

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"	<p>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:</p> <ul style="list-style-type: none"> (i) the supervision of <i>futures contracts</i> and <i>futures contract options</i> trading accounts under Part D<u>F</u> of Rule 3200<u>3900</u>, (ii) the supervision of <i>options</i> trading accounts under Part D<u>F</u> of Rule 3200<u>3900</u>, (iii) the supervision of <i>discretionary accounts</i> under Part E<u>G</u> of Rule 3200<u>3900</u>, (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.
..	
"recognized foreign self -regulatory organization"	<p>A foreign <u>regulatory organization, including a foreign</u> self-regulatory organization, which offers reciprocal treatment to Canadian applicants and which has been recognized by the <i>Corporation</i> as such.</p>

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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* ~~Directors and Executives including, its Chief Financial Officer, Chief Compliance Officer, and Ultimate Designated Person~~ Approved Persons.

...

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:
- (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)(~~xxviii~~xxix), and
 - (iii) have at least five years' of experience in the financial services industry, or such ~~lessor~~lesser period as may be acceptable to the *Corporation*.

...

2503. General requirements for Executives

- (1) A *Dealer Member's Executives* must:
- ...
- (ii) satisfy the applicable proficiency requirements of clause 2602(3)(~~xxvii~~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 ~~lessor~~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*,

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its clients, the public or the *Corporation*. The exemption may be on any terms and conditions that the *Corporation* ~~believes are necessary~~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 ~~and experience~~ requirements ~~set out in~~of clause 2602(3)(~~xxix~~xxx).

...

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

...

...

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
 - (ii) satisfy the applicable proficiency ~~and experience~~ requirements ~~set out in~~of clause 2602(3)(~~xxx~~xxxi).

...

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

...

...

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, ~~if the *Dealer Member* does not have a chief executive officer, an individual~~an Executive acting in a capacity similar to a chief

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executive officer, provided it is acceptable to the Corporation, and applicable relief is granted under the applicable National Instrument,

...

...

- (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 ~~individual~~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 ~~individual~~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 licensed~~ (or exempt from such registration ~~or licensing~~) 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 licensed~~ (or exempt from such registration ~~or licensing~~) 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 ~~by the Corporation~~, the former *Approved Person* must immediately cease any activity requiring *Corporation* approval.

...

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

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- (ii) complete the applicable post-approval ~~course~~proficiency requirements of subsection 2602(3) after receiving *Corporation* approval.
- (2) The *Corporation* will automatically suspend an *Approved Person* if they do not complete ~~all required~~the applicable post-approval ~~courses~~proficiency requirements in the *Approved Persons* category as set out in Rule 2600.
- (3) The *Corporation* will reinstate an *Approved Person* once they have ~~passed~~completed the required post-approval ~~courses~~proficiency requirements and the *Corporation* has been notified.

...

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

~~(2)~~

...

(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(2553(3)(iv) and deal with a type of customer as set out in clauses 2553(2553(3)(i) and (ii), unless the Dealer Member complies with the following:

...

- ~~(34)~~ An individual applying for approval as a *Registered Representative* or *Investment Representative* dealing ~~within~~ mutual ~~fund business~~funds only must comply with the applicable proficiency requirements in clauses 2602(3)(vi), 2602(3)(vii) or 2602(3)(xiii).
- ~~(45)~~ A~~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 to deal with mutual funds only must comply with the following:~~
 - ~~(i) — within 270 days of initial approval, successfully complete the Canadian Securities Course and the Conduct and Practices Handbook Course, and~~
 - ~~(ii) — complete the applicable training program required before approval for a Registered Representative in clause 2602(3)(i) or an Investment Representative in clause 2602(3)(viii) and the Dealer Member must notify the Corporation that the restriction to mutual funds only has been removed.~~
- ~~(5) — Clause 2553(4)(ii) does not apply to a Registered Representative or Investment Representative qualified to deal in mutual funds only who was approved prior to September 28, 2009 and registered in provinces or territories which allowed the individual to be restricted to mutual funds~~

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only, provided they remain in the same restricted category of approval in the same provinces/territories.

- (6) ~~Subsection 2553(4) does not apply to a Registered Representative qualified to deal in mutual funds only who is an employee of a firm that is registered as both an investment dealer and a mutual fund dealer.~~
- (7) The approval of an *individual* qualified to ~~conduct only~~deal in mutual ~~fund business~~funds only is automatically suspended if the *individual* fails to satisfy the ~~requirement in subsection 2553(4) until the individual has satisfied the requirements and notifies the Corporation~~post-approval requirements in clauses 2602(3)(vi) or 2602(3)(xiii) in accordance with subsections 2552(2) and 2552(3).
- (8) ~~An Associate Portfolio Manager must not advise on securities unless, before giving the advice, the advice has been pre-approved by the Portfolio Manager.~~

...

2555. Approval of investors

...

- (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)(~~xxxi~~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)(~~xxxi~~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

...

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

Approved Persons <u>Person</u> category	Courses completed before Pre- approval requirements	Courses to be completed after Post-approval requirements	Experience and other proficiency related requirements
Registered Representatives <u>Representative</u> and Investment Representatives <u>Representative</u>			
(i) Registered Representative	(a) (I) Either: <ul style="list-style-type: none"> (A) Canadian Securities 	<ul style="list-style-type: none"> (c) Completion of 	<ul style="list-style-type: none"> (d) Six months of

