

October 8, 2025

25-0271

Rules Bulletin > Request for Comments

Contact:

Membership Services

e-mail: MembershipServices@ciro.ca

Distribute internally to:

Institutional, Legal and Compliance, Operations,
Regulatory Accounting, Research, Retail, Senior
Management, Trading Desk

PROPOSED AMENDMENT OF APPROVED PERSON FEES COMPONENT WITHIN THE ANNUAL FEE OF DEALER MEMBER FEE MODEL

Executive Summary

Comments Due By: November 7, 2025

The Canadian Investment Regulatory Organization (CIRO) is proposing to amend the **Fee Model** related to the Approved Person (AP) Fees Component of the Annual Fee of the Dealer Member Fee Model, revising the rate to \$300 from \$250 per AP of the Dealer Member (the Proposed Fee Amendment). Concurrently, CIRO is proposing to cease collection of its main activity-based registration-related submission fees collected through the National Registration Database¹ (CIRO NRD fees). CIRO will also end its cost recovery arrangements with certain provincial securities regulatory authorities. The following materials are provided for comment:

- (1) Bulletin describing the proposal and the work performed
- (2) Integrated Fee Model – blacklined (**Appendix A**) and clean (**Appendix B**)
- (3) Frequently Asked Questions (FAQs) to further explain the details included in the proposed amendment (**Appendix C**)

CIRO is proposing that the amendment be effective on April 1, 2026.

Expanded CIRO Registration Activities

On April 1, July 1, and October 1, 2025 CIRO was delegated and assigned additional registration functions for investment dealers (ID), mutual fund dealers (MFD), and the

¹ National Registration Database (NRD) is an online system that allows Dealer Members and advisors to complete registration forms electronically.

individuals who act on their behalf. It is anticipated that by Spring 2026, additional delegation for investment and mutual fund dealers and the individuals they regulate will be granted in the remaining jurisdiction.

The new registration functions delegated and assigned to CIRO by the provincial securities regulatory authorities are as follows:

A. Additional ID Registration Functions (by Jurisdiction)

Firms	Individuals
<ul style="list-style-type: none"> • Ontario • Québec • Nova Scotia • Prince Edward Island • Northwest Territories • Nunavut • Yukon • Manitoba 	<ul style="list-style-type: none"> • Nova Scotia • Prince Edward Island • Northwest Territories • Nunavut • Yukon • Manitoba

B. Additional MFD Registration (by Jurisdiction)

Firms	Individuals
<ul style="list-style-type: none"> • Alberta • Manitoba • New Brunswick • Newfoundland and Labrador • Northwest Territories • Nova Scotia • Nunavut • Ontario • Prince Edward Island • Québec • Saskatchewan • Yukon • British Columbia (subject to approval) 	<ul style="list-style-type: none"> • Alberta • Manitoba • New Brunswick • Newfoundland and Labrador • Northwest Territories • Nova Scotia • Nunavut • Ontario • Prince Edward Island • Québec • Saskatchewan • Yukon • British Columbia (subject to approval)

Proposed Cost Recovery Model

In compliance with Canadian Securities Administrators (CSA) Recognition Orders and the CIRO’s Guiding Principles (discussed below), CIRO must ensure full cost recovery. Currently,

CIRO has been recovering certain registration costs through activity-based submission fees from the NRD and cost recovery arrangements relating to ID registration activities with certain provincial securities regulatory authorities. With this Proposed Fee Amendment, CIRO will cease collecting CIRO NRD fees² and end its cost recovery arrangements with certain provincial securities regulatory authorities and instead adopt a harmonized and simplified approach that recovers all costs by way of the Annual Dealer Member Fee.

The proposal would amend only the AP Fees Component, increasing the annual AP rate by \$50 a year, from \$250 to \$300. This adjustment is intended to recover the incremental costs associated with expanded registration responsibilities, replaces the existing CIRO NRD fees and cost recovery arrangements with certain provincial securities regulatory authorities, while also meeting the key tenants of CIRO's Guiding Principles.

Guiding Principles

In the development and evaluation of the proposed fee amendment, CIRO continued to apply the following overarching principles ("Guiding Principles") per CSA Recognition Orders:

- a) **Proportionality** – A Dealer Member should pay fees proportionate to its usage or consumption of regulatory services provided and/or benefits received from being regulated by CIRO.
- b) **Practicality** – Fees should be efficient and easy to administer.
- c) **Consistency** – Rules and principles that determine fees should be consistently applied to all Dealer Members.
- d) **Transparency** – Fees should clearly reflect the application of the Guiding Principles. Dealer Members should be able to recalculate the fee payable based on billing drivers, as noted in an invoice, to information that is verifiable.

² These include CIRO's activity-based fees for the initial registration of individuals, reactivation and reinstatement of individuals, adding jurisdictions or an additional sponsoring firm, changing or surrendering categories, and ending registration or permitted individual status.

CIRO will continue to collect through the NRD:

- Exemption applications fees, including as per the Investment Dealer and Partially Consolidated Rules 2626(3) and 2806(3).
- Late filing fees, including as per the Investment Dealer and Partially Consolidated Rules 2806(2)ii.
- Any other-registration related fees established by the provincial securities regulatory authorities, such as for registrant acquisitions.
- In Québec, NRD fees for MFD members, until full transition of MFD members with Québec-based revenues and dealing representatives.

- e) **Serving the Public Interest** – Fees should not unreasonably inhibit new entrants from joining the industry or prevent smaller Dealer Members from remaining in the industry.
- f) **Sustainability** – CIRO must operate on a cost-recovery basis with consideration to stability of fees for ongoing services without compromising the ability to address new regulatory requirements and future needs.

This Proposed Fee Amendment satisfies the above noted Guiding Principles while also minimizing the impact on Dealer Members upon implementation. Registration responsibilities (and costs) are driven by changes in the number of APs. By increasing the AP Fees Component, this allows for a more appropriate and equitable cost recovery from those members with higher AP count.

The Proposed Fee Amendment was presented to both the CIRO Finance, Audit & Risk Committee and CIRO Board on September 23-24, 2025, where it was approved for publication for comment.

Engagement with Dealer Members

In the upcoming weeks, CIRO will be sending communication to materially impacted Dealer Members with information on the directional impact of the Proposed Fee Amendment on their Annual Dealer Member Fee.

How to Submit Comments

Comments on the Proposed Fee Amendment should be in writing and delivered by November 7, 2025 (30 days from the publication date of this Bulletin) to:

Membership Services

Canadian Investment Regulatory Organization
40 Temperance Street, Suite 2600
Toronto, Ontario M5H 0B4
e-mail: MembershipServices@ciro.ca

A copy should also be delivered to the CSA:

Trading and Markets

Ontario Securities Commission
22nd Floor
20 Queen Street West Toronto, Ontario M5H 3S8
e-mail: MTradingandMarkets@osc.gov.on.ca

and

Capital Markets Regulation

B.C. Securities Commission
P.O. Box 10142, Pacific Centre
701 West Georgia Street, Vancouver, British Columbia, V7Y 1L2
e-mail: MCMRdistributionofSROdocuments@bcsc.bc.ca

Commentators should be aware that a copy of their comment letter will be made publicly available on the CIRO website at www.ciro.ca.

After considering the comments on the Proposed Fee Amendment received in response to this Request for Comments together with any comments of the CSA, CIRO staff may recommend revisions to the Proposed Fee Amendment. If the revisions and comments received are not material in nature, the Board has authorized the President to approve the revisions on CIRO's behalf and the revised Proposed Fee Amendment will be subject to approval by the CSA. If the revisions or comments are material, CIRO staff will submit the revised Proposed Fee Amendment to the Board for approval for republication or implementation, as applicable.

BULLETIN

1. *Background and Current State*

CIRO had previously been delegated authority to register firms and individuals who act on behalf of IDs in Alberta, British Columbia, New Brunswick, Newfoundland and Labrador, and Saskatchewan. Ontario and Québec had delegated authority for ID individuals only. CIRO, and one of the predecessor organizations (The Mutual Fund Dealers Association), did not conduct any registration activity for MFD firms or individuals.

On November 20, 2024, [the CSA announced](#) that its members are exploring delegating and assigning certain registration functions and powers to CIRO.

On April 1, 2025, nine CSA jurisdictions delegated to CIRO registration functions for ID and MFD firms and individuals.³ The Autorité des marchés financiers (AMF) delegated registration functions for ID, MFD and Derivatives Dealers and individuals who act on behalf of MFD on July 1, 2025. On October 1, 2025, the Manitoba Securities Commission assigned to CIRO registration functions for ID and MFD firms and individuals, and the Financial and Consumer Affairs Authority of Saskatchewan assigned to CIRO additional registration function for MFD firms and individuals.

³ In Ontario, CIRO was also delegated registration functions for Futures Commission Merchants and associated individuals.

With the additional delegation and assignment of powers taking effect on April 1, 2025, July 1, and October 1, 2025 delegation of registration functions across the country for ID and MFD is largely harmonized.⁴

Prior to the additional delegation and assignment, CIRO recovered the costs of performing registration-related regulatory activities in three ways:

- Activity-based NRD fees;
- Cost recovery arrangement with certain provincial securities regulatory authorities to recover the direct costs relating to previously delegated ID registration activities; and
- Annual Dealer Member Fees.

For the fiscal year ending March 31, 2025, CIRO collected approximately \$1.9 million in NRD fees and recovery from provincial securities regulatory authorities. For FY26, CIRO has undertaken transitory measures to help fund its expanded registration activities (refer to Section 4).

