

**IN THE MATTER OF
THE *SECURITIES ACT*, R.S.P.E.I. 1988, Cap. S-3.1
(the “Act”)**

AND

**IN THE MATTER OF
THE DELEGATION OF CERTAIN POWERS AND DUTIES TO THE
CANADIAN INVESTMENT REGULATORY ORGANIZATION**

**DELEGATION ORDER
(Sections 75 of the Act)**

WHEREAS:

- A. The Canadian Investment Regulatory Organization (“**CIRO**”) was established effective January 1, 2023, as a result of the amalgamation of the Investment Industry Regulatory Organization of Canada (“**IIROC**”) and the Mutual Fund Dealers Association of Canada (“**MFDA**”).
- B. By an order issued November 24, 2022, effective January 1, 2023, the Superintendent designated and recognized CIRO as a self-regulatory organization under section 71 and 72 of the Act (“**Recognition Order**”), which order was varied and restated effective June 1, 2023. Pursuant to this designation and recognition CIRO has applied to the Superintendent, to become the Superintendent’s delegate through a Delegation Order under section 75(1) of the Act authorizing CIRO to register investment dealer and mutual fund dealer firms and their approved persons.
- C. Under the terms and conditions of the Recognition Order, CIRO must act in the public interest in regulating the operations and the standards of practice and business conduct of investment dealers and mutual fund dealers, including establishing rules governing dealer members and administering and monitoring compliance with applicable rules and Canadian securities legislation by members and others subject to its jurisdiction.
- D. Under subsection 75(1) of the Act, the Superintendent may delegate, on such terms and conditions as the Superintendent may determine, to a recognized entity any powers, functions, or duties of the Superintendent under Part 8 of the Act or under rules relating to registration or registrants.
- E. The Superintendent considers it desirable to delegate to CIRO certain powers and duties of the Superintendent in respect of the registration of firms, under Prince Edward Island securities laws, in the categories of investment dealer and mutual fund dealer and the registration and status of individuals who act on behalf of firms registered in the categories of investment dealer and mutual fund dealer, subject to certain terms and conditions (“**Delegation**”).

- F. CIRO's performance of the delegated powers and duties will be subject to an enhanced risk-based framework of ongoing oversight by the Superintendent.
- G. CIRO has agreed that there will not be any fee, cost, expense, or sharing of registration revenues between CIRO and the Superintendent in any form for exercising these delegated powers on behalf of the Superintendent, in the interest of the new administrative efficiencies for its members.
- H. The Superintendent retains concurrent authority for the delegated powers and duties and in the event of a conflict between an exercise by CIRO of a power or duty under the Delegation and an exercise of a power or duty by the Superintendent, the Superintendent's authority will prevail.
- I. The Canadian Securities Administrators desires to collectively issue a harmonized delegation to CIRO.

IT IS ORDERED THAT:

- 1. Under subsection 75(1)(a) of the Act, the Superintendent delegates to CIRO the powers and duties of the Superintendent under the following provisions of Prince Edward Island securities laws:
 - (a) sections 88 and 89 of the Act in respect of applications for registration, applications for reinstatement of registration, and applications for amendment of registration by
 - (i) firms in the categories of investment dealer or mutual fund dealer, and
 - (ii) individuals in the categories of
 - 1. dealing representative of a registered investment dealer or registered mutual fund dealer,
 - 2. ultimate designated person of a registered investment dealer or registered mutual fund dealer, or
 - 3. chief compliance officer of a registered investment dealer or registered mutual fund dealer;
 - (b) section 91 of the Act in respect of the acceptance of an application by a registrant (in the categories of investment dealer or mutual fund dealer) to surrender registration or suspension of the registration upon receiving an application to surrender.
 - (c) section 92 and 93 of the Act in respect of the termination or suspension of, or the imposition of terms, conditions, restrictions, or requirements on, the registration of

(i) firms in either or both categories of investment dealer and mutual fund dealer, and

