

## Dual Registered Firm - Guide

Updated August 17, 2023

### Introduction

This is a guide to assist with applications by existing firms or new applicants to become registered as both an investment dealer (**ID**) and a mutual fund dealer (**MFD**) (a **dual registered firm**). The guide focuses primarily on the filing obligations associated with National Instrument 33-109 *Registration Information* (**NI 33-109**) and its associated forms on the National Registration Database (**NRD**). **This guide replaces the guide published on December 8, 2022.**

There are separate steps associated with becoming a dual registered firm with the Canadian Investment Regulatory Organization (**CIRO**). For further information regarding these steps, please consult the CIRO Interim Rules Frequently Asked Questions ([CIRO FAQ](#)) and Dual-Registration [Questionnaire](#).

This guide is divided into three parts setting out the process of becoming a dual registered firm under various scenarios:

- **Part A** – new firm applications
- **Part B** - firms with one registration adding another registration (an existing ID or existing MFD that would like to add the other registration category), and
- **Part C** - firms combining operations (an existing ID and an existing MFD).

The guide also includes Québec specific steps on the last page.

### PART A

*New firms (no existing registration)*

Step	Firm Action
<b>CIRO Membership Application</b>	Firms must submit a Membership Application and applicable supporting documents to CIRO for membership as a dual registered firm.  Note that the submission to CIRO is a separate process from the CSA registration processes required by NI 33-109.

Step	Firm Action
<b>Registration Information</b>	Firms must submit a Form 33-109F6 <i>Firm Registration</i> ( <b>F6</b> ) in its entirety, as well as any supporting documents to its principal regulator <sup>1</sup> , and provide a copy to CRO staff.
<b>Registered Individuals</b>	<p><i>Dealing representatives</i></p> <p>A dealing representative at a dual registered firm can only be registered under either the investment dealer or mutual fund dealer firm registration category.</p> <p>When an individual is seeking registration as a MFD dealing representative, the individual must select “dealing representative” under the mutual fund dealer firm registration category. There is no CRO approval category selection under Schedule C of the Form 33-109F4 <i>Registration of Individuals and Review of Permitted Individuals</i> (<b>F4</b>) for MFD dealing representatives.</p> <div data-bbox="478 808 1962 1146"> <div> <b>Investment Dealer</b> <input type="checkbox"/> Dealing Representative         <input type="checkbox"/> Chief Compliance Officer         <input type="checkbox"/> CRO approval only       </div> <div> <b>Mutual Fund Dealer</b> <input checked="" type="checkbox"/> Dealing Representative         <input type="checkbox"/> Chief Compliance Officer         <input type="checkbox"/> Branch Manager (CRO members only)       </div> </div> <p>When an individual is seeking registration as an ID dealing representative, the individual must select “dealing representative” under the investment dealer firm category and any applicable approval categories. The following is an example:</p>

<sup>1</sup> If the Ontario Securities Commission (the **OSC**) is the principal regulator, submit the F6 and all supporting documents to the OSC. If the OSC is not the principal regulator, and the firm is also applying for registration in Ontario, submit the F6 and all the supporting document to the principal regulator and submit the F6 to the OSC without the supporting documents.