2. Cost Recovery

Starting April 1, 2026, CIRO will cease collecting CIRO NRD fees⁵, as well as cost recovery arrangements with certain provincial securities regulatory authorities. Instead, full costs are proposed to be recovered through the Annual Dealer Member Fee. The additional delegation and assignment results in incremental costs for CIRO, including costs of performing Canadian and international criminal, bankruptcy and insolvency checks, staffing requirements, and related IT support. The incremental costs are mostly driven by the delegated and assigned MFD registration functions as CIRO had not previously performed any of these activities. CIRO estimates annual incremental costs to be approximately \$4.6 million.

In totality, the Annual Dealer Member Fee must recover \$6.5 million (consisting of the incremental costs plus fees previously collected) to offset the additional registration functions delegated and assigned to CIRO.

3. Dealer Member Fee Model and Proposed Amendment

Under the Dealer Member Fee Model, a CIRO Dealer Member pays, among other fees, Annual Fees for each fiscal year. The Annual Dealer Member Fee is the primary method of recovering operating costs from Dealer Members.

⁴ British Columbia is subject to approval as of the date of this bulletin. It is anticipated that CIRO will have full delegation and assignment by Spring 2026.

⁵ See footnote 3 for further details.

The Annual Fee for each Dealer Member is determined with reference to the following components:

- a) Revenue Component;
- b) AP Fees Component; and
- c) Minimum Dealer Regulation Fee Component.

To recover the \$6.5 million in the Dealer Member Fee Model, the proposal would amend only the AP Fees Component of the Annual Fee, increasing the annual rate from \$250 to \$300.

Under the CIRO Fee Model, the AP Fee Component of the Annual Dealer Member Fee is calculated by taking the number of APs of the Dealer Member based on the 12-month average of the previous calendar year and multiply by the AP rate (\$300 in the Proposed Fee Amendment). Each AP is only counted once for each Dealer Member, regardless of how many categories or provincial jurisdictions that person is registered in.

4. Transitional Measures

Fiscal Year ending March 31, 2026

CIRO started to incur incremental costs commensurate with additional delegation activities in FY26. As part of CIRO's FY26 Budget, the Board of Directors approved \$2 million of the reserves to be used to fund the net deficit related to these activities during this transition year. To ensure continuing alignment with CIRO's Guiding Principle, CIRO is required to recover the full costs starting FY27.

Fiscal Year ending March 31, 2027

In FY27, we propose to cease collecting CIRO NRD fees.

In Québec, until CIRO begins conducting all oversight activities related to MFDs and the individuals acting on their behalf, and receives approval from the AMF, the applicable CIRO NRD fees will continue to apply, along with the transitional measures in [Section 2.2](#) under the Integrated Fee Model will remain in effect.

In Ontario, we will continue to receive the OSC's NRD fees related to ID and MFD registration activities until March 31, 2027.

5. Analysis and Work Done

CIRO conducted a comprehensive analysis of the impact upon Dealer Members under the Proposed Fee Amendment with the Annual Dealer Member Fee. Important considerations of this analysis includes:

- **Registration activities (and costs) are driven by the AP count.** MFD firms have a higher average AP count than ID firms, with MFD firms making up 67% of the total.

Therefore, changes in AP rate have a more significant impact upon MFD firms as they have a higher average AP count. Changes in revenue rate have more significant impact on ID firms as they have larger revenue base.

- **Cost recovery must be aligned with the Guiding Principles.** CIRO operates on a cost recovery basis. Without the Proposed Fee Amendment of the AP rate, the additional fees will flow through the Revenue Component and unfairly allocate a greater proportion of Registration costs to ID firms. We recommend that the review of the Proposed Fee Amendment be guided by whether the methodology meets the Guiding Principles.
- **Proposed fees are estimates based on historical AP data.** The analysis is based on historical data from 2024 which was used for the FY26 annual fee calculation. The analysis should be viewed as an estimation of the isolated impact of the Proposed Fee Amendment only and is not intended to be an indication of FY27 Annual Dealer Member Fees. Only existing Dealer Members are included in the analysis.
- **This analysis assumes full transition of MFD Members with Québec-based revenues and dealing representatives.** Based on CIRO's Integrated Fee Model, Dealer Members do not pay fees associated with their Québec-based MFD activities and dealing representatives until CIRO starts to provide full regulatory services to these Dealer Members and individuals. When CIRO starts to provide such regulatory services and is fully transitioned, the following Québec-based MFD activities are included:
 - MFD Members who are registered only in Québec ("deemed members");
 - The Revenue Component of the Annual Dealer Member Fee calculation includes 100% of Québec-based revenue for MFD Members registered in Québec and other provinces; and
 - The AP Fees Component includes MFD dealing representatives who are only registered in Québec

Until CIRO begins delivering full regulatory services to MFD Members in Québec and obtain the AMF's approval, the transitional measures in [Section 2.2](#) under the Integrated Fee Model will remain in effect.

5.1 Overall CIRO Fee Impact

- **Total CIRO fees to Dealer Members will increase by 5%.** This increase reflects solely the cost recovery for registration delegation, comprising \$6.5 million to be recovered through Annual Dealer Member Fees, net of the \$1.3 million NRD fees that are no

longer collected⁶, totaling to \$5.2 million. This does not include other fee increases we can expect in FY27 (ie: Québec delegation of other regulatory functions, indexing for inflation, etc.)

- The majority of the fee increase will be absorbed by **large MFD firms** that have the highest average AP count.
- **Small ID and MFD firms will not be materially impacted.** Small ID firms that pay the minimum annual fee may see an overall fee reduction, benefiting from removal of NRD fees.
- Below table summarizes total CIRO fee impact by member division and size⁷:

Member Division and Size	Total CIRO Fee Impact	Allocation of Total CIRO Fee Increase	Max Individual Member Impact (\$M and %)
ID			
Small firms	(\$0.1) / (3%)	(1%)	-
Medium-sized firms	\$0.4 / 3%	9%	\$0.1 / 10%
Large firms	\$1.0 / 2%	18%	\$0.3 / 2%
Total ID	\$1.3 / 2%	26%	
MFD			
Small firms	\$0.1 / 9%	1%	<\$0.1 / 12%
Medium-sized firms	\$0.2 / 14%	5%	\$0.1 / 19%
Large firms	\$3.5 / 14%	68%	\$0.6 / 13%
Total MFD	\$3.8 / 14%	74%	
All Members	\$5.2 / 5%	100%	

- Most Dealer Members will not experience a material impact on their total CIRO fees. Below table summarizes CIRO fee impact at member firm level:

⁶ \$1.3 million reflects the NRD fees collected by CIRO in FY25. Removal of this reflects the point at which all NRD fees cease to be collected. However, as part of OSC's transitional provisions outlined in Section 4, NRD fees will continue to be collected within the province in FY27.

⁷ The criteria for categorization of firms by size is noted below:

Firm Size	Number of firms	ID Members	MFD Members
Small	123	Revenues < \$10 million	AUA < \$1 billion
Medium	106	Revenues >= \$10 million and < \$1 billion	AUA >= \$1 billion and < \$10 billion
Large	27	Revenues >= \$1 billion	AUA >= \$10 billion

Total CIRO Fee Impact	# of Member Firms	% of Member Firms	Max Individual Member Impact (\$M and %)
<\$5,000 or 5%	221	86%	\$0.3 / 1%
\$5,000-\$10,000 or 5%-10%	13	5%	\$0.1 / 10%
>\$10,000 and >10%	22	9%	\$0.6 / 13%

5.2 Alternatives Considered

In determining the methodology for cost recovery of the additional costs associated with the additional registration delegation and assignment, we considered several alternatives:

- Recovering through NRD fees:** We considered recovering a portion of the additional costs through NRD fees based on activity type. However, this methodology does not align with the Guiding Principles. It would be dependent on harmonizing the NRD activity fee schedule across multiple jurisdictions, resulting in additional costs and an inconsistent cost recovery due to variable activity-based fees depending upon the number of applicable jurisdictions.
- No change to current Fee Model:** Without any amendments to the existing fee model, the \$6.5 million additional fees will be recovered by increasing the Revenue Rate in the Revenue Component of the Annual Dealer Member Fees. This will result in 88% of the additional fees being borne by ID members. As one of the key considerations mentioned, registration activities are driven by changes in AP base, with no direct relationship with member's revenue. Therefore, it would run counter to the Guiding Principles to recover the additional costs related to registration functions through the Revenue Component and from ID members that have lower average AP count compared to MFD members.
- Lower AP rate increase:** We also considered a moderate AP rate increase of \$25 (from \$250 to \$275). However, similar to the previous alternative with no change to the AP rate, the majority (64%) of the additional fees will be borne by ID members, which also does not align with the Guiding Principle of proportionality.

5.3 Benchmarking

We compared our Proposed Fee Amendment of the AP Fees Component to those of other comparable regulators with similar principles and methodologies, like the Financial Industry Regulatory Authority (FINRA), the Financial Conduct Authority (FCA), the Australian Securities and Investments Commission (ASIC), the British Columbia Securities Commission (BCSC), the Alberta Securities Commission (ASC), and the Ontario Securities Commission (OSC).

6. Alignment with Guiding Principles

Overall, the Proposed Fee Amendment meets the Guiding Principles:

a) Proportionality:

- Registration activities are driven by changes in the AP count. Therefore, it is most proportionate and fair to recover the additional costs through the AP Fee Component of the Annual Dealer Member Fee.
- MFD firms have a higher average AP count than ID firms. MFD members make up 67% and ID members make up 33% of the total AP count. Therefore, it is most proportionate and fair to recover the additional costs from MFD firms that have a higher AP count.

b) Practicality:

- Instead of NRD fees, it is most practical to recover the additional costs through the Annual Dealer Member Fee. Recovering through NRD fees will be dependent on harmonizing of NRD activity fee schedule across multiple jurisdictions, and will drive additional costs for CIRO to administer such fees.

c) Consistency:

- The Proposed Fee Amendment will have the same AP rate (\$300) for all members.

d) Transparency:

- With the set AP rate, Members will be able to recalculate the AP Fees Component of their Annual Dealer Member Fee.

e) Serving the Public Interest:

- Small firms with a low AP count will not be materially impacted.

f) Sustainability:

- Full cost recovery of the additional costs incurred by CIRO. Recovering through the Annual Dealer Member Fee instead of activity-based NRD fees ensures consistent recovery and aligns with the fixed nature of registration function costs.