(ii) individuals in the categories of

1. dealing representative of a registered investment dealer or registered mutual fund dealer,
2. ultimate designated person of a registered investment dealer or registered mutual fund dealer, or
3. chief compliance officer of a registered investment dealer or registered mutual fund dealer,

(d) sections 11.9 and 11.10 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (“**NI 31-103**”) but only in respect of notices required to be given by

(i) firms registered in the categories of investment dealer or mutual fund dealer and

(ii) individuals registered in the categories of

1. dealing representative of a registered investment dealer or registered mutual fund dealer,
2. ultimate designated person of a registered investment dealer or registered mutual fund dealer, or
3. chief compliance officer of a registered investment dealer or registered mutual fund dealer;

(e) section 15.1 of NI 31-103 but only in respect of exemptions from the requirements of sections 3.3, 3.5, and 3.6 as they apply to an individual who is required to be registered in the categories of dealing representative and chief compliance officer to act on behalf of a firm that is registered as a mutual fund dealer (the “**Delegated Functions**”).

2. This Delegation is subject to the terms and conditions in Appendix A and can be cancelled or amended for any reason at any time with or without notice.

3. This Delegation takes effect on April 1, 2025.

DATED at Charlottetown, Prince Edward Island, this 28th day of March, 2025.

“**Steve Dowling**” (original signature on file)

Steve Dowling,
Superintendent of Securities

APPENDIX A
TERMS AND CONDITIONS

1. CIRO must exercise the Delegated Functions in the public interest and in accordance with the associated requirements of Prince Edward Island securities laws, including the requirements of sections 88 and 89 of the Act, as well as the terms and conditions of the Recognition Order.
2. CIRO must establish and maintain requirements in respect of the registration of firms and individuals under the Delegation that account for the proficiency, integrity, and solvency of those firms and individuals.
3. CIRO must maintain sufficient capacity to effectively and efficiently perform the Delegated Functions, including sufficient financial, technological, and human resources.
4. CIRO must establish service standards for the performance of the Delegated Functions that are satisfactory to the Superintendent. Such service standards must be established by October 1, 2025.
5. CIRO must publish the established service standards together with publication of CIRO's achievement of these standards on a quarterly basis.
6. CIRO must establish and maintain written policies and procedures, in a form satisfactory to the Superintendent, in respect of CIRO's performance of the Delegated Functions.
7. CIRO must provide the Superintendent with reasonable prior written notice of any significant proposed changes to the policies and procedures established under section 6 and CIRO must not implement the proposed changes until the Superintendent has notified CIRO that the Superintendent has no further questions or comments.
8. CIRO must provide the Superintendent with reasonable prior written notice in respect of any firm registration matter where, in CIRO's opinion, an application or submission raises a significant or novel issue and CIRO must not make a final determination in the matter until the Superintendent has notified CIRO that the Superintendent has no further questions or comments.
9. For purposes of section 8, "significant or novel issue" means any issue that, without limitation, either:
 - (a) raises a new issue which has previously not been addressed, resolved, or used in the same context;
 - (b) may have a significant impact on:
 - (i) the interpretation of applicable rules or Prince Edward Island securities laws, including the interpretation of the requirement to

register, the business trigger for trading or advising and fitness for registration;

- (ii) registration applications;
- (iii) applications for exemptive relief;
- (iv) market participants, including Members, Approved Persons, Member employees and other registrants;
- (v) investors or investor protection;
- (vi) market structure;
- (vii) market practices or industry standards; or
- (viii) regulatory enforcement;

(c) may have an impact on policy development or rulemaking; or

(d) relates to a new business model, financial instrument, service, product, technology, or innovation.

10. CIRO must establish and maintain, in a form satisfactory to the Superintendent, a process for performing background checks as part of its process for making registration decisions under the Delegation.
11. CIRO will provide to the Superintendent information and reporting in a form and frequency acceptable to the Superintendent, including, without limitation, risk analyses, examination schedules and reports for Dealer Members with Prince Edward Island operations and enhanced reporting about CIRO regulatory actions and registration activities.