

SERIES 1000 | INTERPRETATION AND PRINCIPLES RULES

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RULE 1400 | STANDARDS OF CONDUCT

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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

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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:
- (i) either:
 - (a) be *actively engaged in the business of the Dealer Member* and spend the majority of their time in the *securities or derivatives* 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 subsection 2603(1), 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*.
- (3) The remaining *Directors* who do not meet subsection 2502(2) must, if *actively engaged in the business of the Dealer Member* or its *related company*, meet the applicable proficiency requirements of subsection 2603(1).

2503. General requirements for Executives

- (1) A *Dealer Member's Executives* must:
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- (ii) satisfy the applicable proficiency requirements of subsection 2603(1).
- (2) Notwithstanding the applicable proficiency requirements in subsection 2603(1) 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*.

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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 subsection 2603(1).

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- (4) When an acting *Chief Financial Officer* is designated:
 - (i) that *individual* must satisfy the applicable proficiency requirements of subsection 2603(1) 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
 - (ii) satisfy the applicable proficiency requirements of subsection 2603(1).

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- (5) When an acting *Chief Compliance Officer* is designated:
 - (i) the *individual* must satisfy the applicable proficiency requirements of subsection 2603(1) and be designated as *Chief Compliance Officer*, or

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2507. Ultimate Designated Person

- (1) A *Dealer Member* must designate an *Ultimate Designated Person* who must be designated as an *Executive* and meet the proficiency requirements in subsection 2603(1) and the general requirements for *Executives* set out in section 2503.

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PART B - APPROVAL OF INDIVIDUALS

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2552. Compliance with the proficiency requirements or other conditions

- (1) Each *Approved Person* must:

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- (i) meet the applicable pre-approval proficiency requirements set out in Rule 2600 before *Corporation* approval is granted, and
 - (ii) complete the applicable post-approval proficiency requirements of section 2604 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 clauses 2604(1)(i), 2604(2)(i), 2604(2)(ii), or section 2630 if the *Dealer Member* fails to notify the *Corporation* of completion within the prescribed timeline.

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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) 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:

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- (iv) The *Dealer Member* must notify the *Corporation* which of its *individuals* approved as a *Registered Representative, Investment Representative, Portfolio Manager* or *Associate Portfolio Manager* will deal in or advise in:

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- (b) *derivatives* subject to the limitations set out in 2625(3), and
- (c) general securities business; including equities, fixed income and other investment products not listed above.

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RULE 2600 | PROFICIENCY REQUIREMENTS AND EXEMPTIONS FROM PROFICIENCIES

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PART A - PROFICIENCY REQUIREMENTS

2602. Proficiency principle

- (1) An *Approved Person* must not perform an activity that requires approval unless the *Approved Person* has satisfied the applicable proficiency requirements set out in Rule 2600 and has the education, experience and training that a reasonable person would consider necessary to perform the activity competently, including understanding the structure, features and risks of each product the *Approved Person* deals with, recommends or supervises.

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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 satisfied the applicable proficiency requirements of Rule 2600 and has the education, experience and training that a reasonable person would consider necessary to perform the activity competently, including understanding the structure, features and risks of each product, the *individual* deals with, recommends or supervises.

2603. Proficiency requirements prior to approval

- (1) Each applicant in an *Approved Person* category must meet the applicable proficiency requirements prescribed below before the *Corporation* will grant approval, unless an exemption has been granted from the applicable requirements:
 - (i) An applicant for approval, who is eligible to complete a prescribed exam, must at a minimum successfully complete the following before the *Corporation* will grant approval:
 - (a) *Investment Representative* dealing with securities: Canadian Investment Regulatory Exam (CIRE),
 - (b) *Investment Representative* dealing with *derivatives*: Canadian Investment Regulatory Exam (CIRE) and Derivatives Exam,
 - (c) *Registered Representative* (retail) dealing with securities: Canadian Investment Regulatory Exam (CIRE) and Retail Securities Exam,
 - (d) *Registered Representative* (retail) dealing with *derivatives*: Canadian Investment Regulatory Exam (CIRE) and Retail Securities Exam and Derivatives Exam,
 - (e) *Registered Representative* (institutional) dealing with securities: Canadian Investment Regulatory Exam (CIRE) and Institutional Securities Exam,
 - (f) *Registered Representative* (institutional) dealing with *derivatives*: Canadian Investment Regulatory Exam (CIRE) and Institutional Securities Exam and Derivatives Exam,
 - (g) *Associate Portfolio Manager*: Level 1 of the Chartered Financial Analyst (CFA) program administered by the CFA Institute, or either the Canadian Investment Manager designation or the Chartered Investment Manager (CIM)[®] administered by the Canadian Securities Institute, and
 - (l) If managing accounts with *derivatives*, the Derivatives Exam,
 - (h) *Portfolio Manager*: a CFA Charter administered by the CFA Institute, or either the Canadian Investment Manager designation or the Chartered Investment Manager Designation (CIM)[®] administered by the Canadian Securities Institute, and
 - (l) If managing accounts with derivatives, the Derivatives Exam,
 - (i) *Supervisor*: Supervisor Exam, and
 - (l) If supervising trading in, or accounts for those who trade in securities, *derivatives*, or *managed accounts*, the same exam requirements applicable to the *individuals* listed in sub-clauses 2603(1)(i)(a) to (h) except:
 - (A) the Canadian Investment Regulatory Exam (CIRE) is not required if the *Supervisor* satisfies the experience requirements in 2603(1)(ii)(d),