APPENDICES

[Appendix A](#) – Integrated Fee Model – blacklined

[Appendix B](#) – Integrated Fee Model – clean

[Appendix C](#) – Frequently Asked Questions (FAQs)

FEE MODEL
EFFECTIVE APRIL 1, ~~2025~~2026
TABLE OF CONTENTS

INTRODUCTION.....	1
DEALER MEMBER FEE MODEL	1
Entrance Fees.....	1
Annual Fee	2
4. Revenue Component.....	2
5. Approved Person Fees Component	3
6. Minimum Dealer Regulation Fee Component.....	3
7. Annual Fee for New Members.....	3
Payment of Annual Fee.....	4
8. Quarterly Payments	4
9. Payment of Annual Fee on Acquisition of Dealer Member.....	4
Dealer Member Reorganizations or Other Material Changes in Dealer Member Business.....	4
10. Reorganization, transfer, amalgamation or other combination of a Dealer Member	4
11. Material Changes to Business Activities.....	5
12. Change in the Type of Dealer Member	5
Underwriting Levies	5
13. Interpretation	5
14. Levy.....	7
15. Responsible Dealers	8
16. Discretion of the Board	8
General.....	9
17. Assessment.....	9
18. Effect of Non-Payment of Fees.....	9
19. Extraordinary Costs and Expenses.....	9
20. Additional Fees Payable by Dealer Members.....	10
EQUITY MARKET REGULATION FEE MODEL	10
Entrance and Set-Up Fees.....	11
21. Dealer Member Application Fees.....	11
22. Regulation Services Agreement Fee	11
23. Information Technology Fee.....	11
24. Marketplace-Specific Costs	11
Monthly Equity Market Regulation Fees.....	12
25. Message Processing Fee.....	12
26. Trade Fee.....	12
27. Minimum Equity Market Regulation Fee	12
28. Administration Fee.....	13
Payment of Monthly Equity Market Regulation Fees.....	13
29. Monthly Invoices.....	13
DEBT MARKET REGULATION FEE MODEL	13

Monthly Debt Market Regulation Fees	13
30. Non-Repo Debt Transaction Fee	14
31. Repo Debt Transaction Fee	14
Payment of Monthly Debt Market Regulation Fees.....	14
32. Monthly Invoices.....	14
Late Filing Fee	14
33. Late Filing Fee	14
DEBT INFORMATION PROCESSOR FEE MODEL	14
Monthly Debt Information Processor Fees.....	14
34. Debt Transaction Fee.....	14
Payment of Monthly Debt Information Processor Fees.....	15
35. Monthly Invoices.....	15
GENERAL PROVISIONS	15
36. Interest	15
37. Change in Fees	15
38. Applicable Taxes.....	15
INTERPRETATION	15
APPENDIX A. REVENUE RATE TIERS	18
APPENDIX B: ADDITIONAL FEES PAYABLE BY DEALER MEMBERS	19
APPENDIX C: REVENUE CALCULATION FOR TRANSITIONARY PERIOD.....	25

INTRODUCTION

This Fee Model is applicable to Dealer Members and Marketplace Members of the Corporation.

DEALER MEMBER FEE MODEL

Applicants to become a member of the Corporation are required to pay an Entrance Fee as part of the application process. On becoming Dealer Members, applicants pay Annual Fees for each Fiscal Year. This Dealer Member Fee Model sets out certain details of the Corporation's administration of fees payable where such details are not provided with the By-laws, Rules or elsewhere (including the provisions identified in Appendix B). The Corporation is engaged in a Rule Consolidation Project aimed at consolidating Investment Dealer and Partially Consolidated (IDPC) Rules and Mutual Fund Dealer (MFD) Rules into one set of Dealer and Consolidated (DC) Rules. References to Rules in the Fee Model will be revised once the DC Rules are approved and put into effect.

Entrance Fees

1. The Entrance Fees charged to each new Dealer Member shall be payable as follows:
 - (a) a non-refundable Entrance Fee in an amount dependent upon the type of dealer member application as per the chart below, payable on acceptance of an application for membership as a Dealer Member for review by the Corporation. A portion of this fee, the application review deposit, equal to 25% of the minimum dealer regulation fee is to be credited towards the annual fee in the event that the application is approved by the Board.

Type of Dealer Member Application	Entrance Fee	Application Review Deposit
Mutual Fund Dealer Level 1-3	\$10,000	\$1,250
Mutual Fund Dealer Level 4	\$10,000	\$3,750
Investment Dealer or Dual-Registered Dealer	\$30,000	\$6,250
Investment Dealer - Crypto Asset Trading Platform	\$40,000	\$6,250

In accordance with section 3.5(3) of By-law No.1, if the application for membership as a Dealer Member is not approved by the Board within six months from the date the application was accepted for review by the Corporation for any reason that cannot reasonably be attributed to the Corporation or its staff, the deposit is forfeited to the Corporation. This may occur if the applicant withdraws their application, if CIRO staff consider an application to be abandoned due to the applicant not taking appropriate action to advance their application, including significant delays in responding to requests for information from CIRO staff.

- (b) any additional costs assessed per Section 19 for excessive time, attention and resources for applications that remain under review by the Corporation for more than six months.
2. Each application for membership as a Dealer Member that is approved by the Board shall be accompanied by a payment to the Restricted Fund equal to 0.5% of the applicant's

expected initial capital calculated according to the Corporation's Form 1, payable together with the payment in Section 7.

Annual Fee

When establishing the Annual Fees payable by Dealer Members for a particular year, the Corporation determines what its net annual costs attributable to Dealer Member regulation are expected to be for that year. Such net annual costs are equal to the Corporation's budgeted costs for that year less projected underwriting levies, proceeds from registration fee sharing arrangements with various securities regulatory authorities, continuing education accreditation revenue, interest and other income. The Annual Fee payable by a Dealer Member will be based on its pro-rata share of such costs as determined in accordance with the provisions set out below.

3. The Annual Fee for each Dealer Member shall be determined with reference to the following components:
 - (a) Revenue Component;
 - (b) Approved Person Fees Component; and
 - (c) Minimum Dealer Regulation Fee Component.

The Annual Fee shall be the sum of the Revenue Component calculated in accordance with Section 4 and the Approved Person Fees Component calculated in accordance with Section 5, unless such sum is less than the applicable Minimum Dealer Regulation Fee Component set out in Section 6, in which case the Annual Fee shall be the applicable Minimum Dealer Regulation Fee.

The amount of the Annual Fee calculated in accordance with the foregoing paragraph shall be reduced pursuant to Section 7 if the applicant is approved for membership by the Board at any time after April 1 in any Fiscal Year.

4. **Revenue Component.** The Revenue Component of the Annual Fee shall be an amount equal to the product of the Total Revenue of the Dealer Member for the previous calendar year as reported to the Corporation or the Adjusted Revenue in the case of certain Mutual Fund Dealers, and the Revenue Rate prescribed by the Board in its discretion for the applicable Revenue Component Tier set out in Appendix A. Revenue Rates will be reviewed and adjusted annually by the Board in its discretion.

Adjusted Revenue is a minimum amount of revenue to be recognized for Mutual Fund Dealer Members with more than \$1 billion of Assets under Administration (AUA), and is an amount equal to the product of the AUA and the normalization factor. AUA is calculated as the two-year average of balances reported to the Corporation at the end of two most recent calendar years. "Normalization factor" means a rate calculated as 10 basis points below the median of the proportion of Form 1 revenues over AUA for all Mutual Fund Dealer Members.

For the calculation of the Revenue Component for the transitional period, please refer to Appendix C.

5. **Approved Person Fees Component.** The Approved Person Fees Component of the Annual Fee shall be an amount equal to the product of the number of Approved Persons of the Dealer Member based on the 12-month average of the previous calendar year and ~~\$250~~\$300.
6. **Minimum Dealer Regulation Fee Component.** If the sum of the Revenue Component and the Approved Person Fees Component of a Dealer Member is less than the Minimum Dealer Regulation Fee below, the Dealer Member shall pay the Minimum Dealer Regulation Fee.

Type of Dealer Member	Minimum Dealer Regulation Fee
Mutual Fund Dealer Level 1-3	\$5,000
Mutual Fund Dealer Level 4	\$15,000
Investment Dealer or Dual Registered Dealer	\$25,000
Investment Dealer - Crypto Asset Trading Platform	

7. **Annual Fee for New Members.** If an applicant for membership is approved by the Board at any time:
 - (a) In Q1 between April 1 and June 30, both inclusive, the Annual Fee for the balance of the Fiscal Year shall be 75% of the Minimum Dealer Regulation Fee;
 - (b) In Q2 between July 1 and September 30, both inclusive, the Annual Fee for the balance of the Fiscal Year shall be 50% of the Minimum Dealer Regulation Fee; or
 - (c) between October 1 and March 31, both inclusive, the Annual Fee for the balance of the Fiscal Year shall be 25% of the Minimum Dealer Regulation Fee.

