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**CIRO Mutual Fund Dealer (MFD) Continuing
Education Program:
Participant Guide**

DM # 835462

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1 INTRODUCTION

MFD Continuing Education (CE) requirements establish minimum standards for Approved Persons of MFD Members to keep their industry knowledge current and maintain a high standard of professionalism. The purpose of the Participant Guide is to assist in the administration of the CE program from the perspective of an CIRO MFD Approved Person, also referred to as the Participant. This guide will address Participant roles and responsibilities in the MFD CE program including the administration of CE attendance and monitoring their progress in the CE cycle.

The full requirements and additional guidance, including guidance for Members, Providers and Accreditors can be found at on the [CIRO website](#).

Key Definitions

As set out in CIRO MFD Rule 900:

“**Participant**” means any Approved Person who is registered, during a cycle, as a dealing representative, chief compliance officer or ultimate designated person under Canadian securities legislation or designated by the Member as a branch manager or alternate branch manager, or alternate chief compliance officer under Rules.

“**Provider**” means any individual or entity offering a continuing education activity.¹

2 OVERALL CE CREDIT REQUIREMENTS

All Participants of the MFD CE Program must complete the required number of credits in the CE cycle. Each cycle will be 2 years in length (24 months) starting December 1 of each odd numbered year. The first cycle will commence on December 1, 2021 which aligns with the new upcoming CE cycle of the Chambre de la sécurité financière.

Dealing Representatives

Participants registered as Dealing Representatives must take a total of **30 credits** in each cycle, which is comprised of the following:

- 8 Business Conduct credits;
 - A minimum of 1 and maximum of 2 Business Conduct credits must relate to ethics
- 20 Professional Development credits; and
- 2 mandatory Compliance credits.

¹ Providers include Members, CIRO, education providers, financial service businesses such as mutual fund companies or insurance companies, and industry associations.

CCO's, UDP's, Branch Managers

Participants who are not Dealing Representatives, but are registered or designated as Chief Compliance Officers (CCOs), Ultimate Designated Persons (UDPs), Branch Managers (BMs), Alternate CCOs or Alternate BMs are required to take a total of **10 credits** in each cycle, which is comprised of the following:

- 8 Business Conduct credits;
 - A minimum of 1 and maximum of 2 Business Conduct credits must relate to ethics; and
- 2 mandatory Compliance credits.

It is important to note that these requirements are not cumulative. For example, if an individual is a Dealing Representative and a Branch Manager, they are only required to take the Dealing Representative requirement of 30 credits.

2.1 CE Content

As described above, Participants must take credits related to Business Conduct, Professional Development and Compliance. For a CE activity to qualify it must be a structured activity where attendance is tracked, the CE content is accredited, and delivery of the CE content and evidence of completion has been documented. MFD Rule 900 contains additional information on CE Content requirements.

Business Conduct

Business Conduct content is educational material related to ethical and compliant conduct. A single Business Conduct Credit consists of **1 hour** of training in at least one of the following topics:

- Ethics (content that examines ethical principles and moral or ethical problems that may arise in performing duties on behalf of a Member);
- Rules and Policies and Member policies and procedures for complying with the Rules and Policies; and
- Relevant legislation and its application.

Other business conduct topics include:

- Conflicts of interest;
- Personal financial dealings;
- Regulatory requirements and initiatives that affect Member operations;
- Disclosure of information to clients;
- Documentation standards;
- Know-Your-Client;
- Suitability and new products;

- Know-Your-Product;
- Anti-money laundering laws and regulations and related Member policies and procedures;
- Security and privacy of information; and
- Complaint handling.

Professional Development

Professional Development content is educational material that maintains or enhances a Participant's financial knowledge or proficiency. A single Professional Development Credit consists of **1 hour** of training in at least one of the following topic areas:

- Products;
- Financial planning;
- Retirement planning;
- Investment strategies and asset allocation;
- Client management techniques
- Economics, Accounting and Finance;
- Tax planning;
- Estate planning; and
- Insurance.