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<p>Approved Persons<u>Person</u> category</p>	<p>Courses completed before <u>Pre</u>-approval requirements</p>	<p>Courses to be completed after <u>Post</u>-approval requirements</p>	<p>Experience and other <u>proficiency related</u> requirements</p>
<p>dealing with <i>retail clients</i> (other than <i>Registered Representatives</i> <u>Representative</u> dealing in <i>options, futures contracts and futures contract options or dealing only</i> in mutual funds only)</p>	<p>Course <u>2</u> or, <u>(B)</u> Level I or any higher level of the CFA Program administered by the CFA Institute, and <u>(II)</u> Conduct and Practices Handbook Course <u>2</u> and • (III) 90-day training program after completion of the Canadian Securities Course or CFA Program Level I or any higher level. The Dealer Member must employ the applicant full time during this program requirements in paragraph 2602(3)(i)(a)(I), OR New Entrants Course, if <u>or,</u> <u>(b)</u> If previously registered <u>or approved</u> with a recognized foreign self-regulatory organization in a similar capacity within three years before requesting approval, <u>New Entrants Course.</u></p>	<p>Wealth Management Essentials Course within 30 months after <u>initial</u> approval date as a <i>Registered Representative in accordance with subsection 2552(2).</i></p>	<p>supervision and supervisory reporting from initial approval date as a <i>Registered Representative in accordance with section 3947.</i></p>
<p>(ii) <i>Registered Representative dealing with institutional clients</i> (other than <i>Registered Representatives</i> <u>Representative</u> dealing in <i>options, futures contracts and futures contract options or dealing only</i> in mutual funds only)</p>	<p><u>(a)</u> <u>(I)</u> Either: ○ • (A) Canadian Securities Course <u>2</u> or, <u>(B)</u> Level I or any higher level of the CFA Program administered by the CFA Institute, and <u>2</u> <u>(II)</u> Conduct and Practices Handbook Course <u>2</u> OR <u>or,</u> • New Entrants Course, if <u>(b)</u> If previously registered <u>or approved</u> <u>with</u> with a recognized foreign self-regulatory organization in a similar capacity within three years</p>		

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Approved Persons <u>Person</u> category	Courses completed before <u>Pre</u> -approval requirements	Courses to be completed after <u>Post</u> -approval requirements	Experience and other <u>proficiency related</u> requirements
	before requesting approval, <u>New Entrants Course</u> .		
(iii) <i>Registered Representative dealing in options with retail clients</i>	<p>• The proficiency requirements of a Registered Representative dealing with retail clients under</p> <p><u>(a) (I) Requirements in sub-clause 2602(3)(i)(a),</u></p> <p>AND</p> <p><u>and,</u></p> <p><u>(II) Either:</u></p> <ul style="list-style-type: none"> • Both the (A) Derivatives Fundamentals Course and the Options Licensing Course, <u>or,</u> <u>(B) Derivatives Fundamentals and Options Licensing Course,</u> <p><u>or,</u></p> <p>New Entrants Course, if (b) <u>If</u> previously registered with the Financial Industry Regulatory Authority in a similar capacity and dealing in options within three years before requesting approval:</p> <p><u>(I) New Entrants Course, and</u></p> <p><u>(II) Securities Industry Essentials Examination Exam administered by the Financial Industry Regulatory Authority,</u></p> <p><u>and</u></p> <p><u>(III) Series 7 Examination Exam administered by the Financial Industry Regulatory Authority.</u></p>	<u>(c) Requirements in sub-clause 2602(3)(i)(c).</u>	<u>(d) Requirements in sub-clause 2602(3)(i)(d) in accordance with section 3947.</u>
(iv) <i>Registered Representative dealing in options with institutional clients</i>	<p>• The proficiency requirements of a Registered Representative dealing with institutional clients under</p> <p><u>(a) (I) Requirements in sub-clause 2602(3) (ii)(a),</u></p> <p>AND</p> <p>• Both the</p> <p><u>and,</u></p> <p><u>(II) Either:</u></p>		

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Approved Persons <u>Person</u> category	Courses completed before <u>Pre</u> -approval requirements	Courses to be completed after <u>Post</u> -approval requirements	Experience and other <u>proficiency related</u> requirements
	<p><u>(A)</u> Derivatives Fundamentals Course and the Options Licensing Course₂</p> <p>or₂</p> <p><u>(B)</u> Derivatives Fundamentals and Options Licensing Course₂</p> <p>or₂</p> <p>New Entrants Course, if<u>(b)</u> If previously registered with the Financial Industry Regulatory Authority in a similar capacity and dealing in options within three years before requesting approval, and:</p> <p><u>(I) New Entrants Course,</u></p> <p><u>(II) Securities Industry Essentials Examination</u>Exam administered by the Financial Industry Regulatory Authority,</p> <p>and₂</p> <p><u>(III) Series 7 Examination</u>Exam administered by the Financial Industry Regulatory Authority₂</p>		
(v) <i>Registered Representative dealing with retail clients or institutional clients dealing in futures contracts orand futures contract options</i>	<p>•</p> <p><u>(a) Futures Licensing Course, and</u></p> <p><u>(b) Conduct and Practices Handbook Course</u>₂</p> <p>AND</p> <p><u>and,</u></p> <p><u>(c) Any of the following:</u></p> <p>•<u>(I) Derivatives Fundamentals Course</u>₂</p> <p>or</p> <p><u>(II) Derivatives Fundamentals and Options Licensing Course</u>₂</p> <p>or₂</p> <p>Series 3 Examination administered by the Financial Industry Regulatory Authority (on behalf of the National Futures Association), if<u>(III) If</u> previously registered with the National Futures Association in a similar capacity and dealing in</p>		<u>(d) Requirements in sub-clause 2602(3)(i)(d) in accordance with section 3947 for those dealing with retail clients.</u>

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

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Approved Persons <u>Person</u> category	Courses completed before <u>Pre</u> -approval requirements	Courses to be completed after <u>Post</u> -approval requirements	Experience and other <u>proficiency related</u> requirements
	after completion of the Canadian Securities Course or Canadian Investment Funds Course or Investment Funds in Canada Course.		
(viii) <i>Investment Representative dealing with retail clients (other than Investment Representatives <u>Representative</u> dealing in options, futures contracts and futures contract options or dealing only in mutual funds only)</i>	<p><u>(a) (I) Either:</u></p> <ul style="list-style-type: none"> • (A) Canadian Securities Course, or <u>•</u> <u>(B)</u> Level I or any higher level of the CFA Program administered by the CFA Institute, and <u>(II)</u> Conduct and Practices Handbook Course, <u>and</u> <u>(III)</u> 30-day training program after completing the Canadian Securities Course or Level <u>requirements in paragraph 2602(3)(viii)(a)(I), or any higher level of the CFA Program. The Dealer Member must employ the applicant full-time during this program</u> <p>OR</p> <p><u>or,</u></p> <ul style="list-style-type: none"> • <u>New Entrants Course, if (b) If</u> previously registered <u>or approved</u> with a recognized foreign <u>self-regulatory organization</u> in a similar capacity within three years before requesting approval, <u>New Entrants Course.</u> 		<p>•</p> <p><u>(c)</u> Six months of supervision and <u>supervisory reporting</u> from initial approval date as an <i>Investment Representative</i> <u>in accordance with section 3947.</u></p>
(ix) <i>Investment Representative dealing with institutional clients (other than Investment Representatives <u>Representative</u> dealing in options, futures contracts and futures contract</i>	<p><u>(a) (I) Either:</u></p> <ul style="list-style-type: none"> • (A) Canadian Securities Course, or <u>•</u> <u>(B)</u> Level I or any higher level of the CFA Program administered by the CFA Institute, <u>and</u> <u>(II)</u> Conduct and Practices Handbook Course, 		

