <p>or,</p> <p>(B) Derivatives Fundamentals and Options Licensing Course,</p> <p>or,</p> <p>(b) If previously registered with the Financial Industry Regulatory Authority in a similar capacity and dealing in options within three years before requesting approval:</p> <p>(I) New Entrants Course,</p> <p>(II) Securities Industry Essentials Exam administered by the Financial Industry Regulatory Authority,</p> <p>and</p> <p>(III) Series 7 Exam administered by the Financial Industry Regulatory Authority.</p>		
(xii) <i>Investment Representative</i>	(a) Futures Licensing Course,		(d) Requirements in sub-clause

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Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
dealing in <i>futures contracts</i> or <i>futures contract options</i> with <i>retail</i> or <i>institutional clients</i>	(b) Conduct and Practices Handbook Course, and, (c) Any of the following: (I) Derivatives Fundamentals Course, (II) Derivatives Fundamentals and Options Licensing Course, or, (III) if previously registered with the National Futures Association in a similar capacity and dealing in futures within three years before requesting approval, Series 3 Exam administered by the Financial Industry Regulatory Authority (on behalf of the National Future Association).		2602(3)(viii)(c) in accordance with section 3947 for those dealing with <i>retail clients</i> .
(xiii) <i>Investment Representative</i> dealing only in mutual funds who is an <i>employee</i> of a firm registered as an investment dealer and not registered as a mutual fund dealer	(a) Any of the following: (I) Requirements in paragraph 2602(3)(viii)(a)(I), (II) Canadian Investment Funds Course administered by the Investment Funds Institute of Canada, or, (III) Investment Funds in Canada Course.	(b) (I) Completion of the requirements in paragraphs 2602(3)(viii)(a)(I) and 2602(3)(viii)(a)(II) within 270 days after initial approval date, and, (II) Completion of the 30-day training program within 18 months after initial approval date.	(c) The <i>individual</i> must upgrade to <i>Investment Representative</i> within 18 months of initial approval.
Associate Portfolio Manager and Portfolio Manager			
(xiv) <i>Associate Portfolio Manager</i> providing discretionary portfolio management for <i>managed accounts</i>	(a) (I) Conduct and Practices Handbook Course, and (II) Any of the following: (A) Canadian Investment Manager Designation, (B) Chartered Investment Manager Designation, or,		(d) Two years of relevant investment management experience acceptable to the <i>Corporation</i> within three years before requesting approval.

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Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
	<p>(C) CFA Level I or higher of the CFA Program administered by the CFA Institute,</p> <p>or,</p> <p>(b) If managing accounts with <i>options</i>:</p> <p>(I) Requirements in sub-clause 2602(3)(xiv)(a),</p> <p>and,</p> <p>(II) Either:</p> <p>(A) Requirements in paragraph 2602(3)(iii)(a)(II),</p> <p>or,</p> <p>(B) Requirements in sub-clause 2602(3)(iii)(b),</p> <p>or,</p> <p>(c) If managing accounts with <i>futures contracts</i> and <i>futures contract options</i>:</p> <p>(I) Requirements in sub-clause 2602(3)(xiv)(a),</p> <p>(II) Requirements in sub-clause 2602(3)(v)(a),</p> <p>and,</p> <p>(III) Requirements in sub-clause 2602(3)(v)(c).</p>		
(xv) <i>Portfolio Manager providing discretionary portfolio management for managed accounts</i>	<p>(a) (I) Conduct and Practices Handbook Course,</p> <p>and,</p> <p>(II) Any of the following:</p> <p>(A) Canadian Investment Manager Designation,</p> <p>(B) Chartered Investment Manager Designation,</p> <p>or,</p> <p>(C) CFA Charter administered by the CFA Institute,</p> <p>or,</p> <p>(b) If managing accounts with <i>options</i>:</p> <p>(I) Requirements in sub-clause 2602(3)(xv)(a),</p> <p>and,</p> <p>(II) Either:</p> <p>(A) Requirements in paragraph 2602(3)(iii)(a)(II),</p>		<p>(d) If Canadian Investment Manager Designation or Chartered Investment Manager Designation is completed at least four years of relevant investment management experience, one year of which was gained within the three years before requesting approval acceptable to the Corporation,</p> <p>or,</p>