Compliance

The 2 mandatory Compliance Credits must be obtained by completing continuing education activities specifically created and designated by CIRO for the purposes of Compliance Credits. CIRO will be responsible for issuing the content to Participants. There will be 1 activity created and issued per year and it will be comprised of approximately 1 hour of content. Compliance content will include areas relating, but not limited, to, compliance examination findings, CIRO Compliance and Enforcement priorities, and proposed Rule and Policy changes.

3 RECOGNITION OF EXISTING ACCREDITATION

The MFD Continuing Education Program recognizes that there are a significant number of Participants who already undertake education and training accredited under existing CE programs in the investment industry. As a result, the MFD CE Program will recognize education and training taken under these other programs if the activities are already accredited by a recognized accreditor. There are 3 categories of Accreditation recognized by the MFD CE Program:

- CIRO (Investment Dealer CE Program) and the Chambre de la sécurité financière – Both are automatically recognized as Accreditors.

- Member Self-Accreditation – Members can perform self-accreditation which recognizes formal training that Members undertake for their own Participants; and
- Recognized Third Parties – Non-profit professional organizations who are currently performing accreditation (note that they must apply to become a Third Party Accreditor).

The recognition of these categories of accreditation means that CE activities taken for another CE program can also qualify under the MFD CE Program if it has been accredited by one of the above noted accreditors.

4 ROLES AND RESPONSIBILITIES

In developing the MFD CE Program, we recognized from numerous consultations that stakeholders, most specifically Members, would have different approaches to administering the program. As a result, the MFD CE Program and the Continuing Education Reporting and Tracking System (CERTS) which will be used to assist in administering the program, were designed with flexibility in mind. Approved Persons should consult with their Member to determine which how the Member has chosen to administer the MFD CE Program and what the Approved Persons' responsibilities are regarding the administration and completion of their CE credits.

4.1 Participant Responsibilities

The key responsibilities of you as the Participant are to take accredited CE activities and to monitor your progress towards compliance with the CE program to ensure you meet the requirements of the MFD CE Program.

Depending on how the Member is approaching the administration of the program, and the CE activities you take, you may not need to enter any data onto CERTS relating to CE activities. Participants should understand the Member's policies and procedures when it comes to the CE program including what responsibilities fall to the Member and what responsibilities fall to the Participant. Below we have set out guidance on attending CE activities and reporting attendance.

Some Members will be undertaking all aspects of administration of CE activities. Such Members will develop and accredit all CE activities to ensure adequate CE activities are provided and reported by the Member. These Members will also report attendance at these CE activities by Participants and can also advise CIRO that they wish to take responsibility for entry of CE activity attendance from Participants and, as a result, remove the ability of Participants to enter their own attendance. Participants of Members using the Member reporting model will not be responsible for any reporting of attendance on CERTS. However, Participants will be able to (and should) monitor their own progress on the system and can reconcile any records they may have with CERTS to ensure accuracy and to determine their progress towards meeting the requirements.

Other Members will provide and report attendance at some CE activities (such as a Member conference) however, Participants are responsible for obtaining and reporting the remaining CE credits necessary to comply with the CE requirements. Some Members will not provide any

activities. In these last two cases, the Participants are responsible for obtaining and reporting any remaining (or all) CE credits necessary to comply with the CE requirements. We note that Providers also have the ability to enter attendance records into CERTS for those Participants who attend the Provider’s recognized CE activities. When selecting CE activity, Participants should understand two key items:

- i) If the CE activity has been accredited and the number and category of credits it has been accredited and recognized for. Finding the activity in the course catalogue on CERTS is the best confirmation that the course has been accredited and recognized. If you cannot find the activity in the CERTS course catalogue, enquire with the Provider if they are getting the activity accredited and will post it to CERTS.
- ii) Whether the Provider will be reporting your attendance into CERTS or not. If not, depending on the Member’s administrative structure, either you or the Member will need to report attendance on CERTS. Further, even if the Provider (or Member) is reporting attendance on your behalf, you should periodically access your CERTS account to determine if all your CE activity has been recorded and follow-up with the Provider or Member if it has not. Also see Section 6 “CE ACTIVITY ATTENDANCE REPORTING”.