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Approved Persons <u>Person</u> category	Courses completed before <u>Pre</u> -approval requirements	Courses to be completed after <u>Post</u> -approval requirements	Experience and other <u>proficiency related</u> requirements
options or dealing in <u>only in</u> mutual funds only)	OR New Entrants Course, if or, (b) If previously registered or approved with a recognized foreign self -regulatory organization in a similar capacity within three years before requesting approval, <u>New Entrants Course.</u>		
(x) <i>Investment Representative dealing in options with retail clients</i>	(a) (I) Requirements in sub-clause 2602(3)(vii)(a), • The proficiency requirements of an Investment Representative dealing with retail clients under clause 2602(3)(viii), AND <u>and,</u> (II) Either: • Both the (A) Derivatives Fundamentals Course and the Options Licensing Course <u>or,</u> (B) Derivatives Fundamentals and Options Licensing Course, <u>or,</u> New Entrants Course, if (b) If previously registered with the Financial Industry Regulatory Authority in a similar capacity and dealing in options within three years before requesting approval, and: (I) <u>New Entrants Course,</u> (II) <u>Securities Industry Essentials Examination</u> Exam administered by the Financial Industry Regulatory Authority, and <u>,</u> (III) <u>Series 7 Examination</u> Exam administered by the Financial Industry Regulatory Authority.		(c) <u>Requirements in sub-clause 2602(3)(viii)(c) in accordance with section 3947.</u>
(xi) <i>Investment</i>	1. The proficiency requirements for an		

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<p>Approved Persons<u>Person</u> category</p>	<p>Courses completed before <u>Pre</u>-approval requirements</p>	<p>Courses to be completed after <u>Post</u>-approval requirements</p>	<p>Experience and other <u>proficiency related</u> requirements</p>
<p>Representative dealing in options with institutional clients</p>	<p>Investment Representative dealing with institutional clients under <u>(a) (I) Requirements in sub-clause 2602(3)(ix)(a),</u> AND <u>and,</u> <u>(II) Either:</u> <ul style="list-style-type: none">Both the (A) Derivatives Fundamentals Course and the Options Licensing Course, <u>or</u> <u>(B) Derivatives Fundamentals and Options Licensing Course,</u> <u>or</u> New Entrants Course, if (b) <u>If</u> previously registered with the Financial Industry Regulatory Authority in a similar capacity and dealing in options within three years before requesting approval: <u>(I) New Entrants Course, and</u> <u>(II) Securities Industry Essentials Examination</u> Exam <u>administered by the Financial Industry Regulatory Authority,</u> and <u>(III) Series 7 Examination</u> Exam <u>administered by the Financial Industry Regulatory Authority.</u></p>		
<p>(xii) Investment Representative dealing in futures contracts or futures contract options with retail or institutional clients</p>	<p>– <u>(a) Futures Licensing Course, and</u> <ul style="list-style-type: none">(b) Conduct and Practices Handbook Course, AND <u>and,</u> <u>(c) Any of the following:</u> <ul style="list-style-type: none">(I) Derivatives Fundamentals Course, or <u>(II) Derivatives Fundamentals and Options Licensing Course,</u></p>		<p><u>(d) Requirements in sub-clause 2602(3)(viii)(c) in accordance with section 3947 for those dealing with retail clients.</u></p>

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Approved Persons <u>Person</u> category	Courses completed before <u>Pre</u> -approval requirements	Courses to be completed after <u>Post</u> -approval requirements	Experience and other <u>proficiency related</u> requirements
	<p>or <u>Series 3 Examination administered by the Financial Industry Regulatory Authority (on behalf of the National Futures Association (III)), if previously registered with the National Futures Association in a similar capacity and dealing in futures within three years before requesting approval, <u>Series 3 Exam administered by the Financial Industry Regulatory Authority (on behalf of the National Future Association).</u></u></p>		
(xiii) <i>Investment Representative</i> dealing <u>only</u> in mutual funds only who is an <i>employee</i> of a firm registered as an investment dealer and not registered as a mutual fund dealer	<p>(a) <u>Any of the following:</u> •</p> <p>Canadian Securities Course</p> <p>or</p> <p>(I) <u>Requirements in paragraph 2602(3)(viii)(a)(I),</u></p> <p>(II) <u>Canadian Investment Funds Course administered by the Investment Funds Institute of Canada,</u></p> <p>or</p> <p>(III) <u>Investment Funds in Canada Course.</u></p>	<p>• Canadian Securities Course and Conduct and Practices Handbook Course</p> <p>(b) (I) <u>Completion of the requirements in paragraphs 2602(3)(viii)(a)(I) and 2602(3)(viii)(a)(II) within 270 days</u> of<u>after</u> initial approval <u>date,</u></p> <p>and</p> <p>• <u>(II) Completion of the 30-day training program within 18 months</u> of<u>after</u> initial approval <u>date.</u></p>	<p>(c) <u>The individual must upgrade to Investment Representative within 18 months of initial approval.</u></p>
Associate Portfolio Managers<u>Manager</u> and Portfolio Managers<u>Manager</u>			
(xiv) <i>Associate Portfolio Managers<u>Manager</u></i> providing discretionary	<p>•</p> <p>(a) (I) <u>Conduct and Practices Handbook Course, and</u></p> <p>AND</p>		<p>•</p> <p>(d) <u>Two years of relevant investment management experience</u></p>