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Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
	<p>or,</p> <p>(B) Requirements in sub-clause 2602(3)(iii)(b),</p> <p>or,</p> <p>(c) If managing accounts with <i>futures contracts</i> and <i>futures contract options</i>:</p> <p>(I) Requirements in sub-clause 2602(3)(xv)(a),</p> <p>(II) Requirements in sub-clause 2602(3)(v)(a),</p> <p>and,</p> <p>(III) Requirements in sub-clause 2602(3)(v)(c).</p>		(e) If CFA Charter is completed, at least one year of relevant investment management experience within the three years before requesting approval acceptable to the <i>Corporation</i> .
Trader			
(xvi) <i>Trader</i>	(a) Trader Training Course, unless otherwise determined by the <i>Marketplace</i> on which the <i>Trader</i> will be trading.		
(xvii) <i>Trader</i> on the Montréal Exchange	(a) Proficiency requirements determined to be acceptable by the Montréal Exchange.		
Supervisor – Retail or Institutional			
(xviii) <i>Supervisor of Registered Representatives or Investment Representatives</i> (other than supervising <i>options</i> or <i>futures contracts</i> and <i>futures contract options</i>)	<p>(a) Investment Dealer Supervisors Course,</p> <p>and,</p> <p>(b) (I) Either:</p> <p>(A) Canadian Securities Course, or,</p> <p>(B) CFA Level I or higher of the CFA Program administered by the CFA Institute,</p> <p>and,</p> <p>(II) Conduct and Practices Handbook Course,</p> <p>or,</p> <p>(c) If previously registered or approved with a <i>recognized foreign regulatory organization</i> within three years before requesting approval and as an alternative to sub-clause 2602(3)(xviii)(b), New Entrants Course</p>		<p>(d) Two years of relevant experience working for an investment dealer,</p> <p>(e) Two years of relevant experience working for a Mutual Fund Dealer Member, portfolio manager, or an entity governed by a <i>recognized foreign regulatory organization</i>,</p> <p>or,</p> <p>(f) Such other equivalent experience acceptable to the <i>Corporation</i>.</p>

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Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
(xix) <i>Supervisor of Registered Representatives or Investment Representatives dealing with clients in options</i>	<p>(a) Options Supervisors Course, and,</p> <p>(b) Either:</p> <p style="padding-left: 40px;">(I) (A) Conduct and Practices Handbook Course, and,</p> <p style="padding-left: 80px;">(B) Either:</p> <p style="padding-left: 120px;">(i) Derivatives Fundamentals Course and the Options Licensing Course,</p> <p style="padding-left: 80px;">or,</p> <p style="padding-left: 120px;">(ii) Derivatives Fundamentals and Options Licensing Course,</p> <p style="padding-left: 40px;">or,</p> <p style="padding-left: 40px;">(II) If previously registered with the Financial Industry Regulatory Authority and dealing in <i>options</i> within three years before requesting approval:</p> <p style="padding-left: 80px;">(A) New Entrants Course, and</p> <p style="padding-left: 80px;">(B) Securities Industry Essentials Exam administered by the Financial Industry Regulatory Authority, and</p> <p style="padding-left: 80px;">(C) Series 7 Exam administered by the Financial Industry Regulatory Authority.</p>		<p>(d) Two years of relevant experience working for an investment dealer,</p> <p>(e) Two years of relevant experience working for a Mutual Fund Dealer Member, portfolio manager, or an entity governed by a <i>recognized foreign regulatory organization</i>,</p> <p>or,</p> <p>(f) Such other equivalent experience acceptable to the <i>Corporation</i>.</p>
(xx) <i>Supervisor of Registered Representatives or Investment Representatives dealing with clients in futures contracts and futures contract options</i>	<p>(a) Canadian Commodity Supervisors Exam, and,</p> <p>(b) (I) Futures Licensing Course,</p> <p style="padding-left: 40px;">(II) Conduct and Practices Handbook Course,</p> <p style="padding-left: 40px;">and,</p> <p style="padding-left: 40px;">(III) Any of the following:</p> <p style="padding-left: 80px;">(A) Derivatives Fundamentals Course,</p> <p style="padding-left: 80px;">(B) Derivatives Fundamentals and Options Licensing Course,</p> <p style="padding-left: 40px;">or,</p>		<p>(c) Two years of relevant experience working for an investment dealer,</p> <p>(d) Two years of relevant experience working for a Mutual Fund Dealer Member, portfolio manager or an entity governed by a <i>recognized foreign regulatory organization</i>,</p> <p>or,</p>