The chart below shows the calculated annual fee and balance due upon Board approval after applying the application review deposit per section 1(b):

Type of Dealer Member	Q1 Approval		Q2 Approval		Q3/Q4 Approval	
	Annual Fee	Balance Due	Annual Fee	Balance Due	Annual Fee	Balance Due
Mutual Fund Dealer Level 1-3	\$3,750	\$2,500	\$2,500	\$1,250	\$1,250	-
Mutual Fund Dealer Level 4	\$11,250	\$7,500	\$7,500	\$3,750	\$3,750	-
Investment Dealer or Dual-Registered Dealer	\$18,750	\$12,500	\$12,500	\$6,250	\$6,250	-
Investment Dealer - Crypto Asset Trading Platform						

Payment of Annual Fee

- 8. **Quarterly Payments.** The Annual Fee shall be payable in quarterly instalments by the Dealer Member in each year. Notice of the Annual Fees and quarterly payments shall be communicated to each Dealer Member on or about the first week of April. The first quarterly payment shall be made by each Dealer Member by the first business day of May. Each subsequent quarterly installment will be communicated at the beginning of the quarter, and payment shall be made by the first business day of the following month.

- 9. **Payment of Annual Fee on Acquisition of Dealer Member.** Notwithstanding the foregoing, in the event that:
 - (a) an applicant for membership has acquired the whole or a substantial part of the business and assets of a Dealer Member or Members in good standing whose Annual Fee for the then current Fiscal Year has been paid in full and who is or are resigning from membership concurrently with the admission of the applicant to membership; and

 - (b) at least a majority in number of the partners of the applicant, in the case of a partnership, or at least a majority in number of the directors and at least a majority in number of the officers of the applicant, in the case of a corporation, are partners, or directors and officers, as the case may be, of the resigning Dealer Member or Members;

then the applicant, if the Board so approves, shall be exempted from payment of the Entrance Fee and from payment of the Annual Fee for the then current Fiscal Year. In no event including the foregoing circumstances shall there be a credit or refund of Annual Fees paid to date where one Dealer Member acquires all or any part of the shares, business or assets of another Dealer Member.

Dealer Member Reorganizations or Other Material Changes in Dealer Member Business

Each type of material business change and their associated fees are described below. If a transaction entails more than one type of material business change, the Dealer Member will only be charged the highest applicable fee (as summarized in the tables below), rather than being charged multiple fees.

10. **Reorganization, transfer, amalgamation or other combination of a Dealer Member**

Fees for review and/or approval of a material business change as described in By-law No. 1, section 3.10 wherein the business or ownership of a Member is proposed to be reorganized or transferred, amalgamated or otherwise combined in whole or in part with another person (including another Member) in a manner which the Member or its business will cease to exist in, or will be substantially changed from, its then current form, or a change of control of the Member may occur, are:

Type of Dealer Member	Fee
All Dealer Types	\$5,000

11. Material Changes to Business Activities

Fees for any material change to a Dealer Member’s business activities as referenced in IDPC Rules, subsection 2246(2) and described in the Corporation Guidance Note GN-2200-21-001 Reporting of material changes to business activities are:

Type of Dealer Member or Business Change	Fee
Investment Dealer or Dual-Registered Dealer	\$5,000
Adding a new Crypto Asset Trading Platform	\$10,000

Any material changes to a Dealer Member’s existing Crypto Asset Trading Platform, will fall into the category of a material change in business for an Investment Dealer and charged the applicable fee of \$5,000.

12. Change in the Type of Dealer Member

Where a Mutual Fund Dealer Member proposes to change to another type of Dealer Member, the Member will be charged the difference in the entrance fees for the relevant Dealer Member types per Section 1(a). Proposals from Investment Dealer Members to add Mutual Fund Dealer registration alongside their existing Investment Dealer registration (i.e., to become “dual-registered”) will be treated as a material change to business activities and subject to a fee per Section 11.

The table below summarizes the fees for a change in the type of Dealer Member:

Change in the Type of Member ID = Investment Dealer MFD = Mutual Fund Dealer Dual-Registered = ID and MFD	Fee for Change in Dealer Type
Change from MFD Level 1-4 to ID or Dual-Registered	\$20,000

Underwriting Levies

13. **Interpretation.** In Sections 13, 14 and 15 the following terms have the following meanings:

- (a) **“Canadian Public Offering”** means a Distribution of securities of a corporation, partnership or a trust if a prospectus or similar offering document is required to be filed with any securities regulatory authority in Canada, other than:
- (i) Private Placement; or
 - (ii) Distribution of Government of Canada securities, Provincial Securities, Municipal Securities or Not-for-Profit securities;
- (b) **“Distribution”** means a distribution of securities in Canada by way of Canadian Public Offering or Private Placement, or a distribution of Government of Canada Securities, Provincial Securities, Municipal Securities or Not-for-Profit Securities, whether underwritten on a firm (including bought deals) or best efforts basis by the Dealer

Member, as principal or agent, and as a member of the underwriting or selling groups; provided no such distribution shall be a Distribution for the purposes of this definition if the securities are:

- (i) Money market obligations with a term to maturity of one year or less, or greater than one year solely by reason of the term to maturity otherwise ending on a day that is not a business day;
 - (ii) Government of Canada, Provincial and Municipal Securities which are distributed by way of auction by or on behalf of the Government of Canada or a provincial or municipal government;
 - (iii) Rights to acquire securities issued to holders of previously distributed securities;
 - (iv) Securities, other than securities described in subsections 13 (c) to 13 (g), inclusive, in respect of which the Total Revenue to the underwriters for the offering of such securities is equal to 1% or less of the aggregate principal amount of the offering in the case of debt securities, or the maximum aggregate price at which the securities are offered in the case of any other securities;
 - (v) Debt securities in respect of which the aggregate principal amount is less than \$1,000,000;
 - (vi) Any securities (other than debt securities) in respect of which the maximum aggregate offering price is less than \$1,000,000; or
 - (vii) securities distributed in a block trade conducted on a Marketplace if no prospectus or similar offering document is filed with a securities regulatory authority in respect of the block trade;
- (c) **“Government of Canada Securities”** means securities of, or guaranteed by, the Government of Canada;
- (d) **“Municipal Securities”** means securities of, or guaranteed by, any municipal corporation in Canada;
- (e) **“Not-for-Profit Securities”** means securities of any school or school board, hospital or other not-for-profit organization;
- (f) **“Private Placement”** means a Distribution of securities of a corporation, partnership or trust if a prospectus or similar offering document is not required to be filed with any securities regulatory authority in Canada, provided that a Distribution of Government of Canada securities, Provincial Securities, Municipal Securities or Not-for-Profit Securities shall not be a private placement for the purposes of this definition;

- (g) **“Provincial Securities”** means securities of, or guaranteed by, any province or territory of Canada;
- (h) **“Levy Cap”** means, for any Distribution, an amount equal to 2.5% of the Total Revenue to a Dealer Member for its participation in that Distribution;
- (i) **“Responsible Dealer”** means the Dealer Member, if any, which is responsible on behalf of more than one Dealer Member for the bookkeeping and accounting in a Distribution;
- (j) **“Security”** means any property that is a “security” for the purposes of any securities legislation in Canada, and shall include, without limitation, warrants, debt-like derivatives, structured notes and asset-backed instruments, provided that the Board may from time to time determine whether any particular property is to be included or excluded from such definition, which determination shall be final and conclusive; and
- (k) **“Total Revenue”** means, in respect of an offering, the aggregate of:
 - (i) any commission paid to the Dealer Member; and
 - (ii) any fee paid to the Dealer Member.

14. **Levy.** Each Dealer Member shall pay to the Corporation a levy as follows with respect to its proportionate participation in any Distribution:

- (a) For a Canadian Public Offering, in the case of debt securities, 1/100th of 1% of the aggregate principal amount of the offering or, in any other case 1/100th of 1% of the maximum aggregate price at which the securities are offered;
- (b) For a Private Placement, in the case of debt securities, 1/200th of 1% of the aggregate principal amount of the offering or, in any other case, 1/200th of 1% of the maximum aggregate price at which the securities are offered;
- (c) For a Distribution of Government of Canada securities, 1/300th of 1% of the aggregate principal amount of the offering;
- (d) For a Distribution of Provincial Securities, in the case of debt securities, 1/200th of 1% of the aggregate principal amount of the offering or, in any other case, 1/200th of 1% of the maximum aggregate price at which the securities are offered;
- (e) For a Distribution of Municipal Securities, in the case of debt securities, 1/300th of 1% of the aggregate principal amount of the offering or, in any other case, 1/300th of 1% of the maximum aggregate price at which the securities are offered; and
- (f) For a Distribution of Not-for-Profit Securities, in the case of debt securities, 1/200th of 1% of the aggregate principal amount of the offering or, in any other case, 1/200th of 1% of the maximum aggregate price at which the securities are offered,

provided that the amount of the levy payable by a Dealer Member for a Distribution shall not exceed an amount equal to the Levy Cap for that Dealer Member for that Distribution.

Each levy shall be calculated in Canadian dollars or in the Canadian dollar equivalent of the currency of the Distribution as of the date on which the first closing of the transaction occurs. If the levy for an offering may be calculated according to more than one of paragraphs (a) to (f) above, the levy shall be calculated according to the paragraph which provides the highest levy.

All Distributions are deemed to take place entirely in Canada unless the Dealer Member provides evidence, acceptable to the Corporation in its sole discretion, of the number of securities offered outside Canada, in which case the levy will be calculated on the securities distributed in Canada.

15. **Responsible Dealers.** Each Dealer Member or, if there is a Responsible Dealer in respect of a Distribution involving more than one Dealer Member, the Responsible Dealer shall:

- (a) Complete a new levy form for submission with payment;
- (b) Provide details of the Total Revenue for each Dealer Member, supported by third- party sources such as the Underwriting/Agency Agreement, Financial Post or SEDAR; if such details are not provided, the Levy Cap will not apply;
- (c) Calculate the amount of the levy to be paid by each Dealer Member in respect of the Distribution;
- (d) Pay and, in the case of a Responsible Dealer, collect from the other Dealer Members and remit to the Corporation the amount of the levy within sixty (60) days of the date on which the first closing of the transaction occurs; and
- (e) Deliver to the Corporation on or before the time of payment of the levy pursuant to paragraph (d) copies of any and all forms, notices and calculations relating to the size or amount of the Distribution as are required to be filed with any securities regulatory authority or stock exchange in Canada in respect of the Distribution.