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<p>Approved Persons<u>Person</u> category</p>	<p>Courses completed before <u>Pre</u>-approval requirements</p>	<p>Courses to be completed after <u>Post</u>-approval requirements</p>	<p>Experience and other <u>proficiency related</u> requirements</p>
<p>portfolio management for <i>managed accounts</i></p>	<p><u>(II) Any of the following:</u> <u>(A) Canadian Investment Manager Designation</u>, or <u>(B) Chartered Investment Manager Designation</u>, or <u>(C) CFA Level I or any higher level of the CFA Program administered by the CFA Institute</u>, AND <u>or,</u> <u>(b) If managing accounts inwith options:</u> • Both the Derivatives Fundamentals Course and the Options Licensing Course or Derivatives Fundamentals and Options Licensing Course or New Entrants Course, if previously registered with the Financial Industry Regulatory Authority in a similar capacity and dealing in options within three years before requesting approval, and Securities Industry Essentials Examination and Series 7 Examination administered by the Financial Industry Regulatory Authority AND <u>(I) Requirements in sub-clause 2602(3)(xiv)(a),</u> <u>and,</u> <u>(II) Either:</u> <u>(A) Requirements in paragraph 2602(3)(iii)(a)(II),</u></p>		<p>acceptable to the <i>Corporation</i> within three years before requesting approval.</p>

Appendix 3 – Proposed Amendments to IDPC Rules (Blackline)

Approved Persons <u>Person</u> category	Courses completed before <u>Pre</u> -approval requirements	Courses to be completed after <u>Post</u> -approval requirements	Experience and other <u>proficiency related</u> requirements
	<p><u>or,</u> (B) <u>Requirements in sub-clause 2602(3)(iii)(b),</u></p> <p><u>or,</u> (c) <u>If managing accounts inwith futures contracts and futures contract options;</u></p> <p>• Futures Licensing Course, AND Derivatives Fundamentals Course or Derivatives Fundamentals and Options Licensing Course or Series 3 Examination administered by the Financial Industry Regulatory Authority (on behalf of the National Futures Association), if previously registered with the National Futures Association in a similar capacity</p> <p><u>(I) Requirements in sub-clause 2602(3)(xiv)(a),</u> <u>(II) Requirements in sub-clause 2602(3)(v)(a),</u> and dealing in futures within three years before requesting approval, <u>(III) Requirements in sub-clause 2602(3)(v)(c).</u></p>		
(xv) Portfolio Managers <u>Ma</u> <u>nager</u> providing discretionary portfolio management for <i>managed accounts</i>	<p>• <u>(a) (I) Conduct and Practices Handbook Course,</u> AND <u>and,</u> <u>(II) Any of the following:</u> <u>(A) Canadian Investment Manager Designation,</u> or <u>(B) Chartered Investment Manager Designation,</u></p>		<p><u>(d) If Canadian Investment Manager Designation or Chartered Investment Manager Designation is completed:</u></p> <p>• <u>at least four years of relevant investment management experience,</u> <u>one year of which was</u></p>

Appendix 3 – Proposed Amendments to IDPC Rules (Blackline)

Approved Persons <u>Person</u> category	Courses completed before <u>Pre</u> -approval requirements	Courses to be completed after <u>Post</u> -approval requirements	Experience and other <u>proficiency related</u> requirements
	<p>or <u>(C)</u> CFA Charter administered by the CFA Institute.</p> <p>AND</p> <p>or, <u>(b)</u> If managing accounts in<u>with</u> options:</p> <ul style="list-style-type: none"> • Both the Derivatives Fundamentals Course and the Options Licensing Course or Derivatives Fundamentals and Options Licensing Course or New Entrants Course, if previously registered with the Financial Industry Regulatory Authority in a similar capacity and dealing in options within three years before requesting approval, and Securities Industry Essentials Examination and Series 7 Examination administered by the Financial Industry Regulatory Authority <p>AND</p> <p><u>(I) Requirements in sub-clause 2602(3)(xv)(a),</u> <u>and,</u> <u>(II) Either:</u> <u>(A) Requirements in paragraph 2602(3)(iii)(a)(II),</u> <u>or,</u> <u>(B) Requirements in sub-clause 2602(3)(iii)(b),</u></p> <p>or, <u>(c)</u> If managing accounts in<u>with</u> futures contracts and<u>futures contract options:</u></p> <ul style="list-style-type: none"> • Futures Licensing Course <p>AND</p>		<p>gained within the three years before requesting approval acceptable to the Corporation.</p> <p>or <u>(e)</u> If CFA Charter is completed, at least one year of relevant investment management experience within the three years before requesting approval acceptable to the Corporation.</p>

Appendix 3 – Proposed Amendments to IDPC Rules (Blackline)

Approved Persons <u>Person</u> category	Courses completed before <u>Pre</u> -approval requirements	Courses to be completed after <u>Post</u> -approval requirements	Experience and other <u>proficiency related</u> requirements
	<ul style="list-style-type: none"> Derivatives Fundamentals Course or Derivatives Fundamentals and Options Licensing Course or Series 3 Examination administered by the Financial Industry Regulatory Authority (on behalf of the National Futures Association) if previously registered with National Futures Association in a similar capacity <u>(I) Requirements in sub-clause 2602(3)(xv)(a).</u> <u>(II) Requirements in sub-clause 2602(3)(v)(a).</u> and dealing in futures within three years before requesting approval. <u>(III) Requirements in sub-clause 2602(3)(v)(c).</u> 		
Trader			
Traders			
(xvi) <i>Trader</i>	<ul style="list-style-type: none"> – <u>(a)</u> Trader Training Course, unless otherwise determined by the <i>Marketplace</i> on which the <i>Trader</i> will be trading. 		
(xvii) <i>Trader on the Montréal Exchange</i>	<ul style="list-style-type: none"> – <u>(a)</u> Proficiency requirements determined to be acceptable by the Montréal Exchange. 		
Supervisors<u>Supervisor</u> – Retail or Institutional			
(xviii) <i>Supervisor of Registered Representatives or Investment Representatives (other than supervising options or futures contracts and futures contract</i>	<ul style="list-style-type: none"> 1. <u>(a)</u> Investment Dealer Supervisors Course. AND <u>and,</u> <u>(b) (I) Either:</u> <ul style="list-style-type: none"> –<u>(A)</u> Canadian Securities Course. <u>or,</u> 		<ul style="list-style-type: none"> – <u>(d)</u> Two years of relevant experience working for an investment dealer. or <u>(e)</u> Two years of relevant experience working for a