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Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
	(C) If previously registered with National Futures Association dealing in futures within three years before requesting approval, the Series 3 Exam administered by the Financial Industry Regulatory Authority (on behalf of the National Futures Association)		(e) Such other equivalent experience acceptable to the <i>Corporation</i> .
Designated Supervisors			
(xxi) <i>Supervisor</i> designated to be responsible for the opening of new accounts and account supervision and activity related policies and procedures	(a) Investment Dealer Supervisors Course.		(b) Two years of relevant experience working for an investment dealer, (c) Two years of relevant experience working for a Mutual Fund Dealer Member, portfolio manager, or an entity governed by a <i>recognized foreign regulatory organization</i> , or, (d) Such other equivalent experience acceptable to the <i>Corporation</i> .
(xxii) <i>Supervisor</i> designated to be responsible for the supervision of <i>discretionary accounts</i>	(a) Investment Dealer Supervisors Course.		(b) Two years of relevant experience working for an investment dealer, (c) Two years of relevant experience working for a Mutual Fund Dealer Member, portfolio manager or an entity governed by a <i>recognized foreign regulatory organization</i> , or,

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Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
			(d) Such other equivalent experience acceptable to the Corporation.
(xxiii) <i>Supervisor</i> designated to be responsible for the supervision of <i>managed accounts</i>	<p>(a) Investment Dealer Supervisors Course,</p> <p>and,</p> <p>(b) Any of the following:</p> <p>(I) Canadian Investment Manager Designation,</p> <p>(II) Chartered Investment Manager Designation,</p> <p>or</p> <p>(III) CFA Charter administered by the CFA Institute</p> <p>(c) If supervising <i>managed accounts</i> with <i>options</i>:</p> <p>(I) Requirements in sub-clauses 2602(3)(xxiii)(a) and 2602(3)(xxiii)(b),</p> <p>and,</p> <p>(II) Requirements in clause 2602(3)(xxiv),</p> <p>(d) If supervising <i>managed accounts</i> with <i>futures contracts</i> and <i>futures contract options</i>:</p> <p>(I) Requirements in sub-clauses 2602(3)(xxiii)(a) and 2602(3)(xxiii)(b),</p> <p>and,</p> <p>(II) Requirements in clause 2602(3)(xxv).</p>		<p>(e) Two years of relevant experience working for an investment dealer,</p> <p>(f) Two years of relevant experience working for a Mutual Fund Dealer Member, a portfolio manager or an entity governed by a <i>recognized foreign regulatory organization</i>,</p> <p>or,</p> <p>(g) Such other equivalent experience acceptable to the Corporation.</p>
(xxiv) <i>Supervisor</i> designated to be responsible for the supervision of <i>options accounts</i>	<p>(a) Options Supervisors Course,</p> <p>and</p> <p>(b) Any of the following:</p> <p>(I) Derivatives Fundamentals Course and the Options Licensing Course,</p> <p>(II) Derivatives Fundamentals and Options Licensing Course,</p> <p>or,</p> <p>(III) If previously registered with the Financial Industry Regulatory Authority dealing in options</p>		<p>(c) Two years of relevant experience working for an investment dealer,</p> <p>(d) Two years of relevant experience working for a Mutual Fund Dealer Member, portfolio manager, or an entity governed by a <i>recognized foreign</i></p>