It is important to note that, no matter whether the Participant needs to enter CE activity attendance as discussed above, Participants remain responsible for: ensuring they complete their requirements within the cycle; reporting and maintaining their secondary email address in CERTS (see section 5.1); and keeping up to date with the Member’s written policies and procedures regarding CE requirements.

4.2 Participant Roles on CERTS

CERTS was developed to provide flexibility in order to allow for the various methods of CE delivery and administration. To facilitate this, we created 3 user types on CERTS: you (the Participant), Member and Provider. The chart below depicts the various user roles within CERTS:

Function	CERTS User Roles		
	Participant	Member Administrator	Provider
Add New CE Activities		●	●
Revise and Renew CE Activities		●	●
Report CE Activity Attendance*	●	●	●
Submit Credit Reduction Report for Leaves of Absence		●	
View Participant CE Details Summary	●	●	
View CERTS Course Catalogue	●	●	●

Enter/Edit Participant primary email address		●	
Enter/Edit Participant secondary/alternate email address	●		

* As previously mentioned, where Members take responsibility for entry of CE activity attendance, this functionality may be removed.

As noted in the above chart, only certain functions can be performed by Participants. Participants can report CE activity attendance, view their CE details and view the CERTS course catalogue. Secondary (e.g. personal) email addresses can only be entered by Participants. New CE activities, revising or renewing a CE activity, Credit Reduction Reports for leaves of absence and primary (corporate) email addresses of Participants cannot be entered by Participants. More details on CERTS functionality may be found in the CERTS User Guides on the [CIRO website](#) or within CERTS itself.

5 USER ACCOUNT ADMINISTRATION

Participant user accounts require an initial set up and some ongoing administration as outlined below.

5.1 Participant User Accounts

Each Member will need to provide primary email addresses for all of their Participants. This email address should be the address the Approved Person uses to conduct Member business (for example, a corporate email address). The CERTS system will automatically generate an “MFDA ID” for each Approved Person.

After being set up on CERTS, Participants will receive an email outlining how to log into CERTS. Participants will then be asked to provide a secondary email address (for example, a personal email address) to allow Participants continued access to their CERTS account in the event the Participant is no longer registered with a Member. It is the responsibility of the Participant (and not Member Administrators) to provide a secondary email address. Participants must provide a secondary email address in order to maintain uninterrupted access to their CERTS account.

5.1.1. Dealing Representatives, CCOs and UDPs

CERTS will receive an ongoing feed of NRD data for each Participant registered as a Dealing Representative, CCO or UDP with the Member. This feed will populate CERTS with details such as the name of the Participant, the Member they are registered with and their registration category. As a result, Members will not need to input and track this information for any Participants registered as mutual fund dealing representatives, CCOs or UDPs. Any changes on NRD, such as a Participant transferring from one Member to another, becoming newly registered, or no longer registered, will be reflected automatically on CERTS through the NRD feed. The MFD CE program also allows for proration of credits for Participants based on periods of deregistration. CERTS will

use the NRD feed and automatically prorate requirements if, for example, a Participant becomes registered part way through the cycle, or deregisters and then registers again.

5.1.2. Participants who are not registered on NRD

Participants who are not registered on NRD as Mutual Fund Dealing Representatives, CCOs and UDPs will need to have their accounts created manually in CERTS. This would include any Branch Manager (BM), Alternate BM or Alternate CCO who is NOT also registered as a Dealing Representative, CCO or UDP with the MFD Member. Members will need to provide CIRO with details of these Participants in a prescribed format. Once an account has been created for these Participants on CERTS, they will remain Participants of the Member unless the Member informs CIRO of any changes. Participants who are not registered on NRD should communicate with their Member to ensure their accounts have been set up accordingly.

6 CE ACTIVITY ATTENDANCE REPORTING

As previously noted, CERTS receives a data feed from NRD to track the registration and movement of registered individuals. Any attendance entered into a Participant's record will stay on their record in CERTS even if they transfer to a different Member.