Appendix 3 – Proposed Amendments to IDPC Rules (Blackline)

Approved Persons <u>Person</u> category	Courses completed before <u>Pre</u> -approval requirements	Courses to be completed after <u>Post</u> -approval requirements	Experience and other <u>proficiency related</u> requirements
<i>options)</i>	<p><u>(B)</u> CFA Level I or any higher level of the CFA Program administered by the CFA Institute <u> </u></p> <p>and <u> </u></p> <p>• <u>(II)</u> Conduct and Practices Handbook Course <u> </u></p> <p>or <u> </u></p> <p>New Entrants Course, if <u>(c)</u> <u> </u> If previously registered <u>or approved</u> with a <i>recognized foreign self-regulatory organization</i> or an investment dealer within three years before requesting approval <u>and as an alternative to sub-clause 2602(3)(xviii)(b), New Entrants Course</u></p>		<p>Mutual Fund Dealer <u>Member</u>, portfolio manager <u> </u>, or <u>an</u> entity governed by a <i>recognized foreign self-regulatory organization</i> <u> </u></p> <p>or <u> </u></p> <p><u>(f)</u> Such other equivalent experience acceptable to the Corporation <u> </u></p>
(xix) <i>Supervisor of Registered Representatives or Investment Representatives dealing with clients in options</i>	<p>• <u>(a)</u> Options Supervisors Course, and <u> </u></p> <p><u>(b) Either:</u></p> <p><u>(I) (A)</u> Conduct and Practices Handbook Course <u> </u></p> <p>AND</p> <p><u>and,</u></p> <p><u>(B) Either:</u></p> <p>• Both the <u>(i)</u> Derivatives Fundamentals Course and the Options Licensing Course <u> </u></p> <p>or <u> </u></p> <p><u>(ii)</u> Derivatives Fundamentals and Options Licensing Course,</p> <p>or <u> </u></p> <p>New Entrants Course, if <u>(II)</u> <u> </u> If previously registered with the Financial Industry Regulatory Authority or an investment dealer and dealing in <i>options</i> within three years before</p>		<p>• <u>(d)</u> Two years of relevant experience working for an investment dealer <u> </u></p> <p>or</p> <p><u>(e)</u> Two years of relevant experience working for <u>a</u> <u>Mutual Fund Dealer Member, portfolio manager, or</u> an entity governed by a <i>recognized foreign self-regulatory organization</i> <u> </u></p> <p>or <u> </u></p> <p><u>(f)</u> Such other equivalent experience acceptable to the Corporation <u> </u></p>

Appendix 3 – Proposed Amendments to IDPC Rules (Blackline)

Approved Persons <u>Person</u> category	Courses completed before <u>Pre-approval requirements</u>	Courses to be completed after <u>Post-approval requirements</u>	Experience and other <u>proficiency related requirements</u>
	requesting approval: <u>(A) New Entrants Course</u> , and <u>(B) Securities Industry Essentials Examination Exam</u> <u>administered by the Financial Industry Regulatory Authority</u> , and <u>(C) Series 7 Examination Exam</u> <u>administered by the Financial Industry Regulatory Authority</u> .		
(xx) <i>Supervisor of Registered Representatives or Investment Representatives dealing with clients in futures contracts and futures contract options</i>	• <u>(a) Canadian Commodity Supervisors Exam</u> . and . <u>(b) (I) Futures Licensing Course</u> . and <u>(II) Conduct and Practices Handbook Course</u> AND . and . <u>(III) Any of the following:</u> • <u>(A) Derivatives Fundamentals Course</u> . or <u>(B) Derivatives Fundamentals and Options Licensing Course</u> . or . Series 3 Examination administered by the Financial Industry Regulatory Authority (on behalf of the National Futures Association), if <u>(C) If</u> previously registered with National Futures Association or an investment dealer and dealing in futures within three years before requesting approval, <u>the Series 3 Exam administered by the Financial Industry Regulatory Authority (on behalf of the National</u>		• <u>(c) Two years of relevant experience working for an investment dealer</u> . or <u>(d) Two years of relevant experience working for a Mutual Fund Dealer Member, portfolio manager or an entity governed by a recognized foreign self-regulatory organization</u> . or . <u>(e) Such other equivalent experience acceptable to the Corporation</u> .

Appendix 3 – Proposed Amendments to IDPC Rules (Blackline)

Approved Persons <u>Person</u> category	Courses completed before Pre -approval <u>requirements</u>	Courses to be completed after <u>Post</u> -approval <u>requirements</u>	Experience and other <u>proficiency related</u> requirements
	<u>Futures Association)</u>		
Designated Supervisors			
(xvi) <i>Supervisor</i> designated to be responsible for the opening of new accounts and <u>account</u> supervision of account and activity <u>related</u> <u>policies and</u> <u>procedures</u>	• <u>(a)</u> Investment Dealer Supervisors Course ÷		• <u>(b)</u> Two years of relevant experience working for an investment dealer. <u>÷</u> or <u>(c)</u> Two years of relevant experience working for <u>a</u> <u>Mutual Fund Dealer</u> <u>Member, portfolio</u> <u>manager, or</u> an entity governed by a <i>recognized foreign</i> self -regulatory organization. <u>÷</u> or <u>÷</u> <u>(d)</u> Such other equivalent experience acceptable to the Corporation. <u>÷</u>
(xxii) <i>Supervisor</i> designated to be responsible for the supervision of <i>discretionary</i> <i>accounts</i>	• <u>(a)</u> Investment Dealer Supervisors Course. <u>÷</u>		• <u>(b)</u> Two years of relevant experience working for an investment dealer. <u>÷</u> or <u>(c)</u> Two years of relevant experience working for <u>a Mutual Fund</u> <u>Dealer Member,</u> <u>portfolio manager</u> <u>or</u> an entity governed by a <i>recognized foreign</i> self -regulatory organization. <u>÷</u> or <u>÷</u> <u>(d)</u> Such other equivalent experience