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Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
	<p>within three years before requesting approval:</p> <p>(A) New Entrants Course,</p> <p>(B) Securities Industry Essentials Exam administered by the Financial Industry Regulatory Authority,</p> <p>and,</p> <p>(C) Series 7 Exam administered by the Financial Industry Regulatory Authority.</p>		<p><i>regulatory organization,</i></p> <p>or,</p> <p>(e) Such other equivalent experience acceptable to the <i>Corporation</i>.</p>
(xxv) <i>Supervisor designated to be responsible for the supervision of futures contract and futures contract options accounts</i>	<p>(a) Canadian Commodity Supervisors Exam,</p> <p>(b) Futures Licensing Course,</p> <p>and,</p> <p>(c) Any of the following:</p> <p>(I) Derivatives Fundamentals Course,</p> <p>(II) Derivatives Fundamentals and Options Licensing Course,</p> <p>or,</p> <p>(III) If previously registered with the National Futures Association and dealing in futures within three years before requesting approval, the Series 3 Exam administered by the Financial Industry Regulatory Authority (on behalf of the National Futures Association).</p>		<p>(d) Two years of relevant experience working for an investment dealer,</p> <p>(e) Two years of relevant experience working for a Mutual Fund Dealer Member, portfolio manager, or an entity governed by a <i>recognized foreign regulatory organization,</i></p> <p>or,</p> <p>(f) Such other equivalent experience acceptable to the <i>Corporation</i>.</p>
(xxvi) <i>Supervisor designated to be responsible for the pre-approval of advertising, sales literature and correspondence</i>	<p>(a) Investment Dealer Supervisors Course.</p>		<p>(b) Two years of relevant experience working for an investment dealer,</p> <p>(c) Two years of relevant experience working for a Mutual Fund Dealer Member, portfolio manager, or an entity governed by a <i>recognized foreign regulatory organization,</i></p> <p>or,</p>

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Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
			(d) Such other equivalent experience acceptable to the Corporation.
(xxvii) <i>Supervisor designated to be responsible for the supervision of research reports</i>	<p>(a) Conduct and Practices Handbook Course,</p> <p>and,</p> <p>(b) Any of the following:</p> <p>(I) CFA Level II or higher of the CFA Program administered by the CFA Institute,</p> <p>(II) Partners, Directors and Senior Officers Course,</p> <p>(III) Investment Dealer Supervisor Course,</p> <p>or</p> <p>(IV) If previously registered with the Financial Industry Regulatory Authority within three years before requesting approval:</p> <p>(A) Securities Industry Essentials Exam and Series 86/87 Exam administered by the Financial Industry Regulatory Authority,</p> <p>or,</p> <p>(B) Series 16 Exam administered by the Financial Industry Regulatory Authority.</p>		<p>(c) Two years of relevant experience working for an investment dealer or registered advisor,</p> <p>(d) Two years of relevant experience working for an entity governed by a <i>recognized foreign regulatory organization</i>,</p> <p>or,</p> <p>(e) Such other equivalent experience acceptable to the Corporation.</p>
Executive and Director			
(xxviii) <i>Executive (including Ultimate Designated Person)</i>	(a) Partners, Directors and Senior Officers Course.		(b) Experience in accordance with subsection 2503(2), if applicable .
(xxix) <i>Director</i>	(a) Partners, Directors and Senior Officers Course.		(b) Experience in accordance with clause 2502(2)(iii), if applicable.
(xxx) <i>Chief Financial Officer</i>	<p>(a) Partners, Directors and Senior Officers Course,</p> <p>and,</p> <p>(b) Chief Financial Officers Qualifying Examination.</p>		(c) A financial accounting designation, finance related university degree or diploma or equivalent work

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

Approved Person category	Pre-approval requirements	Post-approval requirements	Experience and other proficiency related requirements
			experience as may be acceptable to the <i>Corporation</i> .
(xxxi) <i>Chief Compliance Officer</i>	(a) Partners, Directors and Senior Officers Course, and, (b) Chief Compliance Officers Qualifying Examination.		(c) Five years working for an investment dealer or registered advisor, with at least three years in a compliance or supervisory capacity, or, (d) Three years providing professional services in the securities industry, with at least 12 months experience working at an investment dealer or registered advisor in a compliance or supervisory capacity.
Approved investor			
(xxxii) <i>Approved investor</i> (under subsections 2555(2) and 2555(3))	(a) Partners, Directors and Senior Officers Course.		

...

PART B - EXEMPTIONS FROM PROFICIENCY REQUIREMENTS

2625. Specific exemptions

- (1) A *Chief Compliance Officer* seeking approval as a *Supervisor* of a producing *Supervisor* is exempt from the proficiencies required under 2602(3)(xviii) for the purposes of being approved in this capacity, if the producing *Supervisor* is an *Approved Person* who is:
 - (i) a *Supervisor* of a *Registered Representative* or *Investment Representative* and
 - (ii) actively engaged as a *Registered Representative* dealing with *retail clients*.

