



Subscribe

Chair Summary

Canadian Advocacy Council



Doug Sarro, CFA
Chair
Canadian Advocacy Council

This month saw significant new proposals from the Canadian Investment Regulatory Organization (CIRO) that would complete and implement their multi-year policy project on proficiency in the securities industry. Instead of assessing proficiency through mandatory courses (currently administered by the Canadian Securities Institute), under the proposals CIRO would accomplish this task through exams developed in-house with assistance from a to-be-announced vendor. Candidates would then be free to choose how and on whom to rely in preparing for these exams. The proposals also introduce an increased structural reliance on certain training and proficiency elements to be delivered and maintained within CIRO member firms. CIRO also proposes to introduce a baseline education/experience requirement for all candidates, which can be met with either a post-secondary diploma or degree, or four years of relevant experience. Under the proposals, it would not be necessary for candidates to be sponsored by a firm before writing an exam, a significant divergence from a proficiency model that is otherwise notably similar in spirit and major features to that administered by the Financial Industry Regulatory Authority (FINRA) in the United States.

We of course welcome efforts to elevate the proficiency standards that apply to the investment profession, especially when they seem unlikely to introduce undue barriers to access to the profession. Whether removing the firm sponsorship requirement is the right move, however, is something we'll need to think through. The CAC will have this and other aspects of the proposals in mind as we prepare our comments.

In conducting this work, I'm delighted that we are now joined by four new members with deep legal, regulatory, and financial sector experience: [Shahenda El Gindi](#), CFA, [Chris Kesley](#), CFA, [Kathryn Laflamme](#), CFA, [Hari Marcovici](#), CFA, and [Andrew Pennington](#), CFA, CIPM. They've hit the ground running, already making important contributions. Stay tuned for even more additions to the team later in the year.

Published Comment Letters

Canadian Advocacy Council



CIRO - Rule Consolidation Project - Phase 3

CIRO published [Phase 3 of its Rule Consolidation Project](#) for comment. The Rule Consolidation Project will bring together the two rule sets currently applicable to investment dealers (IDPC Rules) and mutual fund dealers (MFD Rules) into one set of rules applicable to both categories of CIRO Dealer Members going forward. The CAC generally responded positively to the proposals, noting its support for harmonization and simplification of rules, as these promote compliance and clarity for industry.

In its comments, the CAC asked CIRO to clarify its position and plan relating to registrants' permissible use of personal corporations to conduct non-registrable and registrable activities. It reiterated its concerns relating to investor protection and its position that clarity should be sought from tax authorities prior to proceeding with any change initiative, given the significant costs to industry of making any change. Among other specific comments, it was noted that with respect to settlement hearings, the CAC prefers the flexibility of the MFD Rules, which empowers the hearing panel to determine in what circumstances a settlement hearing could be made public, as there may be sufficient public interest in certain cases.

Response Drafting in Progress

Canadian Advocacy Council



CIRO - Proposed Proficiency Model – Approved Persons under the Investment Dealer and Partially Consolidated Rules

CIRO is publishing for comment proposed amendments to its proficiency rules applicable to investment dealer Approved Persons in the Investment Dealer and Partially Consolidated Rules to reflect its proposed proficiency model.

Highlights of the proposed proficiency model are:

- Exams for each Approved Person category based on the published competency profiles,
- No mandatory courses as prerequisites to exams,
- Mandatory conduct training upon approval,
- Continuing education training on topics mandated by CIRO annually,
- Baseline education requirements for Registered Representatives to include a diploma, degree or four years of relevant work experience, and
- Greater role for CIRO in new program design and ongoing delivery.



OSC - Proposed process for distributing disgorged funds to harmed investors

The Ontario Securities Commission (OSC) published for comment a rule proposal that would establish a new process for returning money to harmed investors.

The proposed process would apply when disgorgement is ordered in an enforcement proceeding before the Capital Markets Tribunal or the Ontario Superior Court of Justice and the OSC receives sufficient funds to make a distribution feasible.

The OSC is publishing the rule proposal to address recent legislative amendments to the *Ontario Securities Act*, the *Commodity Futures Act*, and the *Securities Commission Act, 2021*. Upon proclamation, the legislative amendments will create a statutory framework for the distribution of money received by the OSC under disgorgement orders.

"If you would like to participate or provide comments to ongoing initiatives, please contact cac@cfcacanada.org"

Volunteer Spotlight

Canadian Investment Performance Council



David Spaulding, CIPM

David has served on the CIPC since October 2022.