Appendix 3 – Proposed Amendments to IDPC Rules (Blackline)

Approved Persons <u>Person</u> category	Courses completed before <u>Pre</u> -approval requirements	Courses to be completed after <u>Post</u> -approval requirements	Experience and other <u>proficiency related</u> requirements
(xxiii) <i>Supervisor</i> designated to be responsible for the supervision of <i>managed</i> <i>accounts</i>	<p><u>(a) Investment Dealer Supervisors Course,</u> <u>and,</u> <u>(b) Any of the following:</u></p> <ul style="list-style-type: none"> • (I) Canadian Investment Manager Designation <u>;</u> or <u>(II) Chartered Investment Manager Designation,</u> or <u>(III) CFA Charter administered by the CFA Institute</u> <p>AND</p> <ul style="list-style-type: none"> • (c) If supervising <u>managed accounts</u> in <u>with options</u>, the applicable proficiency requirements to trade and supervise <u>options</u>, as specified under: <u>(I) Requirements in sub-clauses 2602(3)(xxiii)(a) and 2602(3)(xxiii)(b),</u> <u>and,</u> <u>(II) Requirements in clause 2602(3)(xxiv),</u> <p>AND</p> <ul style="list-style-type: none"> • (d) If supervising <u>managed accounts</u> in <u>with futures contracts</u> and <u>futures contract options</u>, the applicable proficiencies to trade and supervise <u>futures</u>, as specified under: <u>(I) Requirements in sub-clauses 2602(3)(xxiii)(a) and 2602(3)(xxiii)(b),</u> <u>and,</u> <u>(II) Requirements in clause 2602(3)(xxv),</u> 		<p>acceptable to the Corporation.</p> <ul style="list-style-type: none"> • If completed Canadian Investment Manager Designation or Chartered Investment Manager Designation: at least four <u>(e) Two years of relevant <u>experience working for an investment management experience</u>; one year of which was gained within the <u>three dealer,</u></u> <u>(f) Two years before requesting approval</u> or If completed CFA Charter: at least one year of relevant investment management experience within the three years before requesting approval <u>working for a Mutual Fund Dealer Member, a portfolio manager or an entity governed by a <u>recognized foreign regulatory organization,</u></u> <u>or,</u> <u>(g) Such other equivalent experience acceptable to the Corporation.</u>

Appendix 3 – Proposed Amendments to IDPC Rules (Blackline)

<p>Approved Persons<u>Person</u> category</p>	<p>Courses completed before <u>Pre</u>-approval requirements</p>	<p>Courses to be completed after <u>Post</u>-approval requirements</p>	<p>Experience and other <u>proficiency related</u> requirements</p>
<p>(xxiv) <i>Supervisor designated to be responsible for the supervision of <u>options</u> accounts</i></p>	<p>• <u>(a)</u> Options Supervisors Course, and Both <u>(b) Any of the following:</u> <u>(I)</u> Derivatives Fundamentals Course and the Options Licensing Course <u>;</u> or <u>(II)</u> Derivatives Fundamentals and Options Licensing Course <u>;</u> or <u>New Entrants Course, if (III) If</u> previously registered with the Financial Industry Regulatory Authority or an investment dealer and dealing in options within three years before requesting approval; <u>(A) New Entrants Course, and</u> <u>(B) Securities Industry Essentials</u> Examination <u>Exam</u> <u>administered by the</u> <u>Financial Industry Regulatory</u> <u>Authority,</u> and <u>;</u> <u>(C) Series 7</u> Examination <u>Exam</u> administered by the Financial Industry Regulatory Authority <u>;</u></p>		<p>• <u>(c)</u> Two years of relevant experience working for an investment dealer or <u>;</u> <u>(d)</u> Two years of relevant experience working for a <u>Mutual Fund</u> <u>Dealer Member,</u> <u>portfolio manager,</u> <u>or</u> an entity governed by a recognized foreign self-regulatory <u>organization,</u> or <u>;</u> <u>(e)</u> Such other equivalent experience acceptable to the <u>Corporation.</u></p>
<p>(xxv) <i>Supervisor designated to be responsible for the supervision of <u>futures contract</u> and <u>futures contract</u> <u>options</u> accounts</i></p>	<p>• <u>(a)</u> Canadian Commodity Supervisors Exam <u>;</u> and <u>(b)</u> Futures Licensing Course, AND <u>and,</u> <u>(c) Any of the following:</u> • <u>(I)</u> Derivatives Fundamentals Course <u>;</u> or <u>(II)</u> Derivatives Fundamentals and Options Licensing Course <u>;</u></p>		<p>• <u>(d)</u> Two years of relevant experience working for an investment dealer <u>;</u> or <u>(e)</u> Two years of relevant supervisory or compliance experience working for a <u>Mutual Fund</u> <u>Dealer Member,</u> <u>portfolio manager,</u></p>

Appendix 3 – Proposed Amendments to IDPC Rules (Blackline)

Approved Persons <u>Person</u> category	Courses completed before <u>Pre</u> -approval requirements	Courses to be <u>completed after</u> <u>Post</u> -approval requirements	Experience and other <u>proficiency related</u> requirements
	or <u>or</u> Series 3 Examination administered by the Financial Industry Regulatory Authority (on behalf of the National Futures Association) if (III) If previously registered with the National Futures Association or an investment dealer and dealing in futures within three years before requesting approval, the <u>Series 3 Exam administered by the Financial Industry Regulatory Authority (on behalf of the National Futures Association).</u>		or <u>or</u> an entity governed by a recognized foreign self -regulatory organization. <u>or</u> (f) Such other equivalent experience acceptable to the Corporation.
(xxvi) <i>Supervisor designated to be responsible for the pre-approval of advertising, sales literature and correspondence</i>	– (a) Investment Dealer Supervisors Course.		– (b) Two years of relevant experience working for an investment dealer. or (c) Two years of relevant experience working for a <u>Mutual Fund Dealer Member, portfolio manager,</u> <u>or</u> an entity governed by a recognized foreign self -regulatory organization. <u>or</u> (d) Such other equivalent experience acceptable to the Corporation.
(xxvii) <i>Supervisor designated to be responsible for the supervision of research reports</i>	(a) <u>Conduct and Practices Handbook Course,</u> <u>and,</u> – Three levels (b) <u>Any</u> of the following: (I) <u>CFA</u> <u>Level II</u> <u>or</u> <u>higher of the</u> <u>CFA Charter Program</u>		– (c) Two years of relevant experience working for an investment dealer <u>or</u> <u>registered advisor,</u> (d) Two years of relevant experience working for an

