



September 17, 2024

VIA EMAIL

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Re: Rule Amendments — Request for Comments — Proposed Proficiency Model — Approved Persons under the Investment Dealer and Partially Consolidated Rules (the “Consultation”)

The Canadian Advocacy Council of CFA Societies Canada (the “**CAC**”)¹ appreciates the opportunity to provide the following general comments on the Consultation.

We are happy to see that CIRO has responded to our previously raised concerns and intends to introduce an exam blueprint or syllabus with information such as topic weightings and sample exams to assist preparing candidates. We would encourage CIRO to ensure that sufficient information is provided to allow aspirants who pursue self-directed study to reasonably prepare for and pass the examinations at rates reasonably comparable to those enrolled in employer-provided or third-party, external preparatory courses. Given that the fees associated with third-party preparatory courses may be a barrier to entry for certain exam-takers, providing sufficient information to enable those committed to rigorously preparing on their own to pass examinations would better promote inclusion in the industry and widen the candidate pool.

We acknowledge that the previously proposed requirement for firm sponsorship as part of the eligibility criteria to take CIRO exams may be limiting. We acknowledge arguments

¹ The CAC is an advocacy council for CFA Societies Canada, representing the 12 CFA Institute Member Societies across Canada and over 21,000 Canadian CFA charterholders. The council includes investment professionals across Canada who review regulatory, legislative, and standard setting developments affecting investors, investment professionals, and the capital markets in Canada. Visit www.cfacanada.org to access the advocacy work of the CAC.

As the global association of investment professionals, CFA Institute sets the standard for professional excellence and credentials. The organization is a champion of ethical behavior in investment markets and serves as the leading source of learning and research for the investment industry. CFA Institute believes in fostering an environment where investors' interests come first, markets function at their best, and economies grow. Spanning nearly 200,000 charterholders worldwide across 160 markets, CFA Institute has ten offices and 160 local societies. Find us at www.cfainstitute.org or follow us on LinkedIn and X at @CFAInstitute.



on both sides, including the potential for firm sponsorship as a prerequisite to exam eligibility to act as unwarranted gatekeeping in the industry. However, we do believe that CIRO should be mindful of the economic incentives of the industry of exam preparatory vendors that will develop around the exams, as we have residual concerns about misleading representations and advertising to industry aspirants as to their job prospects relating to the passage of one or more exams in isolation. Although preparatory courses may be helpful in assisting candidates to pass examinations, course providers may also exaggerate the merits (even if well-intentioned) of what passing an examination (particularly in isolation) may mean for a person's career prospects. We would implore CIRO to explore this reality further and consider publishing a roadmap for industry aspirants that they may consider when deciding on investing in exam preparation.

We are also generally pleased with the published competency profiles and the proposed mandatory conduct training on ethics. However, we would also strongly suggest that CIRO introduce training and continuing education components on issues related to the effects of artificial intelligence on industry practice and clients, diversity, equity, inclusion, and Indigenous reconciliation in the Canadian context, ESG and climate-related issues, and other emergent developments relevant to the competency profiles, reflecting the ever-evolving nature of what constitutes full competence.

With relation to specific requests for feedback, we have reviewed the proposed provisions for grandfathering and transition, and have no material concerns. With relation to the transition provision for those who are required to complete the Wealth Management Essentials course, we believe the additional option of completing the remaining levels of CFA Program should also be presented, consistent with the exemption available under s. 2929(6)(vi)(a) of the existing IDPC Rules. We have no material or relevant comments on the other dealer-focused specific requests for feedback.

With relation to s. 2628 for exam validity, we would suggest that continuing Regular or Affiliate membership in good standing in CFA Institute (similar to that held by a CFA charterholder in good standing) should cure the 'expiry' period of three years from exam completion for passers of the CFA Level 1 exam who later become applicants for approval. For reference, requirements for these membership categories are available here: [Become a Member \(cfainstitute.org\)](http://cfainstitute.org).

Concluding Remarks

We thank you for the opportunity to provide these comments and would be happy to address any questions you may have. Please feel free to contact us at cac@cfacanada.org on this or any other issue in the future.

(Signed) *The Canadian Advocacy Council of
CFA Societies Canada*

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