David has been a thought leader in our industry for more than 30 years and has in-depth experience and knowledge of all aspects of investment performance and risk measurement.

David has over 50 years' experience in management and technology, including over 40 years in the financial sector. He has conducted training classes for clients, CFA Institute, and local societies for 25 years. He has written four books and been a co-author and/or editor of five more. He has also written numerous articles for various industry publications. David has served on a variety of industry committees and working groups. He earned a BA in Mathematics from Temple University, an MS in Systems Management from the University of Southern California, an MBA in Finance from the University of Baltimore, and a doctorate in Finance and International Economics from Pace University.

David served six years in local politics in North Brunswick, NJ: four years as mayor and two as a councilman (one year as council president). He also served in the Field Artillery branch of the US Army for nearly five years, earning the rank of captain.

What would you tell other charterholders or investment professionals about the CIPC?

The CIPC provides leadership and represents the Canadian market when it comes to the GIPS® standards, offering commentary and guidance when appropriate. It takes its role very seriously, not limited to the GIPS standards but also in other aspects of performance and risk measurement.

Why do you think the promotion of industry standards, like the Asset Manager Code™, is important?

Standards, guidelines, and codes that serve to better our industry are to be supported and encouraged, especially when they are crafted by an independent and committed organization like CFA Institute, with input from investment professionals. Our industry has suffered from those who seek to take advantage of others, and while this is a small minority, it's still something that we should all strive to fight, and by adopting ethical principles, codes, and rules, we are all better off. It's a great example for others as well as for those we serve.

News



Canadian Advocacy Council

Canadian Advocacy Council Leadership Election Results

We are pleased to announce the results of the CAC leadership elections for the 2024–2025 year, effective July 1st.

Chair:

[Doug Sarro, CFA](#)
(CFA Society Ottawa)

1st Vice Chair:

[Kevin Dickinson, CFA](#)
(CFA Society Toronto)

2nd Vice Chair:

[Jeoma Madueke, CFA](#)
(CFA Society Toronto)

Please join us in congratulating them! We look forward to another year of their leadership!



Canadian Advocacy Council

New volunteers join the CAC

Please join us in welcoming the newest members of the Canadian Advocacy Council of CFA Societies Canada:

- [Andrew Pennington, CFA, CIPM](#) (CFA Society Toronto)
- [Chris Kesley, CFA](#) (CFA Society Toronto)
- [Hari Marcovici, CFA](#) (CFA Society Toronto)
- [Kathryn Laflamme, CFA](#) (CFA Society Ottawa)
- [Shahenda El Gindi, CFA](#) (CFA Montréal)

Thank you all for volunteering; we applaud your commitment to advancing advocacy in Canada.



Canadian Investment Performance Council

CIPC Leadership Election Results

We are pleased to announce the results of the CIPC leadership elections for 2024–2026:

Chair:

[Benjamin Banyai, CFA, CIPM](#)
(CFA Society Toronto)

1st Vice Chair:

[Matt Swan, CFA](#)
(CFA Society Toronto)

2nd Vice Chair:

[Lawrence Li, CFA, CIPM](#)
(CFA Society Vancouver)

We look forward to their leadership over the next two years. Please join us in congratulating them!



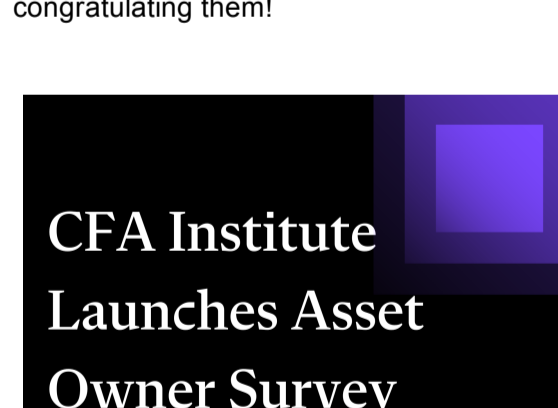
Canadian Investment Performance Council

The CIPC welcomes new volunteers

Please join us in welcoming the newest members of the Canadian Investment Performance Council of CFA Societies Canada:

- [Amir Sajedian, CFA, CIPM](#) (CFA Society Toronto)
- [Lindsay Bescroft, CFA](#) (CFA Montréal)
- [Marc-André Hébert, CIPM](#) (CFA Québec)

We look forward to working with you to provide thought leadership on investment performance best practices and promote adoption of the GIPS® standards and Asset Manager Code™ in Canada.