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

- (2) An applicant seeking approval as a *Supervisor* in relation to activities of *individuals* approved to deal in mutual funds only, including those in subsections 2603(1) and 2603(2), is exempt from the pre-approval course requirements in clauses 2602(3)(xviii) and 2602(3)(xxi) provided the *individual*:

...

- (3) With the exception of *individuals* who were required to transition to the *Portfolio Manager* and *Associate Portfolio Manager* approval categories, *individuals* approved prior to December 31, 2021 are exempt from any new proficiency requirements introduced as at December 31, 2021 in subsection 2602(3), provided the *Approved Person* continues in the same role.

2626. General and discretionary exemptions

- (1) The *Corporation* may exempt any *person* or class of *persons* from any proficiency requirement, in whole or in part, if the applicant demonstrates acceptable alternative experience, and/or successful completion of alternative courses or examinations to the *Corporation*.
- (2) This exemption may be subject to any terms and conditions the *Corporation* considers appropriate.

...

2627. Exemptions from completing the required courses

- (1) As set out in the table below, an applicant or *Approved Person* is exempt from completing a required course if the applicant meets the applicable exemption criteria.

Required course	Course required for exemption	Exemption criteria
(i)(a) 90-day Training Program	(b) none	(c) Request approval within three years of being approved or registered in a capacity allowing trading of, or advising in, securities for <i>retail clients</i> either: (I) by a <i>recognized foreign regulatory organization</i> , or (II) as an advising representative or associate advising representative by a Canadian <i>securities regulatory authority</i>
(ii)(a) 30-day Training Program	(b) none	(c) Request approval within three years of being approved or registered in a capacity allowing trading of, or advising in, securities for <i>retail clients</i> either: (I) by a <i>recognized foreign regulatory organization</i> , or

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

Required course	Course required for exemption	Exemption criteria
		(II) as an advising representative or associate advising representative by a Canadian <i>securities regulatory authority</i>

2628. Course validity and exemptions from rewriting or repeating courses

...

- (2) An applicant for approval must rewrite or repeat a course if the applicant has not been approved in a category listed in subsection 2602(3) or registered by a Canadian *securities regulatory authority* in a similar category requiring the course within the last three years.
- (3) The courses and examinations listed in Rule 2600 includes every prior and successor course or examination, provided that they do not have a significantly reduced scope and content, as determined by the *Corporation*.
- (4) For the purposes of determining course validity, an *Approved Person* is not considered to have been approved during any period in which the *Approved Person's* approval was suspended or the *individual* was otherwise not conducting any activities requiring *Corporation* approval on behalf of the *Dealer Member*.

...

- (6) An *individual* is exempt from rewriting or repeating the courses as set out in the table below if the *individual* has met the current status criteria and exemption criteria.

Course	Individual's current status	Exemption criteria
(i)(a) Partners, Directors and Senior Officers Course	(b) has previously been approved as an <i>officer</i> (prior to September 28, 2009) and surrendered registration with the introduction of the <i>Corporation</i> approval category of <i>Executive</i>	(c) applicant for approval who has maintained continuous employment with a <i>Dealer Member</i> in a senior capacity and remained in the corporate registry of a <i>Dealer Member</i> as an <i>officer</i> since September 28, 2009
(ii)(a) Chief Financial Officers Qualifying Examination	(b) has never been approved as a <i>Chief Financial Officer</i>	(c) applicant for approval has demonstrated to the <i>Corporation's</i> satisfaction that the applicant has been working closely with and assisting the <i>Chief Financial Officer</i> since the completion of the Chief Financial Officers Qualifying Examination