Appendix 3 – Proposed Amendments to IDPC Rules (Blackline)

Approved Persons <u>Person</u> category	Courses completed before <u>Pre</u> -approval requirements	Courses to be completed after <u>Post</u> -approval requirements	Experience and other <u>proficiency related</u> requirements
	<p>administered by the CFA Institute</p> <p><u>(II) Partners, Directors and Senior Officers Course,</u></p> <p><u>(III) Investment Dealer Supervisor Course,</u></p> <p><u>or</u></p> <p><u>(IV) If previously registered with the Financial Industry Regulatory Authority within three years before requesting approval:</u></p> <p><u>(A) Securities Industry Essentials Exam and Series 86/87 Exam administered by the Financial Industry Regulatory Authority,</u></p> <p><u>or</u></p> <p><u>Other appropriate qualifications acceptable to the Corporation (B) Series 16 Exam administered by the Financial Industry Regulatory Authority.</u></p>		<p>entity governed by a <u>recognized foreign self-regulatory organization,</u></p> <p><u>or</u></p> <p><u>(e) Such other equivalent experience acceptable to the Corporation.</u></p>
Executive and Director			
Executives and Directors			
(xxviii) <i>Executive (including Ultimate Designated Person)</i>	<p>•</p> <p><u>(a) Partners, Directors and Senior Officers Course.</u></p> <p>AND</p> <p>• If seeking approval in a trading or advising category, the applicable proficiency requirements in that category</p> <p>AND</p> <p>• If seeking approval as a Supervisor, the applicable proficiency requirements in that category</p>		<p><u>(b) Experience in accordance with subsection 2503(2), if applicable.</u></p>
(xxix) <i>Director</i>	<p>An industry Director must complete:</p> <p>• Partners, Directors and Senior Officers Course,</p> <p>AND</p> <p>• If seeking approval in a trading or</p>		<p><u>(b) Experience in accordance with clause 2502(2)(iii), if applicable.</u></p>

Appendix 3 – Proposed Amendments to IDPC Rules (Blackline)

Approved Persons <u>Person</u> category	Courses completed before <u>Pre</u> -approval requirements	Courses to be completed after <u>Post</u> -approval requirements	Experience and other <u>proficiency related</u> requirements
	<p>advising category, the applicable proficiency requirements in that category,</p> <p>AND</p> <ul style="list-style-type: none"> • If seeking approval as a Supervisor, the applicable proficiency requirements in that category <p>A non-industry Director that owns or controls a voting interest of 10% or more, directly or indirectly, must complete:</p> <ul style="list-style-type: none"> • The (a) Partners, Directors and Senior Officers Course. 		
(xxx) Chief Financial Officer	<ul style="list-style-type: none"> • <u>(a)</u> Partners, Directors and Senior Officers Course. <p>and</p> <ul style="list-style-type: none"> <u>(b)</u> Chief Financial Officers Qualifying Examination. <p>AND</p> <ul style="list-style-type: none"> • If seeking approval in a trading or advising category, the applicable proficiency requirements in that category, <p>AND</p> <ul style="list-style-type: none"> • If seeking approval as a Supervisor, the applicable proficiency requirements in that category 		<ul style="list-style-type: none"> • <u>(c)</u> A financial accounting designation, finance related university degree or diploma or equivalent work experience as may be acceptable to the Corporation.
(xxxi) Chief Compliance Officer	<ul style="list-style-type: none"> • <u>(a)</u> Partners, Directors and Senior Officers Course, <p>and</p> <ul style="list-style-type: none"> <u>(b)</u> Chief Compliance Officers Qualifying Examination. <p>AND</p> <ul style="list-style-type: none"> • If seeking approval in a trading or advising category, the applicable proficiency requirements in that category, <p>AND</p>		<ul style="list-style-type: none"> • <u>(c)</u> Five years working for an investment dealer or registered advisor, with at least three years in a compliance or supervisory capacity. <p>or</p> <ul style="list-style-type: none"> <u>(d)</u> Three years providing professional

Appendix 3 – Proposed Amendments to IDPC Rules (Blackline)

Approved Persons <u>Person</u> category	Courses completed before Pre- approval <u>requirements</u>	Courses to be completed after <u>Post-</u> approval <u>requirements</u>	Experience and other <u>proficiency related</u> requirements
	If seeking approval as a <i>Supervisor</i> , the applicable proficiency requirements in that category		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) approved <u>Approv</u> <u>ed investor</u> (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* ~~will not be required to complete~~ 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*.
- (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.

Appendix 3 – Proposed Amendments to IDPC Rules (Blackline)

2626. General and discretionary exemptions

- (1) The *Corporation* may exempt any *person* or class of *persons* from ~~the~~any proficiency requirement ~~to write or rewrite any required course~~, in whole or in part, if the applicant demonstrates ~~adequate~~acceptable alternative experience, and/or successful completion of alternative courses or examinations ~~that to the Corporation, in its opinion, determines is an acceptable alternative to the required proficiency.~~
- (2) This exemption may be subject to any terms and conditions the *Corporation* ~~believes necessary~~considers appropriate.

...