	<div><div>Permitted Individuals</div><div><div><input type="checkbox"/> Officer</div><div><input type="checkbox"/> Director</div><div><input type="checkbox"/> Partner</div><div><input type="checkbox"/> Shareholder</div><div><input type="checkbox"/> Permitted Individual as described in paragraph (c) of the definition of "permitted individual" in section 1.1 of National Instrument 33-109 Registration Information</div></div></div>
	<div><div>Ultimate Designated Person</div><div><div><input type="checkbox"/> Ultimate Designated Person</div></div></div>
	<div><div>Investment Dealer</div><div><div><input checked="" type="checkbox"/> Dealing Representative</div><div><input type="checkbox"/> Chief Compliance Officer</div><div><input type="checkbox"/> CIRO approval only</div></div></div>
	<div><div>CIRO</div><div><div>Refer to the Guide to CIRO (Investment Dealer) Categories for assistance.</div><div><div><div><div>Approval categories</div><div><div><input type="checkbox"/> Executive</div><div><input type="checkbox"/> Director (Non-Industry)</div><div><input type="checkbox"/> Supervisor</div><div><input type="checkbox"/> Investor</div><div><input checked="" type="checkbox"/> Registered Representative</div><div><input type="checkbox"/> Investment Representative</div><div><input type="checkbox"/> Trader</div><div><input type="checkbox"/> Director (Industry)</div><div><input type="checkbox"/> Portfolio Manager</div><div><input type="checkbox"/> Associate Portfolio Manager</div></div></div><div><div>Additional approval categories</div><div><div><input type="checkbox"/> Chief Compliance Officer</div><div><input type="checkbox"/> Chief Financial Officer</div><div><input type="checkbox"/> Ultimate Designated Person</div></div></div></div></div></div></div>
	<div><div><div><div>Products</div><div><div><input type="checkbox"/> Non-Trading</div><div><input checked="" type="checkbox"/> Securities</div><div><input type="checkbox"/> Options</div><div><input type="checkbox"/> Futures Contracts and Futures Contract Options</div><div><input type="checkbox"/> Mutual Funds only</div></div></div><div><div>Customer type</div><div><div><input checked="" type="checkbox"/> Retail</div><div><input type="checkbox"/> Institutional</div><div><input type="checkbox"/> Not Applicable</div></div></div></div></div>

Step	Firm Action
<b>Chief Compliance Officer</b>	<p>If a dual registered firm appoints one CCO, the CCO must select the “chief compliance officer” category under both the investment dealer and mutual fund dealer firm registration categories.</p> <div data-bbox="486 375 1972 711"> <div> <b>Investment Dealer</b> <input type="checkbox"/> Dealing Representative           <input checked="" type="checkbox"/> Chief Compliance Officer           <input type="checkbox"/> CIRO approval only         </div> <div> <b>Mutual Fund Dealer</b> <input type="checkbox"/> Dealing Representative           <input checked="" type="checkbox"/> Chief Compliance Officer           <input type="checkbox"/> Branch Manager (CIRO members only)         </div> </div> <p><i>More than one CCO or UDP</i></p> <p>If the dual registered firm intends to have more than one CCO or UDP, the firm must apply for exemptive relief under National Instrument 31-103 <i>Registration Requirements, Exemptions and Ongoing Registrant Obligations</i> (<b>NI 31-103</b>).</p>
<b>Executives</b>	<p>Some individuals may be considered an Executive within the meaning of the <a href="#">Investment Dealer and Partially Consolidated Rules</a> (<b>CIRO Rules</b>). Such individuals need to file an F4 and apply for approval as an Executive.</p>
<b>Supervisors</b>	<p>MFD Branch Managers who are also Supervisors within the meaning of CIRO Rules may need to apply for approval as a Supervisor. Please refer to question 33 of the CIRO FAQ and the relevant interim rules.</p>
<b>Business Locations</b>	<p>When completing Form 33-109F3 <i>Business Locations Other than Head Office</i> (<b>F3</b>), please indicate which line of business is operating out of this location in Address Line 2. Please state one of the following:</p> <ul style="list-style-type: none"> <li>• “mutual fund business”,</li> <li>• “investment dealer business”, or</li> <li>• “mutual fund dealer and investment dealer business”.</li> </ul>

Step	Firm Action
	<p>The following is an example:</p> <p><b>Item 3 Business location information</b> (a post office box is not a valid business location address)</p> <p>Address Line 1: <input type="text" value="100 Avenue Street"/></p> <p>Address Line 2:(if applicable) <input type="text" value="Investment Dealer Business"/></p> <p>City: <input type="text"/></p> <p>Province/Territory: Ontario</p> <p>Postal/ZIP Code: <input type="text" value="XXX XXX"/></p> <p>Country: Canada</p> <p>Telephone number: <input type="text" value="111-222-3333"/> ext. (if applicable) <input type="text"/></p> <p>Fax number: <input type="text" value="111-222-3333"/></p> <p>E-mail address: <input type="text" value="firm@firm.ca"/></p>