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

Course	Individual's current status	Exemption criteria
(iii)(a) Derivatives Fundamentals Course	(b) an applicant for approval or <i>Approved Person</i> who will be dealing with clients in <i>futures contracts</i> , or <i>futures contract options</i> or supervising <i>Approved Persons</i> who deal with such clients	(c) applicant seeking approval or filing a notice within three years of passing the Futures Licensing Course or the Canadian Commodity Supervisors Exam
(iv)(a) Derivatives Fundamentals Course	(b) an applicant for approval or an <i>Approved Person</i> dealing with clients, in <i>options</i> , or supervising <i>Approved Persons</i> who deal with such clients	(c) applicant seeking approval or filing a notice within three years of completing the Options Licensing Course or the Options Supervisors Course
(v)(a) Derivatives Fundamentals and Options Licensing Course	(b) an applicant for approval or an <i>Approved Person</i> dealing with clients, in options, or supervising <i>Approved Persons</i> who deal with such clients	(c) applicant seeking approval or filing a notice within three years of completing the Options Licensing Course
(vi)(a) Wealth Management Essentials Course	(b) an applicant for approval or <i>Approved Person</i> who will be dealing with <i>retail clients</i> in securities	(c) applicant seeking approval or filing a notice within three years of completing all three levels of the CFA Program or the CFA Charter administered by the CFA Institute which continues to be in good standing
(vii)(a) 90-day Training Program	(b) an applicant for approval or <i>Approved Person</i>	(c) applicant seeking approval or filing a notice within three years of being approved or registered in a capacity allowing trading of, or advising in, securities for <i>retail clients</i> either: (I) by a <i>recognized foreign regulatory organization</i> , or (II) as an advising representative or associate

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Course	Individual's current status	Exemption criteria
		advising representative by a <i>securities regulatory authority</i>
(viii)(a) 30-day Training Program	(b) an applicant for approval or <i>Approved Person</i>	(c) applicant seeking approval or filing a notice within three years of being approved or registered in a capacity allowing trading of, or advising in, securities for <i>retail clients</i> either: (I) by a <i>recognized foreign regulatory organization</i> , or (II) as an advising representative or associate advising representative by a <i>securities regulatory authority</i>

...

2630. Transition of Advising Representatives and Associate Advising Representatives into the Portfolio Manager and Associate Portfolio Manager approval category

- (1) An *individual* registered as an advising representative or associate advising representative by a *securities regulatory authority* within the 90 days prior to the date of application as a *Portfolio Manager* or *Associate Portfolio Manager* has three months after the date of approval by the *Corporation* to complete the Conduct and Practices Handbook Course.

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RULE 2700 | CONTINUING EDUCATION REQUIREMENTS FOR APPROVED PERSONS

PART A - THE CONTINUING EDUCATION PROGRAM AND CONTINUING EDUCATION REQUIREMENTS

2703. The continuing education program

- (1) The *continuing education program* consists of two parts:
 - (i) a compliance course requirement, which is training covering ethical issues, regulatory developments and rules governing investment dealer conduct, and
 - (ii) a professional development course requirement, which is training that fosters learning and development in areas relevant to investment dealer business.

...

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

- (5) A *continuing education participant* is exempt from the professional development course requirement if he or she:
- (i) is approved in the category of *Registered Representative, Associate Portfolio Manager, Portfolio Manager* or *Supervisor*, and
 - (ii) has been continuously approved in a retail trading capacity since January 1, 1990 or earlier by either the *Corporation*, the Toronto Stock Exchange, the Montreal Exchange, or the TSX Venture Exchange including any of their predecessors.
- (6) A *continuing education participant* cannot receive continuing education credits for the same *continuing education course* unless the course has been updated to contain new course content, with the exception of *Corporation* accredited ethics courses referred to in subsection 2715(3).

2704. Continuing education requirements

- (1) In each *continuing education program* cycle, a *continuing education participant* must meet the continuing education requirements for the applicable *Approved Person* category, regardless of product type, as set out in the following table.

Approved Person Category	Client Type	Compliance course requirement	Professional development requirement
...			
<i>Supervisor</i> designated to be responsible for the supervision of <i>futures contract</i> and <i>futures contract options</i> accounts	<i>retail client</i> or <i>institutional client</i>	Yes	No
...			
<i>Supervisor</i> designated to be responsible for the opening of new accounts and account supervision and activity related policies and procedures	<i>retail client</i> or <i>institutional client</i>	Yes	No
...			

...

- (4) All *continuing education participants* must complete at least 10 hours of compliance courses in each *continuing education program* cycle in accordance with requirements in section 2715.
- (5) A *continuing education participant* that is subject to professional development requirements must complete at least 20 hours of professional development courses in each *continuing education program* cycle in accordance with requirements in section 2716.

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Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

PART B – CONTINUING EDUCATION PROGRAM COURSES AND ADMINISTRATION

2715. The compliance course

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- (3) The *Corporation* will accredit ethics courses that a *continuing education participant* can repeat and count towards fulfillment of the compliance course requirement in two *continuing education program* cycles.