If there are two or more Responsible Dealers who have substantially equal obligations in respect of a Distribution, they shall each be responsible on a proportional basis for the collection and remission of the applicable levy; provided that if one of such Responsible Dealers is not a Dealer Member, the Responsible Dealer(s) which are Dealer Members shall collect and remit the levy on behalf of all Dealer Members.

If there is no Responsible Dealer in respect of a Distribution, or if the Responsible Dealer is not a Dealer Member, each Dealer Member shall complete a new levy form and remit its proportion of the levy.

16. **Discretion of the Board.** The Board may in its discretion impose the levy on an amount which is less than, in the case of debt securities, the aggregate principal amount of the offering and, in any other case, the maximum aggregate price at which the securities are offered and make

any other variations in connection with the imposition of the levy as it deems necessary or desirable.

General

17. **Assessment.** Notwithstanding Sections 3 to 6, inclusive, the Board shall have power to make an assessment in any Fiscal Year upon each Dealer Member not to exceed 50% of the Annual Fee payable in such year by such Dealer Member. Each Dealer Member shall pay the amount so assessed upon it within thirty (30) days after receiving written notification thereof from the Secretary.

18. **Effect of Non-Payment of Fees.**

(a) If the Annual Fee payable by a Dealer Member has not been paid:

- (i) in the case of the first quarterly payment, by the first business day of June;
- (ii) in the case of the second quarterly payment, by the first business day of September;
- (iii) in the case of the third quarterly payment, by the first business day of December; or
- (iv) in the case of the fourth quarterly payment, by the first business day of March in any year, or

(b) if the amount assessed upon any Dealer Member pursuant to Section 17 or Section 19 has not been paid within thirty (30) days after the date specified in the written notification thereof from the Secretary,

the Secretary shall, by registered mail, request the Dealer Member to pay the same and draw the Dealer Member's attention to the provisions of this Section 18. If the entire amount owing by the Dealer Member has not been paid within thirty (30) days from the date the Secretary has mailed the request, the Secretary shall notify the Board to this effect and the Board may, in its discretion, terminate the membership of the Dealer Member in default. If the Board decides to terminate the membership of a Dealer Member pursuant to the provisions of this Section 18, the Secretary will be requested to notify the Dealer Member, by registered mail, of the decision of the Board. A former Dealer Member whose membership has been terminated pursuant to the provisions of this Section 18 shall cease to be entitled to exercise any of the rights and privileges of membership but shall remain liable to the Corporation for all amounts due to the Corporation from the former Dealer Member.

19. **Extraordinary Costs and Expenses.** The extraordinary costs and expenses of the Corporation incurred in connection with, but not limited to, items such as (i) the review and/or approval of a novel or unusual application for membership as a Dealer Member, (ii) the review and/or

approval of any reorganization, take over or other substantial change in the business, structure or affairs of a Dealer Member, (iii) travel and accommodation outside Canada for staff to conduct compliance exams for a Dealer Member, or (iv) costs associated with compliance site visits conducted by staff for applicants as Dealer Members, may be assessed to the Dealer Member at the discretion of the Board.

- a) If an application or review per Sections 1, 10, 11 or 12 remains under compliance review for any period longer than 6 months, the reimbursement for the additional costs and expenses will be at a rate of one-sixth (1/6) of the application or business change fee for each month and/or partial month that the application remains under review until the compliance review is complete, the firm withdraws its application, or the Corporation staff have suspended their review of the application.

Please refer to the tables below for a summary of the monthly reimbursement rate for each type of Dealer Member application or business change.

Type of Dealer Member Application or Business Change	Monthly Extraordinary Costs
New Dealer Member Application	1/6th of the application fee as per Section 1
Reorganization, transfer, amalgamation or other combination of a Dealer Member	1/6th of the fee as per Section 10
Material Changes to Business Activities	1/6th of the fee as per Section 11
Change in the Type of Dealer Member	1/6th of the fee as per Section 12

- 20. **Additional Fees Payable by Dealer Members.** The foregoing Dealer Member Fee Model is not an exhaustive list of the fees payable by Dealer Members. Additional fees that are payable by Dealer Members in certain circumstances are contained in the Corporation’s Rules and in the By-laws. Appendix B contains a summary of where these additional fees may be found and the nature of such fees. The summary is intended to be a guide only and is not a full reproduction of the applicable Corporation Rules and/or By-laws. Reference should be made to the full text of the Corporation Rules and the By-laws.

EQUITY MARKET REGULATION FEE MODEL

The Equity Market Regulation Fee Model is applicable to Marketplaces that trade equity securities. Applicants for acceptance as Marketplace Members that are alternative trading systems are required to pay Entrance Fees for their Dealer Member application in addition to the Regulation Services Agreement Fee and an Information Technology Fee, which must be paid by all applicants for acceptance as Marketplace Members. On becoming Marketplace Members, Marketplace- Specific Costs may be payable in certain circumstances. Monthly Equity Market Regulation Fees consisting of Message Processing Fees and Trade Fees (subject to a Minimum Market Regulation Fee) are allocated to Marketplaces and are payable by Dealer Members participating in those Marketplaces. Administration Fees are allocated to Marketplace Members and Dealer Members.

Entrance and Set-Up Fees

21. **Dealer Member Application Fees.** For alternative trading systems, the process for acceptance as a Marketplace Member is concurrent with that to become an Investment Dealer Member. The Entrance Fee described in Section 1 is payable by such applicants at the time an application is made.

22. **Regulation Services Agreement Fee.**

(a) The minimum fee for the drafting and negotiation of a Regulation Services Agreement between the Corporation and an applicant as a Marketplace Member is \$25,000 and is payable at the time of application.

(b) If time cost spent by the Corporation staff on the drafting and negotiation of the Regulation Services Agreement is greater than \$25,000, the difference will be invoiced by the Corporation and is payable by the Marketplace Member prior to the Marketplace commencing operations as a Marketplace Member.

(c) The Corporation may, in its discretion, charge the fees indicated in paragraphs (a) and (b) above in connection with the drafting and negotiation of a revised or amended Regulation Services Agreement in circumstances where there has been a material change in the activities of a Marketplace Member.

23. **Information Technology Fee.** The Information Technology Fee charged to each applicant as a Marketplace Member is \$66,500 payable as follows:

(a) a non-refundable deposit of \$10,000 payable at the time of application for membership as a Marketplace Member; and

(b) the balance of \$56,500 payable when the applicant is authorized to proceed with the testing and development of Surveillance System functionality for the marketplace.

If time cost spent by the Corporation's staff on the connectivity and testing process for the marketplace is greater than \$66,500, the difference will be invoiced by the Corporation and is payable by the Marketplace Member upon launch of the marketplace.

All costs of information technology development, including any third-party costs, for a new marketplace are borne by the Marketplace Member.

24. **Marketplace-Specific Costs.** Each Marketplace Member will pay to the Corporation (i) incremental costs incurred by the Corporation to perform additional work to monitor a Marketplace as a result of unique marketplace features, and (ii) incremental costs incurred by the Corporation as a result of a Marketplace's failure to meet a Corporation regulatory feed standard, testing window or project deadline, including, without limitation, modifications to the Corporation's systems, additional staffing or remedial work. Marketplace-Specific Costs will be

determined with respect to each Marketplace Member on a monthly basis and shall be invoiced in accordance with Subsection 29(b).

Monthly Equity Market Regulation Fees

When determining the Monthly Equity Market Regulation Fees allocated to a Marketplace Member for a particular month, the Corporation first determines its total market regulation costs and then deducts the timely disclosure fees, interest and other income received by the Corporation. The net costs are then allocated to each Marketplace Member on a pro-rata basis and are paid by that Marketplace's participating organizations, members or subscribers, as the case may be, that are Dealer Members as identified by the Marketplace. The allocation is based on the number of messages sent and trades executed by each Dealer Member on each Marketplace, all in accordance with the provisions set out below.

25. Message Processing Fee.

- (a) Each Marketplace shall be allocated a fee based on the Marketplace's share of the total number of messages processed by the Corporation's surveillance system during a particular month. The Message Processing Fee is determined with reference to the total information technology costs of the surveillance system.
- (b) The Message Processing Fee shall be paid by Dealer Members based on each Dealer Member's pro-rata share of the messages sent through each Marketplace. The total Message Processing Fee and the applicable unit cost per message shall be disclosed in the monthly invoice delivered to Dealer Members in accordance with Subsection 29(a).

26. Trade Fee.

- (a) Each Marketplace shall be allocated a fee based on a particular Marketplace's share of the total number of trades completed during a particular month. The Trade Fee is determined with reference to the net market regulation costs after deduction of the information technology costs of the surveillance system.
- (b) The Trade Fee shall be paid by Dealer Members based on each Dealer Member's pro-rata share of the trades made through each Marketplace. The total Trade Fee shall be specified in the monthly invoice delivered to Dealer Members in accordance with Subsection 29(a).

27. Minimum Equity Market Regulation Fee.

- (a) If the aggregate of the Message Processing Fee and the Trade Fee allocated to a Marketplace Member is less than \$4,800 in a particular month, such Marketplace Member shall be allocated the Minimum Equity Market Regulation Fee of \$4,800, consisting of \$1,200 allocated to messages and \$3,600 allocated to trades.
- (b) If applicable, the Minimum Equity Market Regulation Fee shall be paid by Dealer Members based on each Dealer Member's pro-rata share of the messages sent and the trades made through a Marketplace subject to the Minimum Equity Market Regulation Fee. The portion of the Minimum Equity Market Regulation Fee, if any,

payable by a Dealer Member shall be specified in the monthly invoice delivered to the Dealer Member in accordance with Subsection 29(a). If a Marketplace Member chooses to pay the difference between the Minimum Equity Market Regulation Fee and the aggregate of the Message Processing Fee and the Trade Fee allocated to the Marketplace Member then Dealer Members shall only be responsible for paying the latter.