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- (j) *Director*, where required in section 2502: Director and Executive Exam,
 - (k) *Ultimate Designated Person* and *Executives* other than those in 2603(1)(i)(l) or (m): Director and Executive Exam,
 - (l) *Chief Compliance Officer*: Chief Compliance Officer Exam,
 - (m) *Chief Financial Officer*: Chief Financial Officer Exam,
 - (n) *Trader*: Trader Exam in addition to any exam mandated by the applicable marketplace.
- (ii) An applicant for approval, must have the following minimum education or experience before the *Corporation* will grant approval in the following categories:
- (a) *Registered Representative*: A relevant diploma or degree from an accredited post secondary institution, or minimum four years of relevant experience acceptable to the *Corporation*,
 - (b) *Associate Portfolio Manager*: Minimum two years of relevant investment management experience acceptable to the *Corporation* within three years prior to the date of application for approval,
 - (c) *Portfolio Manager*:
 - (I) If Canadian Investment Manager Designation or Chartered Investment Manager Designation (CIM)[®] is completed, at least four years of relevant investment management experience, one year of which was gained within the three years prior to the date of application for approval acceptable to the *Corporation*,
 - (II) If CFA Charter is completed, at least one year of relevant investment management experience within the three years prior to the date of application for approval acceptable to the *Corporation*,
 - (d) *Supervisor*: Minimum two years of relevant experience acceptable to the *Corporation*,
 - (e) *Ultimate Designated Person* and *Executives*: Minimum two years of relevant experience acceptable to the *Corporation*,
 - (f) *Chief Compliance Officer*:
 - (I) Five years working for an investment dealer or registered advisor, or affiliated Financial Industry Regulatory Authority (FINRA) dealer, with at least three years in a compliance or supervisory capacity, or
 - (II) 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,
 - (g) *Chief Financial Officer*:
 - (I) A financial accounting designation, finance related university degree or diploma or equivalent work experience as may be acceptable to the *Corporation*.

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2604. Post-approval proficiency requirements

- (1) *Dealer Member* training
 - (i) A *Dealer Member* must, as prescribed by the *Corporation*, provide training to its *Registered Representatives* and *Investment Representatives* within 90 days of approval considering the type of client and product the *Approved Person* will be dealing with, and
 - (a) The *Dealer Member* must notify the *Corporation* of completion of the training within 90 days.
 - (ii) A *Dealer Member* who sponsors an *Approved Person* must ensure that the *individual* has received the appropriate training relevant for its business type including its client and product type to ensure compliance with the proficiency principle in section 2602.
 - (a) A *Dealer Member* may permit an *Approved Person* to apply on-going training to meet prescribed continuing education requirements.
 - (iii) In addition to any training prescribed in Rule 2600, a *Dealer Member* must provide on-going training to its *Approved Persons* on compliance with *Corporation requirements, securities laws, and applicable laws* including, without limitation, the obligations relating to conflicts of interest, know-your-client, account appropriateness, product due diligence, know-your-product, and suitability determination.
 - (a) A *Dealer Member* may permit an *Approved Person* to apply on-going training to meet prescribed continuing education requirements.
 - (iv) The *Dealer Member* must keep a record of all training provided, as prescribed in Rule 2600, and provide the record to the *Corporation* on request to demonstrate compliance with the proficiency principle.
- (2) Conduct training
 - (i) Each new applicant or an individual *Approved Person* must complete the conduct training prescribed by the *Corporation* within 30 days of approval, and
 - (a) The *Dealer Member* must notify the *Corporation* of completion of the training within 30 days of approval.
 - (ii) Each *Approved Person* not captured by (i), approved as of the date of these rules, must complete the conduct training prescribed by the *Corporation* by no later than December 31, 2026, and
 - (a) The *Dealer Member* must notify the *Corporation* of the completion prior to December 31, 2026.

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PART B - EXEMPTIONS FROM PROFICIENCY REQUIREMENTS

2625. Specific exemptions

- (1) ...

