



September 17, 2024

VIA EMAIL

Registration, Proficiency

Canadian Investment Regulatory Organization (CIRO)
40 Temperance St.
Suite 2600
Toronto, ON, M5H 0B4
proficiency@ciro.ca

CC:

marketregulation@osc.gov.on.ca
cmrdistributionofdocuments@bcsc.bc.ca

Re: Proposed Proficiency Model

To whom it may concern:

We are writing to provide our comments on CIRO's proposed proficiency model.

Learnedly provides company-wide compliance and proficiency education to over 50 CIRO member firms and more than 70 non-CIRO dealer firms across Canada. We support any effort that promotes high proficiency standards in the investment industry, and we appreciate the opportunity to comment.

We commend CIRO for its commitment to stay with the January 1, 2026 implementation date. With less than 16 months remaining, this target date has become an increasingly ambitious goal. Our comments are primarily focused on helping CIRO reach this target date and raise the proficiency bar. We have listed specific follow-up questions at the end of this document.

TIMELINE: JANUARY 1, 2026

We appreciate that CIRO is mindful that sufficient time is required to implement its new proficiency model by January 1, 2026; however, we are concerned about the limited time remaining.

While much has been accomplished to-date, a significant amount of work still remains. Dealer firms and educators also need sufficient time - we believe 12 months, at a minimum, *after* CIRO has published its exam resources - to develop education programs and be ready for the transition.

We urge CIRO to prioritize the development of its exam-related resources without delay to allow time for stakeholders to develop their respective training programs and resources.

This will also allow time for CIRO to make adjustments to the assessment tools - a necessary process to ensure a high-quality exam design and avoid unintended scoring in a live testing environment.

LEARNING RESOURCES FOR LEARNERS

criteria to ensure that, at a minimum, applicable standards are being met to support their assessment centric frameworks. Based on the additional research, we were able to validate the following in support of the proposed model:

- Reliance on post-secondary baseline education or experience is a common requirement for financial services regulators and professional bodies,
- Licensure exams and professional certifications or designations are generally based on, and validated against competencies, not courses,
- Exam blueprints and competency profiles are commonly considered as acceptable materials to create an opportunity to learn, and
- Regulators that oversee licensure examinations do not oversee or even recommend commercial preparatory courses or related providers.

We have considered these in making necessary adjustments or changes to our previously proposed model.

We respectfully disagree that an exam blueprint and competency profile alone are considered acceptable materials to create an opportunity for learning. While they provide a foundation on which to build learning materials, they are not sufficient to deliver a memorable learning experience.

We plan to make the following available for each CIRO exam in English and French:

- Exam blueprint or syllabus with weighting as it relates to the content of the exam,
- The applicable CIRO Approved Person competency profile, and
- Sample exams, with similar numbers of questions and difficulty as the prescribed exam.

We believe this approach will allow us to ensure there is an equal baseline opportunity to learn across all exams, regardless of the exam type and whether in English or French. This will also provide the candidates with the option and opportunity to study on their own if they choose not to enroll in an external preparatory course. It will also create an opportunity for dealers to take a more central role in preparing their candidates to meet our requirements. In the course of designing the exams, we plan to provide information regarding our exam governance structure and policies in advance of the launch of the new proficiency model. We will also ensure that there is a reasonable size question bank for each exam to ensure the integrity and security of the exams being offered.

We believe, strongly, that a structured education program is necessary for an assessment-based proficiency model. Especially if the proposed model is designed to allow students to learn without external preparatory courses¹. Even if it's not mandatory, a comprehensive study program should be made available for industry students, member firms, and post-secondary institutions.

For context, within the [ASIC](#) framework (Australia), exam participants are provided with a compendium of reading resources; and within the [MAS](#) framework (Singapore), exams are accompanied by authoritative study manuals which are recognized by the regulator.

Within CIRO's new proficiency framework, a structured education program will:

- Provide a standard and cost effective training resource for all dealer firms;
- Provide a resource on which exam prep providers can develop exam prep resources;
- Discourage the development of poor quality and inaccurate content;
- Provide an education curriculum that supports Title Protection requirements;
- Provide learning resources and instructor tools for post-secondary institutions²; and,
- Provide a definitive compendium to support financial literacy programs and DIY investors.

¹ We make the distinction here that a structured curriculum educates students with no prior knowledge or experience, whereas an external preparatory course helps a student to successfully pass an exam.

² Many Canadian colleges and universities integrate licensing courses offered by the Canadian Securities Institute (CSI) into their degree programs, using the textbook as the main study resource for students. This is a good thing for post-secondary institutions, their students, and the industry as it develops a talented workforce of professionals. Under the proposed model, schools will be required to develop their own educational materials, rely on unapproved preparatory materials, or stop offering industry licensing programs, if the resources are too onerous to create.



A formalized education program for each licensing exam provides a learner with a comprehensive resource to prepare for industry exams and their career. A formal curriculum, one that is recognized by CIRO and the provincial regulators, would ensure that all industry stakeholders have equal access to a reliable and uniform source of education.

HOW LEARNEDLY CAN HELP

Learnedly can support CIRO's proficiency model by developing a structured education program and instructor resources for each of CIRO's nine licensing exams. This is our area of expertise and how we can contribute to raising the proficiency standards in the industry, while working independently and in parallel to CIRO's own project deliverables.

Learnedly has a (yet to be announced) partnership with a world-leading publisher that has a strong reach across more than 1,800 campuses in over 100 countries, delivering education material in more than 80 languages.

We can develop a world-class education experience that is accessible, current and cost-effective for all industry stakeholders.

CONCLUSION

We urge CIRO to remain committed to the January 1, 2026 implementation date. With just 16 months remaining, we encourage CIRO to engage regularly with industry stakeholders and provide regular project updates so that educators and member firms can plan accordingly.

We believe that an assessment-centric model requires an industry-trusted curriculum program in order to raise the proficiency bar and make training resources accessible and consistent. Learnedly can play a meaningful role here to support CIRO's efforts.

We applaud CIRO's commitment to raising the proficiency bar for Canada's securities industry. Learnedly shares this objective and we are committed to supporting CIRO's efforts.

We appreciate the opportunity to provide our comments.

John Waldron, Founder

Learnedly

learnedly.



FOLLOW-UP QUESTIONS FOR CIRO

- Can you share a timeline of when the additional exam resources will be published?
- Do you anticipate any further adjustments to the published Competency Profiles?
If not, can you confirm that the existing competency profiles are final?
- Will there be a term limit on the contract with the selected exam service provider?
- Can you provide the expected price for each exam sitting, the mandatory conduct training program, and the mandatory CE courses?
If not, can you provide the cost assumptions used in the planning process?
- Will CIRO permit education providers to host and deliver CIRO's mandatory Compliance Training Program and mandatory CE courses, similar to FINRA's approach?
<https://www.finra.org/events-training/flex>