## Part B

*Firms with one registration category adding another registration category (i.e., an existing ID or MFD that would like to add the other registration category)*

Step	Firm Action
<b>CIRO Membership Process</b>	<p>Firms must submit a Dual-Registration <a href="#">Questionnaire</a> that provides information on their plans to operate as both an ID and an MFD, along with their business plan and applicable supporting documents to CIRO.</p> <p>Note that the submission to CIRO is a separate process from the CSA registration processes required by NI 33-109.</p>

Step	Firm Action
<b>Update Registration Information</b>	<p>The firm should contact its principal regulator via letter indicating that it intends to become a dual registered firm by adding an additional category. The letter should include a timeline of key events.</p> <p>The firm must submit an abbreviated F6 to its principal regulator to add the additional category of registration.<sup>2</sup> These updates must be made using a Form 33-109F5 <i>Change of Registration Information (F5)</i>.</p> <p>The abbreviated F6 should indicate any changes to the firm’s registration information associated with adding the additional registration category.</p>
<b>Registered Individuals</b>	<p>Please see Part A for information on adding a new dealing representative.</p>
<b>Investment Dealer – Dealing Representatives – Mutual Funds Only</b>	<p>An existing ID that is adding the MFD category may have sponsored individuals who are registered as ID dealing representatives in the approval category of “mutual funds only”.</p> <p>Once a firm becomes a dual registered firm, it can no longer sponsor an ID dealing representatives in the approval category of “mutual funds only”. These individuals must file a Form 33-109F2 <i>Change or Surrender of Individual Categories (F2)</i> to either upgrade to an ID dealing representative (who is not restricted to mutual funds only) by changing the individual’s product type or surrender the individual’s registration as an ID dealing representative and add MFD dealing representative.</p>
<b>Chief Compliance Officer</b>	<p>Please see Part A.</p> <p>An existing CCO must file an F2 to add the “chief compliance officer” category under the firm registration category that is added. For example, if the firm is already registered as an investment dealer, the CCO must file an F2 to add the “chief compliance officer” category under the mutual fund dealer firm registration category.</p>

<sup>2</sup> If the OSC is the principal regulator, submit the F5 to the OSC. If the OSC is not the principal regulator, and the firm is also adding the category in Ontario, submit the F5 to the principal regulator and the OSC.

Step	Firm Action
	<div><b>Adding categories</b></div> <p>What categories are you seeking to add?</p> <p>Permitted individual means</p> <p>(a) a director, chief executive officer, chief financial officer, or chief operating officer of a firm, or a functional equivalent of any of those positions, or</p> <p>(b) an individual who has beneficial ownership of, or direct or indirect control or direction over, 10 percent or more of the voting securities of a firm; or</p> <p>(c) a trustee, executor, administrator, or other personal or legal representative, that has direct or indirect control or direction over 10 percent or more of the voting securities of a firm;</p> <div><b>Permitted Individuals</b></div> <div><input type="checkbox"/> Officer</div> <div><input type="checkbox"/> Director</div> <div><input type="checkbox"/> Partner</div> <div><input type="checkbox"/> Shareholder</div> <div><input type="checkbox"/> Permitted Individual as described in paragraph (c) of the definition of "permitted individual" in section 1.1 of National Instrument 33-109 Registration Information</div> <div><b>Ultimate Designated Person</b></div> <div><input type="checkbox"/> Ultimate Designated Person</div> <div><b>Investment Dealer</b></div> <div><input type="checkbox"/> Dealing Representative</div> <div><input type="checkbox"/> CRO approval only</div> <div><b>Mutual Fund Dealer</b></div> <div><input type="checkbox"/> Dealing Representative</div> <div><input checked="" type="checkbox"/> Chief Compliance Officer</div> <div><input type="checkbox"/> Branch Manager (CRO members only)</div>

Step	Firm Action
<b>Executives</b>	Please see Part A.
<b>Supervisors</b>	Please see Part A.
<b>Business Locations</b>	Please see Part A.