As multiple users and user types can enter attendance, CERTS has the ability to recognize duplicate entries of attendance at the same CE activity and recognize the activity once. For example, if a Provider enters the attendance and subsequently a Participant enters attendance at the same CE activity, only the first entry (that of the Provider) will be deemed valid.

If Participants are required to enter their attendance, they must upload the evidence of completion and/or attendance of the CE activity given by the Provider. We expect, however, that most Providers will be reporting attendance on behalf of Participants. Participants should understand if a Provider will be reporting attendance in CERTS on their behalf or not. If a Provider or the Participant's Dealer will be reporting CE attendance on their behalf, the Participant should ensure that the information is complete and up to date with their records. CE attendance reporting should be completed on a regular basis in order to keep attendance records as accurate as possible. If a Participant notes that attendance at an accredited CE activity that was to be entered on their behalf appears missing, the Participant should talk first to the Provider or their Member who held the CE activity.

For specific details on how to report CE activity attendance on CERTS, please refer to the CERTS Participant User Guide on the [CIRO website](#). For any error corrections that are required, Participants can contact mutualfunddealerCE@ciro.ca.

7 LEAVES OF ABSENCE (LOAs)

As outlined in MFD Rules 900 and 1.2.6(d) and (e), the proration of CE credits is permitted in certain circumstances where the Participant is absent for a period of at least 4 consecutive weeks. Participants should report LOAs to the Member, using any regular channels for such reporting, and

then check CERTS to ensure that the Member has entered any leaves of absence. Members are responsible for the entry of LOAs onto CERTS which will generally occur at the end of a leave. When an LOA is entered on CERTS, the Participant's credit requirements will automatically be prorated depending on the number of months entered for the Participant's LOA. Participants who are on an LOA at the end of the cycle and have not met the requirements, would need to be compliant within a reasonable period after their return.

8 COMPLIANCE WITH CREDIT REQUIREMENTS

8.1 *Monitoring of Progress*

All Participants should monitor their own progress throughout the cycle to ensure they are completing and entering their CE credit requirements in a timely manner. Throughout the cycle, both Participants and Members will be able to monitor CE credit progress based on the information (e.g. CE activity attendance) entered. CERTS provides Participants with the ability to view their current progress towards meeting the credit requirements on their initial dashboard page and can also drill down to more detailed information such as what CE activities they have been reported as attending. For more specific information, please refer to the CERTS Participant User Guide on the [CIRO website](#).

8.2 *Participant (Approved Person) Transfers*

As attendance is being tracked on CERTS, it can assist with Participant transfers from another dealer as the Participant can, based on what has been entered, provide evidence to a prospective new Member of their progress towards compliance with the CE requirements. After registration of the Participant with the new Member, Members and Participants can confirm that the Participant and any completed CE credits (i.e. those shown on the aforementioned evidence from CERTS) have correctly transferred over on CERTS.

Please note that where a Participant had outstanding credit requirements before deregistering in a previous cycle and then becomes reregistered in the subsequent cycle, the outstanding credit requirements from that previous cycle would be carried forward and would need to be satisfied.

8.3 *Non-Compliance Process*

MFD Rule 900 states if "a Participant has not met the requirements as prescribed under Rules 1.2.6 and 900, the Corporation shall notify the Participant's sponsoring Member of the non-compliance determination no later than 30 days from: (i) the end of the cycle, (ii) for a returning Participant, upon failure to satisfy any outstanding credits from the immediately preceding cycle, or (iii) at the completion of an assessment of the records maintained by a Participant or Member where a rejection by the Corporation of reported CE credits has resulted in non-compliance for a Participant."

For those Participants for whom the Member received the above notification, Members will be asked to provide the action plan of the relevant Participant to become compliant with the credit

requirements (e.g. completion of the outstanding requirements within a specified timeframe) within 15 days. If no reasonable explanation and action plan is received, or if the action plan is not followed, this may lead to a request from CIRO that the Member suspend the Participant from acting as an Approved Person of the Member. The suspension would continue until the Participant is compliant with the CE requirements.