- (c) If there are no messages processed or trades completed during a particular month, the Marketplace Member shall be required to pay the Minimum Equity Market Regulation Fee directly.

28. Administration Fee.

- (a) A fee of \$400 shall be charged to each Dealer Member and invoiced in accordance with Subsection 29(a) each month for the provision of detailed billing information or other information related to market regulation fees requested by the Dealer Member.
- (b) An Administration Fee of \$500 shall be charged to each Marketplace Member and invoiced in accordance with Subsection 29(b) each month for the administration of the invoicing of the fees described in this Equity Market Regulation Fee Model to Dealer Members on behalf of the Marketplace Member.

Payment of Monthly Equity Market Regulation Fees

29. Monthly Invoices.

- (a) Dealer Members: Dealer Members shall be invoiced on a monthly basis in arrears within the first ten (10) days of any month for the aggregate of the Message Processing Fee and the Trade Fee, or the Minimum Equity Market Regulation Fee, as applicable, and the Administration Fee charged to Dealer Members. Such invoices are due and payable immediately upon receipt.
- (b) Marketplace Members: Marketplace Members shall be invoiced on a monthly basis in arrears within the first ten (10) days of any month for the aggregate of any Marketplace-Specific costs incurred during a particular month as contemplated in Section 24, the Administration Fee charged to Marketplace Members and any amount invoiced to a Marketplace Member under Subsection 27(b).

DEBT MARKET REGULATION FEE MODEL

Monthly Debt Market Regulation Fees

When determining the Monthly Debt Market Regulation Fees allocated to a Dealer Member for a particular month, the Corporation first determines its total debt market regulation costs. These costs are then allocated to each Dealer Member on a pro-rata basis and are paid by those Dealer Members as identified based on the number of Non-Repo Debt Transactions and Repo Debt Transactions submitted by each Dealer Member, all in accordance with the provisions set out below.

30. **Non-Repo Debt Transaction Fee.**

(c) Each Dealer Member shall be allocated a fee, based on their pro-rata share of the total number of Non-Repo Debt Transactions received and processed by the Corporation's debt surveillance system during a particular month. The total Non- Repo Debt Transaction Fee and the applicable unit cost per transaction shall be disclosed in the monthly invoice delivered to Dealer Members in accordance with Section 32.

31. **Repo Debt Transaction Fee.**

(d) Each Dealer Member shall be allocated a fee, based on their pro-rata share of the total number of Repo Debt Transactions received and processed by the Corporation's debt surveillance system during a particular month. The total Repo Debt Transaction Fee and the applicable unit cost per transaction shall be disclosed in the monthly invoice delivered to Dealer Members in accordance with Section 32.

(e) The Repo Debt Transaction Fee will be reduced by cost recoveries received from the Bank of Canada.

Payment of Monthly Debt Market Regulation Fees

32. **Monthly Invoices.** Dealer Members shall be invoiced on a monthly basis in arrears within the first ten (10) days of any month for the aggregate of the Non-Repo Debt Transaction Fee and the Repo Debt Transaction Fee, as applicable. Such invoices are due and payable immediately upon receipt.

Late Filing Fee

33. **Late Filing Fee.** Dealer Members may be charged a late filing fee, which will be based on the additional effort required by the Corporation to input the late data, make corrections and perform appropriate surveillance.

DEBT INFORMATION PROCESSOR FEE MODEL

Monthly Debt Information Processor Fees

When determining the Monthly Debt Information Processor Fees allocated to a Dealer Member for a particular month, the Corporation first determines its total debt information processor costs. These costs are then allocated to each Dealer Member on a pro-rata basis and are paid by those Dealer Members as identified based on the number of Debt Transactions submitted by each Dealer Member, all in accordance with the provisions set out below.

34. **Debt Transaction Fee.** Each Dealer Member shall be allocated a fee, based on their pro- rata share of the total number of Debt Transactions received and processed by the Corporation's debt information processor system during a particular month. The total Debt Transaction Fee

and the applicable unit cost per transaction shall be disclosed in the monthly invoice delivered to Dealer Members in accordance with Section 35

Payment of Monthly Debt Information Processor Fees

35. **Monthly Invoices.** Dealer Members shall be invoiced on a monthly basis in arrears within the first ten (10) days of any month for the Debt Information Processor Fees. Such invoices are due and payable immediately upon receipt.

GENERAL PROVISIONS

The provisions set out below are of general application to the Fee Model.

36. **Interest.** Any amount due and owing to the Corporation pursuant to the Fee Model by a Dealer Member shall bear interest at a rate per annum, for any month, of one percent above the Canadian Chartered Bank prime lending rate at the end of each preceding month (calculated daily on the basis of a 365-day year, and payable and compounded monthly) from the date the amount is first due until paid, with interest on arrears calculated and payable in the same manner.
37. **Change in Fees.** Any fees specified in the Fee Model may be changed on not less than sixty (60) days' notice from the Corporation.
38. **Applicable Taxes.** Any fees specified in the Fee Model shall require the payment of any taxes applicable to such fees in addition to the specified amounts.

INTERPRETATION

The capitalized terms used in the Fee Model have the meanings given to such terms in the Corporation Rules and By-laws, unless otherwise defined in the Fee Model. The Corporation is engaged in a Rule Consolidation Project aimed at consolidating Investment Dealer and Partially Consolidated (IDPC) Rules and Mutual Fund Dealer (MFD) Rules into one set of Dealer and Consolidated (DC) Rules. References to Rules in the Fee Model will be revised once the DC Rules are approved and put into effect.

The following terms have the following meanings:

“Administration Fee” means the administration fees payable by Dealer Members and Marketplace Members in accordance with Section 28.

“Annual Fee” means the annual fee payable by Dealer Members determined with reference to the components set out in Section 3 and calculated in accordance with the provisions of the Fee Model.

“Approved Person” has the same meaning as set out in By-law No. 1, section 1.1.

“Approved Person Fees Component” means the levy payable by each Dealer Member determined in accordance with Section 5.

“Corporation Rule” or **“Rule”** has the same meaning as set out in By-law No. 1, section 1.1. This includes but is not limited to that set out in the Corporation Investment Dealer and Partially Consolidated Rules, and Mutual Fund Dealer Rules.

“Crypto Asset Trading Platform” means a platform that facilitates the buying, selling, and holding of crypto assets.

“Dealer Member” has the same meaning as set out in By-law No. 1, section 1.1.

“Debt Transactions” means, for the purpose of the Monthly Debt Information Processor Fees, the aggregate of Repo Debt Transactions and Non-Repo Debt Transactions submitted by a Dealer Member.

“Dual Registered Dealer” means a firm that is registered as both an investment dealer and a mutual fund dealer. A Dual Registered Dealer Member is considered an Investment Dealer Member for the purposes of calculating fees.

“Entrance Fees” means the initial fees payable by an applicant for membership in the Corporation as a Dealer Member as specified in Section 1.

“Fiscal Year” means the fiscal year of the Corporation ending on the last day of March in each year.

“Information Technology Fee” means the fee payable by an applicant as a Marketplace Member in accordance with Section 23.

“Investment Dealer Member” has the same meaning as set out in Rule 1201 of the IDPC Rules. For clarity, this would include Dual Registered Dealer Members where not otherwise specified.

“Marketplace-Specific Costs” means the incremental costs payable by a Marketplace Member in accordance with Section 24.

“Message Processing Fee” means the fee allocated to a Marketplace each month determined in accordance with Section 25.

“Minimum Dealer Regulation Fee Component” means the minimum fee payable by a Dealer Member in each Fiscal Year determined in accordance with Section 6.

“Minimum Equity Market Regulation Fee” means the minimum fee allocated to a Marketplace Member in each month determined in accordance with Section 27.

“Monthly Debt Information Processor Fees” means the monthly fees allocated to Dealer Members in accordance with Section 34.

“Monthly Debt Market Regulation Fees” means the monthly fees allocated to Dealer Members in accordance with Sections 30 to 31, inclusive.

“Monthly Equity Market Regulation Fees” means the monthly fees allocated to Marketplace

Members in accordance with Sections 25 to 28, inclusive.

"Mutual Fund Dealer Member" has the same meaning as set out in Rule 1A of the MFD Rules.

"Non-Repo Debt Transaction Fee" means the fee allocated to a Dealer Member each month determined in accordance with Section 30.

"Non-Repo Debt Transactions" means transactions in a Debt Security that are subject to reporting requirements under the Corporation Rule 7200: Transaction Reporting for Debt Securities except Repo Debt Transactions, in relation to that portion of the monthly fees allocated to Dealer Members in accordance with Section 30.

"Regulation Services Agreement Fee" means the fee payable by a Marketplace Member for the negotiation of a Regulation Services Agreement in accordance with Section 22.

"Repo Debt Transaction Fee" means the fee allocated to a Dealer Member each month determined in accordance with Section 31.

"Repo Debt Transactions" means transactions that involve the simultaneous sale and future repurchase, or simultaneous purchase and future sale ("Reverse Repo"), of any Debt Securities, including transactions arranged as buy/sell-backs and sell/buy-backs, as prescribed in the Corporation Rule 7200: Transaction Reporting for Debt Securities, in relation to that portion monthly fees allocated to Dealer Members in accordance with Section 31.

"Restricted Fund" means the fund for collection and use of monetary sanctions received by the Corporation.

"Revenue Component" means the portion of the Annual Fee determined in accordance with Section 4.

"Revenue Component Tier" means the tiers of revenue set out in Appendix A used to calculate the Revenue Component.