## PART C

*Firms combining operations (an existing ID and an existing MFD)*

Step	Firm Action
<b>CIRO Membership Process</b>	<p>Firms must submit a Dual-Registration <a href="#">Questionnaire</a> that provides information on their plans to operate as both an ID and an MFD, along with their business plan and applicable supporting documents to CIRO.</p> <p>Note that the submission to CIRO is a separate process from the CSA registration processes required by NI 33-109.</p>
<b>Update Firm Registration Information</b>	<p>Firms should contact the ID and MFD's principal regulator via letter indicating that they intend to become a dual registered firm. The letter should include a timeline of key events and a description of the manner in which the firms will combine. A copy of the letter can be sent to both principal regulators if they are not the same regulator.</p> <p>The applicants may need to update their registration information depending on the details surrounding the combination. These updates should be made using an F5.</p>
<b>Registered Individuals</b>	<p>When two firms combine operations (for example, by way of an amalgamation), the firm will operate under one of the existing NRD numbers. Individuals not currently registered with the continuing firm must be transferred through the filing of a Form 33-109F7 <i>Reinstatement of Registration</i> or through an automatic bulk transfer. Please refer to section 3.4 of the companion policy to NI 33-109 for guidance on applying for a discretionary exemption for a bulk transfer.</p>



Step	Firm Action
<b>Permitted Individuals, Ultimate Designated Person and Chief Compliance Officer</b>	Please see Part A and Part B
<b>Executives</b>	Please see Part A.
<b>Supervisors</b>	Please see Part A.
<b>Business Locations</b>	Please see Part A.
<b>Additional Considerations</b>	<p><i>Notice under 11.9 or 11.10 of NI 31-103</i></p> <p>If the firm combines operations through a share or asset acquisition, a section 11.9 or 11.10 filing under NI 31-103 may be required depending on the structure of the combination.</p> <p><i>Surrender of Registration</i></p> <p>If the firms do not combine via statutory amalgamation and one of the firms will cease to exist or no longer require registration, a surrender of registration application must be submitted to the surrendering firm's principal regulator. We will generally accept the surrender if all financial obligations to clients have been met and it is not contrary to the public interest.</p>

**Québec specific steps**

Step	Firm Action
<b>Consider whether to apply for exemptive relief from NI 31-103 in Québec</b>	<p><i>Context</i></p> <p>The Autorité des marchés financiers published in November 2022 its <a href="#">transition plan for Québec mutual fund dealers</a> (<b>Québec MFDs</b>) for their transition to CIRO. This transition will occur in two phases (transition phase and permanent phase).</p> <p>During the transition phase, Québec MFDs will not be subject to the rules of CIRO, except for its operating rules, and will continue to be subject to Regulation 31-103 in Québec.</p> <p>However, the Autorité des marchés financiers is open to reviewing applications for exemptive relief that may be filed by MFDs, including dual-registered firms, that would like their activities in Québec as MFDs to be governed by the applicable rules of CIRO instead of the equivalent provisions of Regulation 31-103 during the transition phase.</p> <p><i>Firm Action</i></p> <p>Dual registered firms which intend to maintain their registration or become registered as a mutual fund dealer in Québec should consider whether they wish to apply for exemptive relief from the relevant provisions of Regulation 31-103 applicable to their mutual fund dealer activities in Québec, in order to be subject only to the applicable rules of CIRO for those activities. Firms can contact <a href="mailto:Inscription@lautorite.qc.ca">Inscription@lautorite.qc.ca</a> for more details.</p>