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- (2) Any *individuals* approved prior to December 31, 2025, are exempt from any new proficiency requirements, other than the requirements in subsection 2604(2), introduced as of January 1, 2026, in Rule 2600, provided the *Approved Person* continues in the same role.
 - (i) Notwithstanding subsection 2625(2), an applicant for approval is not required to complete the Canadian Investment Regulatory Exam (CIRE) prescribed in subsection 2603(1) if the *individual* has minimum two years of prior experience in the same *Approved Person* category within three years prior to the date of application for approval and satisfies other prescribed requirements under sections 2603 and 2604 for their category of approval.
- (3) Any *Approved Person* who would be required to complete the Derivatives Exam under Rule 2600 pursuant to subsection 2603(1), and who is exempt from such requirement pursuant to subsection 2625(2), may only deal in the legacy *options* or *futures contract, futures contract options*, and must ensure that the scope of their permitted activities are clear in all their communication and in all their dealings.

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2627. Exemptions from completing the required exams

- (1) An applicant for approval is exempt from writing the Canadian Investment Regulatory Exam (CIRE) if they satisfy the following:
 - (i) previously registered with FINRA in a similar capacity within three years prior to the date of application for approval, and have completed the applicable FINRA requirements for that registration category.
- (2) An applicant for approval is exempt from writing the Derivatives Exam if they satisfy the following:
 - (i) previously registered and dealing in options and futures with FINRA and the National Futures Association (NFA) within three years prior to the application for approval, and
 - (ii) completed the Series 3 and Series 7 exams offered by FINRA.
- (3) An applicant for approval is exempt from the Canadian Investment Regulatory Exam (CIRE) and the Retail Securities Exam and Institutional Securities Exam if the applicant has satisfied the requirements in subclauses 2603(i)(g) or (h) applicable to *Associate Portfolio Managers* or *Portfolio Managers* respectively.

2628. Exam validity

- (1) An *individual* is deemed to have successfully completed an exam if:
 - (i) The *individual* successfully completed the prescribed exam within three years prior to the date of application for approval, or
 - (ii) The *individual* who successfully completed the prescribed exam was previously approved in the same *Approved Person* category, or another category which required the same exam, within three years prior to the application for approval,

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- (iii) The *individual* who successfully completed the prescribed exam gained one year of relevant securities industry experience, acceptable to the *Corporation*, within three years prior to the application for approval.
- (2) For the purposes of determining exam 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*,
- (3) The validity periods do not apply to the Canadian Investment Manager Designation, the Chartered Investment Manager Designation (CIM)[®] and the CFA Charter provided the holders of these designations continue to have the right to use the designation and the designation has not been revoked or otherwise restricted.

2629. Transition from courses prescribed prior to January 1, 2026

- (1) An *individual* is exempt from the requirements in section 2603 if all of the following apply:
 - (i) The *individual* enrolls in a course offered by the Canadian Securities Institute (CSI) prescribed under the rules prior to January 1, 2026,
 - (ii) The *individual* successfully completes the course and its exam prior to January 1, 2027,
 - (iii) The *individual* would satisfy the proficiency requirements applicable to the same approval category prior to January 1, 2026, upon completion of the course completed in subclause (ii), and
 - (iv) The sponsoring *Dealer Member* submits an application for approval for the *individual*, prior to January 1, 2027.
- (2) If an *individual* is required to complete the Wealth Management Essentials (WME) course as of December 31, 2025, the *individual* may complete either of the following:
 - (i) WME by earlier of December 31, 2026, or the required completion date prescribed under the rules that were in effect prior to January 1, 2026, or
 - (ii) Retail Securities Exam by the required completion date prescribed under the rules that were in effect prior to January 1, 2026.

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 conduct training in 2604(2)(i), and
 - (i) The *Dealer Member* must notify the *Corporation* of the completion of the training within 90 days of approval.

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RULE 2700 | CONTINUING EDUCATION REQUIREMENTS FOR APPROVED PERSONS

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PART A - THE CONTINUING EDUCATION PROGRAM AND CONTINUING EDUCATION REQUIREMENTS

2703. The continuing education program

- (1) The *continuing education program* consists of three 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.
 - (iii) Mandated annual continuing education training specifically prescribed by the *Corporation* which may satisfy clauses (i) or (ii) above as prescribed by the *Corporation*.

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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>Registered Representative</i>	<i>retail client</i>	Yes	Yes
<i>Registered Representative</i>	<i>institutional client</i>	Yes	No
<i>Investment Representative</i>	<i>retail client or institutional client</i>	Yes	No
<i>Portfolio Manager</i>	<i>retail client or institutional client</i>	Yes	Yes
<i>Associate Portfolio Manager</i>	<i>retail client or institutional client</i>	Yes	Yes
<i>Trader</i>	N/A	Yes	No
<i>Supervisor</i>	<i>Retail client or institutional client</i>	Yes	No
<i>Ultimate Designated Person</i>	N/A	Yes	No
<i>Chief Compliance Officer</i>	N/A	Yes	No

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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 receive continuing education credit for a professional development course with an examination, only if the *continuing education participant* successfully passes the examination.

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

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- (3) A *Dealer Member* may allow a *continuing education participant* to use mandatory conduct training prescribed in section 2604(2) towards compliance course requirement in clause 2703(1)(i).

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