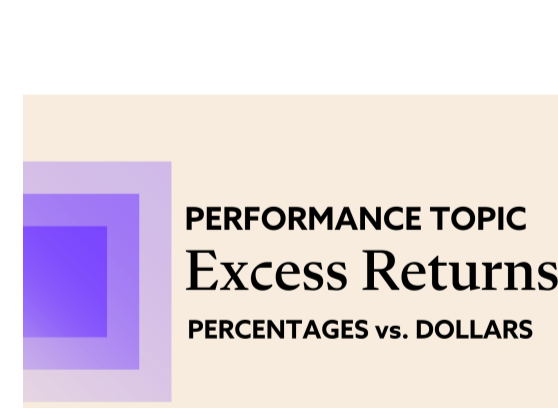
CFA Institute

CFA Institute Launches Asset Owner Survey

CFA Institute, together with the Global Investment Performance Standards (GIPS®) Asset Owner Subcommittee, has created a [survey](#) of asset owners to learn how they manage assets, report performance, and consider the GIPS standards when doing so.

The survey is open to participation from all asset owners, whether or not the organization claims compliance with the GIPS® standards.

The survey is open until August 16, 2024.



Canadian Investment Performance Council

LinkedIn Performance vs Dollars Returns: Percentage vs. Excess

Curious about calculating portfolio excess returns in dollar terms?

Check out the CIPC's latest LinkedIn performance topic post, which provides a high-level overview of some key considerations to keep in mind.

Research, Advocacy, Standards and Professional Learning



Podcast

Feifei Li: AI in Investment Research

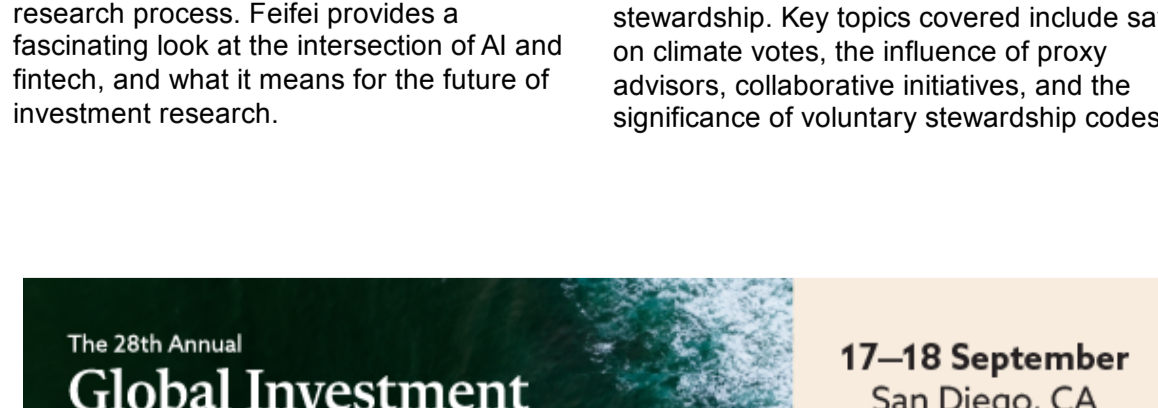
Fei-Fei Li, former Chief Investment Officer at Research Affiliates, shares insights from her extensive background in finance. The conversation then pivots to her current role at Kavout Algo Financial, where she is spearheading the development of an AI tool aimed at revolutionizing the investment research process. Feifei provides a fascinating look at the intersection of AI and fintech, and what it means for the future of investment research.



Podcast

Lindsey Stewart, CFA: Proxy Voting and Investor Engagement Practices

In this episode of the Sustainability Story podcast, Nicole Gehrig, Director of Global Industry Standards at CFA Institute, is joined by Lindsey Stewart, CFA, Director of Stewardship Research and Policy at Morningstar Sustainability. Together, they explore key themes in the realm of stewardship. Key topics covered include say on climate votes, the influence of proxy advisors, collaborative initiatives, and the significance of voluntary stewardship codes.



The Canadian Advocacy Council, on behalf of CFA Societies Canada, advances investor protection, industry professionalism, market integrity and transparency to the benefit of society.



[Follow us on LinkedIn!](#)

Next CAC Meeting Scheduled: Tuesday, August 13 at 4:15 pm EDT

Contact us

Subscribe

ADVOCACY COLLABORATION COMMUNICATION INNOVATION

CFA Societies Canada

120 Adelaide Street West, Suite 2205, Toronto, ON M5H 1T1

T 416.366.3658
www.cfcacanada.org

If you no longer wish to receive future communications from CFA Societies Canada, please reply to info@cfcacanada.org with the subject UNSUBSCRIBE.