2627. Exemptions from ~~writing~~completing the required courses

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

Required course	Course required for exemption	Exemption criteria
<u>(i)(a)</u> 90-day Training Program	<ul style="list-style-type: none"> • (i) <u>(b)</u> none 	<p><u>(c)</u> 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:</p> <ul style="list-style-type: none"> • (I) by a recognized foreign regulatory authority or <u>recognized foreign self-regulatory organization</u>, or • (II) as an <u>advising representative or associate</u> advising representative by a Canadian <i>securities regulatory authority</i>
<u>(ii)(a)</u> 30-day Training Program	<ul style="list-style-type: none"> • (i) <u>(b)</u> none 	<p><u>(c)</u> 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:</p> <ul style="list-style-type: none"> • (I) by a recognized foreign regulatory authority or <u>recognized foreign self-regulatory organization</u>, or • (II) as an <u>advising representative or associate</u> advising representative by a Canadian <i>securities regulatory authority</i>

Appendix 3 – Proposed Amendments to IDPC Rules (Blackline)

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 ~~or~~ and successor course or examination, provided that ~~it does~~ they do not have a significantly reduced scope and content ~~when compared to the course or examination listed in Rule 2600,~~ 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 ~~on leave or 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
<u>(i)(a)</u> Partners, Directors and Senior Officers Course	<p>• <u>(b)</u> 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></p>	<p>• <u>(c)</u> 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</p>
<u>(ii)(a)</u> Chief Financial Officers Qualifying Examination	<p>• <u>(b)</u> has never been approved as a <i>Chief Financial Officer</i></p>	<p>• the <u>(c)</u> 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</p>

Appendix 3 – Proposed Amendments to IDPC Rules (Blackline)

Course	Individual's current status	Exemption criteria
<u>(iii)(a)</u> Derivatives Fundamentals Course	<p>• <u>(b)</u> 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</p>	<p>• <u>(c)</u> applicant seeking approval or filing a notice within three years of passing the Futures Licensing Course or the Canadian Commodity Supervisors Exam</p>
<u>(iv)(a)</u> Derivatives Fundamentals Course	<p>• <u>(b)</u> 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</p>	<p>• <u>(c)</u> applicant seeking approval or filing a notice within three years of completing the Options Licensing Course or the Options Supervisors Course</p>
<u>(v)(a)</u> Derivatives Fundamentals and Options Licensing Course	<p><u>(b)</u> 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</p>	<p><u>(c)</u> applicant seeking approval or filing a notice within three years of completing the Options Licensing Course</p>
<u>(vi)(a)</u> Wealth Management Essentials Course	<p>• <u>(b)</u> an applicant for approval or <i>Approved Person</i> who will be dealing with <i>retail clients</i> in securities</p>	<p>• <u>(c)</u> 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</p>
<u>(vii)(a)</u> 90-day Training Program	<p>• <u>(b)</u> an applicant for approval or <i>Approved Person</i></p>	<p>Applicants <u>(c)</u> 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:</p>

Appendix 3 – Proposed Amendments to IDPC Rules (Blackline)

Course	Individual's current status	Exemption criteria
		<ul style="list-style-type: none"> • (I) by a recognized foreign regulatory authority or recognized foreign self-regulatory organization, or • (II) as an <u>advising representative or associate</u> advising representative by a securities regulatory authority
<u>(viii)(a)</u> 30-day Training Program	<ul style="list-style-type: none"> • (b) an applicant for approval or <i>Approved Person</i> 	<p>Applicants <u>(c) applicant</u> 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:</p> <ul style="list-style-type: none"> • (I) by a recognized foreign regulatory authority or recognized foreign self-regulatory organization, or • (II) as an <u>advising representative or associate</u> advising representative by a securities regulatory authority

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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 ~~two weeks~~ 90 days prior to the date of ~~approval~~ application as a *Portfolio Manager* or *Associate Portfolio Manager* ~~by the Corporation~~ has three months ~~to complete the Conduct and Practices Handbook Course~~.

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Appendix 3 – Proposed Amendments to IDPC Rules (Blackline)

~~PART C – TRANSITION PROVISIONS~~

~~2631. Transition of individuals dealing in mutual funds only~~

~~{1} For the purpose of complying with the requirements in clause 2602(3)(vi) or clause 2602(3)(xiii),~~

~~{i} an individual approved as a *Registered Representative* dealing in mutual funds only, or an *Investment Representative* dealing in mutual funds only as of the date these Rules come into effect, will have 270 days to complete the Conduct and Practices Handbook Course (and, if required, the Canadian Securities Course) unless the individual is subject to a shorter period of time to complete this course (these courses) as of the date these Rules come into effect.~~

~~{ii} an individual approved as a dealing representative for a mutual fund dealer within 90 days prior to the date these Rules come into effect, will have 270 days from the date of approval as a *Registered Representative* dealing in mutual funds only, or an *Investment Representative* dealing in mutual funds only, after the date of approval by the Corporation to complete the Conduct and Practices Handbook Course.~~

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Appendix 3 – Proposed Amendments to IDPC Rules (Blackline)

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.
- ...
- (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 ~~its~~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 <u>account</u> supervision of account and	<i>retail client</i> or <i>institutional client</i>	Yes	No

Appendix 3 – Proposed Amendments to IDPC Rules (Blackline)

Approved Person Category	Client Type	Compliance course requirement	Professional development requirement
activity <u>related policies and procedures</u>			
...			

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- (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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PART B – CONTINUING EDUCATION PROGRAM COURSES AND ADMINISTRATION

2715. The compliance course

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- (3) The Corporation will ~~publish a list of approved~~ 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-~~licensing~~ approval proficiency requirement for *Registered Representatives* dealing with *retail clients*, in the *continuing education program cycle* in which the course is completed, and

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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*,

Appendix 3 – Proposed Amendments to IDPC Rules (Blackline)

- (iii) 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) ~~verify completion of a continuing education course and~~ 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*,
- (iiiiv) designate an *individual* responsible for supervising training and approving a *continuing education participant's* chosen *continuing education course*,
- (ivv) ensure that a *continuing education participant's* chosen *continuing education course* satisfies the content criteria described in subsection 2703(1),
- (vvi) *where the continuing education course is delivered by the Dealer Member, evaluate a continuing education participant's knowledge and understanding of the course,*
- (vivii) ensure that each *continuing education participant* meets the continuing education requirements during each *continuing education program cycle*, and
- (viiviii) 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 ~~in~~ within the ~~continuing education program~~ prescribed cycle.

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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 ~~categories~~ category with less onerous continuing education requirements to avoid completing the more onerous

Appendix 3 – Proposed Amendments to IDPC Rules (Blackline)

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* ~~sufficient~~ 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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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 self-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 self-regulatory organization*.

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