"Revenue Rate" means the rate prescribed annually by the Board for a particular Revenue Component Tier set out in Appendix A.

"Total Revenue" means the amount reported as "Total Revenue" in the IDPC Form 1, Statement E, line 21 and MFD Form 1 Statement D, line 13.

"Trade Fee" means the fee allocated to a Marketplace each month determined in accordance with Section 26.

APPENDIX A. REVENUE RATE TIERS

Tier	Revenues for the Previous Calendar Year
Tier 1.....	Under \$2.5M
Tier 2.....	up to \$10M
Tier 3.....	up to \$50M
Tier 4.....	up to \$100M
Tier 5.....	up to \$500M
Tier 6.....	up to \$1B
Tier 7.....	over \$1B

The rate prescribed to each tier will be provided to the Dealer Member through the Fee Letter.

APPENDIX B: ADDITIONAL FEES PAYABLE BY DEALER MEMBERS

PART 1 – CORPORATION RULES AND BY-LAWS

The following summary is intended to be a guide only and is not a full reproduction of the applicable Corporation Rules and By-Laws. Reference should be made to the full text of the Corporation Rules and ~~the~~ By-laws. The Corporation Rules refer to both current and successor Rules, as applicable. The Corporation is currently engaged in a Rule Consolidation Project aimed at consolidating the Investment Dealer and Partially Consolidated (IDPC) Rules and Mutual Fund Dealer (MFD) Rules into one set of CIRO Dealer and Consolidated (DC) Rules. References to Rules in the Fee Model will be revised once the CIRO DC Rules are approved and put into effect.

Investment Dealer and Partially Consolidated Rules

Rule 2117(2)	Fee payable for approval or exemption required by Rule 2100.
Rule 2224(1)(i)	Responsibility for fees on amalgamation of two or more Dealer Members.
Rule 2227	Payment of Annual Membership fees by resigning, suspended, terminated or surrendering Dealer Member.
Rule 2505(5)	Fee payable for failure to have a qualified Chief Financial Officer (CFO) within 90 days of the cessation date of the previous CFO, or other Corporation specified dates.
Rule 2506(6)	Fee payable for failure to have a qualified Chief Compliance Officer (CCO) within 90 days of the cessation date of previous CCO, or other Corporation specified dates.
Rule 2552(5)	Fees payable for the failure of the Dealer Member to file within 10 business days after the end month a report specified by the Corporation on the conditions imposed on an Approved person under Rules 8200 or 9200.
Rule 2626(3)	Fees payable for exemption from the any proficiency requirement to write or rewrite any required course, whole or in part, as per Rule 2600.
Rule 2755(2)	Penalties imposed for the failure of a continuing education participant to complete the continuing education requirements within a continuing education program cycle.
Rule 2803(1)(i)	Payment of National Registration Database (NRD) <u>Dealer Member</u> enrollment fee.
Rule 2806(1)	Annual NRD system fee set by the Corporation payable to the securities regulatory authorities y in the local jurisdiction.

Rule 2806(2)(i)	Fees payable for making any NRD submission under section 2803.
Rule 2806(2)(ii)	Fees payable for the failure of the Dealer member to file any notification within the time specified.
Rule 2806(3)	Exemption request fees payable for making an application for proficiency exemption of an Approved Person or applicant for approval of pursuant to Rule 2600.
Rule 3704	Administrative fee or other penalties imposed by the Corporation for failure to meet reporting requirements under Rules 3702 and 3703.
Rule 4133(1)	The Corporation may require a Dealer Member to pay reasonable costs and expenses incurred to administer the Dealer Member's early warning situation under Rule 4100.
Rule 4153	Fees payable for the failure of Dealer Member to file any document or information required under Part C of Rule 4100 despite grant of an extension to file such information by the Corporation.
Rule 8214(1)	Costs ordered in a sanction after a hearing under Rule 8200.
Rule 8431(5)	Fees payable for requesting a record of a proceeding.

Mutual Fund Dealer Rules

Rule 1.2.6(i)(ii)	Fees payable for failure to comply with the continuing education requirements of Rule 1.2.6 or Rule 900.
Rule 1.4(c)	Levies or assessments payable for failure to meet reporting requirements.
Rule 3.5.4(b)	Fees payable for failure of the Member, its auditors or any person acting on its behalf to meet the financial and operational reporting requirements under Rule 3.
Rule 7.4.2	Costs ordered to be paid by a Hearing Panel pursuant to Rule 7.3, 7.4.1 or Rule 7.4.3.
Rule 7.4.8(e)	Payment of annual fees by suspended members.
Rule 8.6	Other fees prescribed by the Board.
Rule 900 Part I 13.5	Fee for failing to meet continuing education credit requirements as per rule 1.2.6 and Rule 900.

By-Law No.1

Section 3.4	Membership and other fees, assessments established by the Board.
Section 3.5(1)	In the case of Dealer Members, an application for membership shall be accompanied by such fees as the Corporation may require.
Section 3.5(3)	An application for membership shall be accompanied by a non-refundable application review deposit in an amount to be determined by the Board, to be credited towards the annual fee paid by the Member in the event that the application is approved by the Board.
Section 3.5(11)(b)	If and when the application has been approved by the Board, and upon payment of the balance of the entrance and annual fees, the applicant shall become and be a Dealer Member.
Section 3.7	If two or more Members propose to amalgamate and continue as one Member, the continuing Member must comply with the payment of Member fees, if applicable.
Section 3.8	A Dealer Member resigning from the Corporation shall make full payment of its annual fee, if applicable, for the financial year in which its resignation becomes effective.

PART 2 – FEES RELATED TO REGISTRATION MATTERS

The following summary is intended to be a guide only and is not a full reproduction of the applicable registration-related fees collected by the Corporation pursuant to delegation orders from the noted securities regulatory authorities. Reference should be made to the applicable instruments of the Canadian Securities Administrators (CSA).

On April 1, July 1, and October 1, 2025, CIRO was delegated and assigned additional registration functions for both investment dealers (ID), mutual fund dealers (MFD), and the individuals who act on their behalf. It is anticipated that by Spring 2026, additional delegation for investment and mutual fund dealers and the individuals they regulate will be granted in the remaining jurisdiction.

On April 1, 2026, CIRO will cease collection of its main activity-based registration-related submission fees collected through the National Registration Database (NRD) fees and end its cost recovery arrangements with certain provincial securities regulatory authorities. In Québec, until CIRO begins conducting all oversight activities related to MFDs and the individuals acting on their behalf, and receives approval from the Autorité des marchés financiers (AMF), the applicable CIRO NRD fees will continue to apply. In Ontario, we will continue to receive the Ontario Securities Commission (OSC)'s NRD fees related to ID and MFD registration activities until March 31, 2027.

Accordingly, we will update the following table once the delegation and assignment across all jurisdictions has taken effect and to reflect any changes to CIRO's registration-related fees.

<u>Fee Type</u>	<u>Collection Details</u>	<u>Authority</u>
<u>Initial firm registration fees</u>	<u>The Corporation collects the CSA fee in Ontario.</u> <u>The Corporation charges a fee in Québec.</u>	<u>Delegation Orders / Revenue Sharing Agreements</u> <u>IDPC Rule 2806(2)</u>
<u>Initial, reactivation, additional jurisdiction, additional sponsoring firm submissions</u>	<u>The Corporation collects the CSA fee in Ontario.</u> <u>The Corporation charges a fee in Québec.</u>	<u>Recognition Order / Assumed fee from the Bourse</u>
<u>Reinstatements</u>	<u>The Corporation charges a fee in Québec.</u>	
<u>Change or surrender of individual categories</u>	<u>The Corporation collects a CSA fee in Ontario.</u> <u>The Corporation charges a fee in Québec.</u>	

Notice of End of Individual Registration or Permitted Individual Status (formerly Notice of Termination)	The Corporation charges a fee in Québec.	
File copies	The Corporation charges a fee for providing an individual with a copy of their registration file.	Administrative practice

Fee Type	Collection Details	Authority
Initial firm registration fees	The Corporation collects a portion of the CSA fee in New Brunswick and Saskatchewan.	Delegation Orders / Revenue Sharing Agreements
Opening of a business location	The Corporation collects a portion of the CSA fee in New Brunswick and Saskatchewan.	Delegation Orders / Revenue Sharing Agreements
Annual fees pertaining to firms, individuals and business locations	The Corporation collects a portion of the CSA fee in New Brunswick and Saskatchewan.	Delegation Orders / Revenue Sharing Agreements
Initial, reactivation, additional jurisdiction, additional sponsoring firm submissions	The Corporation collects the CSA fee in Ontario and a portion of such fee in New Brunswick and Saskatchewan. The Corporation charges a fee in Manitoba, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island, Quebec and Yukon.	Delegation Orders / Revenue Sharing Agreements IDPC Rule 2806(2)
Reinstatements	The Corporation collects a portion of the CSA fee in New Brunswick and Saskatchewan. The Corporation charges a fee in Manitoba, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island, Quebec and Yukon.	Delegation Orders / Revenue Sharing Agreements IDPC Rule 2806(2)

Fee-Type	Collection-Details	Authority
Change or surrender of individual categories	The Corporation collects a CSA fee in Ontario and a portion of such fee in New Brunswick and Saskatchewan. The Corporation charges a fee in Manitoba, Newfoundland and Labrador, Nova Scotia, Northwest Territories, Nunavut, Prince Edward Island, Quebec and Yukon.	Delegation Orders / Revenue Sharing Agreements IDPC Rule 2806(2)
Notice of Termination	The Corporation charges a fee in Quebec.	Recognition Order / Assumed fee from the Bourse
File copies	The Corporation charges a fee for providing an individual with a copy of their registration file.	Administrative practice

~~Currently (as of Fiscal Year 2025), the Corporation receives Registrations fees from Alberta on the basis of direct operating costs for Registration activities.~~

APPENDIX C: REVENUE CALCULATION FOR TRANSITIONARY PERIOD

In order to minimize the impact of the new fee model on Mutual Fund Dealer Members, the Corporation will be implementing transitional measures.