2716. The professional development course

- (1) A *continuing education participant* subject to the professional development requirement:
 - (i) may, upon satisfying professional development requirements in the current cycle, carry forward a maximum of 10 hours of a single professional development course of at least 20 hours and completed in the last six months of the current *continuing education program* cycle to satisfy a portion of his or her professional development course requirement in the following *continuing education program* cycle,
 - (ii) may receive continuing education credit for successful completion of the Wealth Management Essentials Course, where completed to satisfy the post-approval proficiency requirement for *Registered Representatives* dealing with *retail clients*, in the *continuing education program* cycle in which the course is completed, and

...

2717. Dealer Member's administration of the continuing education program

- (1) A *Dealer Member* must:
 - (i) verify the *continuing education participant's* compliance with the requirements at the end of the *continuing education program* cycle,
 - (ii) keep evidence of a *continuing education participant's* completion of the *continuing education course*, which may be a certificate issued by the course provider, an attendance sheet, or bulk notice of completion,
 - (iii) keep *continuing education program records*, including course related materials, for each *continuing education program* cycle for a minimum of seven years following the end of the *continuing education program* cycle,
 - (iv) designate an *individual* responsible for supervising training and approving a *continuing education participant's* chosen *continuing education course*,
 - (v) ensure that a *continuing education participant's* chosen *continuing education course* satisfies the content criteria described in subsection 2703(1),
 - (vi) where the *continuing education course* is delivered by the *Dealer Member*, evaluate a *continuing education participant's* knowledge and understanding of the course,
 - (vii) ensure that each *continuing education participant* meets the continuing education requirements during each *continuing education program* cycle, and
 - (viii) update the continuing education reporting system and notify the *Corporation* within 10 *business days* after the end of the *continuing education program* cycle of all *continuing education participants* that have met their continuing education requirements within the prescribed cycle.

Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

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PART C – PARTICIPATION IN THE CONTINUING EDUCATION PROGRAM

2725. Participation of recently Approved Persons

- (1) An *individual* enters the *continuing education program* cycle upon initial approval in an *Approved Person* category listed in subsection 2704(1).
- (2) Notwithstanding subsection 2725(1), an *individual* that receives initial approval in an *Approved Person* category listed in subsection 2704(1) during the last six months of the current *continuing education program* cycle will become subject to the applicable continuing education requirements starting at the beginning of the next *continuing education program* cycle.

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PART D - CHANGES DURING A CONTINUING EDUCATION PROGRAM CYCLE

2735. Changes to Approved Persons category during a continuing education program cycle

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- (3) A *continuing education participant* may not change to an *Approved Person* category with less onerous continuing education requirements to avoid completing the more onerous continuing education requirements of a former *Approved Person* category, or penalties for non-completion of continuing education requirements. Any change to the *Approved Person* category during the last six months of the *continuing education program* cycle which results in less onerous continuing education requirements must be accompanied by an explanation from the sponsoring *Dealer Member* to satisfy the *Corporation* that the category change is not an avoidance measure.

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PART F - PENALTIES APPLICABLE TO THE CONTINUING EDUCATION REQUIREMENTS FOR APPROVED PERSONS

2755. Penalties for late filing or not completing continuing education requirements in a continuing education program cycle

- (1) On the last *business day* of the first month of a *continuing education program* cycle, the *Corporation* will automatically suspend the approval of the *continuing education participant* if:
 - (i) a *continuing education participant* fails to complete the continuing education requirements for the previous *continuing education program* cycle within the prescribed cycle, or

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RULE 3900 | SUPERVISION

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Attachment 1 – Proposed Amendments to IDPC Rules (Clean)

PART C – SUPERVISION OF RETAIL CLIENT ACCOUNTS

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3947. Supervision of new Registered Representatives and Investment Representatives

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(2) Subsection 3947(1) does not apply if:

- (i) the *Registered Representative* was previously approved, for six months or more, to advise on trades for *retail clients* for a securities firm that is a member of a *SRO* or a *recognized foreign regulatory organization*, or
- (ii) the *Investment Representative* was previously approved for six months or more to advise on trades or to trade for *retail clients* for a securities firm that is a member of a *SRO* or a *recognized foreign regulatory organization*.

...

...