The following adjustments would be made to Total Revenues reported by Mutual Fund Dealer Members in Statement D of Form 1 for the purpose of calculating the Revenue Component in Section 4:

- **Quebec Revenues:** Mutual Fund Dealer Members with Quebec revenue will have revenues adjusted to reflect transition of regulation to CIRO as follows:
 - o Year 1 – reduce Form 1 revenues for 100% of Quebec Revenue;
 - o Year 2 and/or until such time as the transition period is complete - reduce Form 1 revenues for 50% of Quebec Revenues.

When the transition period is complete, there will be no reduction for inclusion of Quebec revenues.

During this transitional period, the Corporation will compute the value of Quebec Revenues based on the Quebec based Assets under Administration relative to the total Assets Under Administration of the Mutual Fund Dealer Member.

**FEE MODEL
EFFECTIVE APRIL 1, 2026
TABLE OF CONTENTS**

INTRODUCTION.....	1
DEALER MEMBER FEE MODEL	1
Entrance Fees.....	1
Annual Fee	2
4. Revenue Component.....	2
5. Approved Person Fees Component	3
6. Minimum Dealer Regulation Fee Component.....	3
7. Annual Fee for New Members.....	3
Payment of Annual Fee.....	4
8. Quarterly Payments	4
9. Payment of Annual Fee on Acquisition of Dealer Member.....	4
Dealer Member Reorganizations or Other Material Changes in Dealer Member Business.....	4
10. Reorganization, transfer, amalgamation or other combination of a Dealer Member	4
11. Material Changes to Business Activities.....	5
12. Change in the Type of Dealer Member	5
Underwriting Levies	5
13. Interpretation	5
14. Levy.....	7
15. Responsible Dealers	8
16. Discretion of the Board	8
General.....	9
17. Assessment.....	9
18. Effect of Non-Payment of Fees.....	9
19. Extraordinary Costs and Expenses.....	9
20. Additional Fees Payable by Dealer Members.....	10
EQUITY MARKET REGULATION FEE MODEL	10
Entrance and Set-Up Fees.....	11
21. Dealer Member Application Fees.....	11
22. Regulation Services Agreement Fee	11
23. Information Technology Fee.....	11
24. Marketplace-Specific Costs	11
Monthly Equity Market Regulation Fees.....	12
25. Message Processing Fee.....	12
26. Trade Fee.....	12
27. Minimum Equity Market Regulation Fee	12
28. Administration Fee.....	13
Payment of Monthly Equity Market Regulation Fees.....	13
29. Monthly Invoices.....	13
DEBT MARKET REGULATION FEE MODEL	13

Monthly Debt Market Regulation Fees	13
30. Non-Repo Debt Transaction Fee	14
31. Repo Debt Transaction Fee	14
Payment of Monthly Debt Market Regulation Fees.....	14
32. Monthly Invoices.....	14
Late Filing Fee	14
33. Late Filing Fee	14
DEBT INFORMATION PROCESSOR FEE MODEL	14
Monthly Debt Information Processor Fees.....	14
34. Debt Transaction Fee.....	14
Payment of Monthly Debt Information Processor Fees.....	15
35. Monthly Invoices.....	15
GENERAL PROVISIONS	15
36. Interest	15
37. Change in Fees	15
38. Applicable Taxes.....	15
INTERPRETATION	15
APPENDIX A. REVENUE RATE TIERS	18
APPENDIX B: ADDITIONAL FEES PAYABLE BY DEALER MEMBERS	19
APPENDIX C: REVENUE CALCULATION FOR TRANSITIONARY PERIOD.....	24

INTRODUCTION

This Fee Model is applicable to Dealer Members and Marketplace Members of the Corporation.

DEALER MEMBER FEE MODEL

Applicants to become a member of the Corporation are required to pay an Entrance Fee as part of the application process. On becoming Dealer Members, applicants pay Annual Fees for each Fiscal Year. This Dealer Member Fee Model sets out certain details of the Corporation's administration of fees payable where such details are not provided with the By-laws, Rules or elsewhere (including the provisions identified in Appendix B). The Corporation is engaged in a Rule Consolidation Project aimed at consolidating Investment Dealer and Partially Consolidated (IDPC) Rules and Mutual Fund Dealer (MFD) Rules into one set of Dealer and Consolidated (DC) Rules. References to Rules in the Fee Model will be revised once the DC Rules are approved and put into effect.

Entrance Fees

1. The Entrance Fees charged to each new Dealer Member shall be payable as follows:
 - (a) a non-refundable Entrance Fee in an amount dependent upon the type of dealer member application as per the chart below, payable on acceptance of an application for membership as a Dealer Member for review by the Corporation. A portion of this fee, the application review deposit, equal to 25% of the minimum dealer regulation fee is to be credited towards the annual fee in the event that the application is approved by the Board.

Type of Dealer Member Application	Entrance Fee	Application Review Deposit
Mutual Fund Dealer Level 1-3	\$10,000	\$1,250
Mutual Fund Dealer Level 4	\$10,000	\$3,750
Investment Dealer or Dual-Registered Dealer	\$30,000	\$6,250
Investment Dealer - Crypto Asset Trading Platform	\$40,000	\$6,250

In accordance with section 3.5(3) of By-law No.1, if the application for membership as a Dealer Member is not approved by the Board within six months from the date the application was accepted for review by the Corporation for any reason that cannot reasonably be attributed to the Corporation or its staff, the deposit is forfeited to the Corporation. This may occur if the applicant withdraws their application, if CIRO staff consider an application to be abandoned due to the applicant not taking appropriate action to advance their application, including significant delays in responding to requests for information from CIRO staff.

- (b) any additional costs assessed per Section 19 for excessive time, attention and resources for applications that remain under review by the Corporation for more than six months.
2. Each application for membership as a Dealer Member that is approved by the Board shall be accompanied by a payment to the Restricted Fund equal to 0.5% of the applicant's

expected initial capital calculated according to the Corporation's Form 1, payable together with the payment in Section 7.

Annual Fee

When establishing the Annual Fees payable by Dealer Members for a particular year, the Corporation determines what its net annual costs attributable to Dealer Member regulation are expected to be for that year. Such net annual costs are equal to the Corporation's budgeted costs for that year less projected underwriting levies, proceeds from registration fee sharing arrangements with various securities regulatory authorities, continuing education accreditation revenue, interest and other income. The Annual Fee payable by a Dealer Member will be based on its pro-rata share of such costs as determined in accordance with the provisions set out below.

3. The Annual Fee for each Dealer Member shall be determined with reference to the following components:
 - (a) Revenue Component;
 - (b) Approved Person Fees Component; and
 - (c) Minimum Dealer Regulation Fee Component.

The Annual Fee shall be the sum of the Revenue Component calculated in accordance with Section 4 and the Approved Person Fees Component calculated in accordance with Section 5, unless such sum is less than the applicable Minimum Dealer Regulation Fee Component set out in Section 6, in which case the Annual Fee shall be the applicable Minimum Dealer Regulation Fee.

The amount of the Annual Fee calculated in accordance with the foregoing paragraph shall be reduced pursuant to Section 7 if the applicant is approved for membership by the Board at any time after April 1 in any Fiscal Year.

4. **Revenue Component.** The Revenue Component of the Annual Fee shall be an amount equal to the product of the Total Revenue of the Dealer Member for the previous calendar year as reported to the Corporation or the Adjusted Revenue in the case of certain Mutual Fund Dealers, and the Revenue Rate prescribed by the Board in its discretion for the applicable Revenue Component Tier set out in Appendix A. Revenue Rates will be reviewed and adjusted annually by the Board in its discretion.

Adjusted Revenue is a minimum amount of revenue to be recognized for Mutual Fund Dealer Members with more than \$1 billion of Assets under Administration (AUA), and is an amount equal to the product of the AUA and the normalization factor. AUA is calculated as the two-year average of balances reported to the Corporation at the end of two most recent calendar years. "Normalization factor" means a rate calculated as 10 basis points below the median of the proportion of Form 1 revenues over AUA for all Mutual Fund Dealer Members.

For the calculation of the Revenue Component for the transitional period, please refer to Appendix C.

5. **Approved Person Fees Component.** The Approved Person Fees Component of the Annual Fee shall be an amount equal to the product of the number of Approved Persons of the Dealer Member based on the 12-month average of the previous calendar year and \$300.
6. **Minimum Dealer Regulation Fee Component.** If the sum of the Revenue Component and the Approved Person Fees Component of a Dealer Member is less than the Minimum Dealer Regulation Fee below, the Dealer Member shall pay the Minimum Dealer Regulation Fee.

Type of Dealer Member	Minimum Dealer Regulation Fee
Mutual Fund Dealer Level 1-3	\$5,000
Mutual Fund Dealer Level 4	\$15,000
Investment Dealer or Dual Registered Dealer	\$25,000
Investment Dealer - Crypto Asset Trading Platform	

7. **Annual Fee for New Members.** If an applicant for membership is approved by the Board at any time:
 - (a) In Q1 between April 1 and June 30, both inclusive, the Annual Fee for the balance of the Fiscal Year shall be 75% of the Minimum Dealer Regulation Fee;
 - (b) In Q2 between July 1 and September 30, both inclusive, the Annual Fee for the balance of the Fiscal Year shall be 50% of the Minimum Dealer Regulation Fee; or
 - (c) between October 1 and March 31, both inclusive, the Annual Fee for the balance of the Fiscal Year shall be 25% of the Minimum Dealer Regulation Fee.

The chart below shows the calculated annual fee and balance due upon Board approval after applying the application review deposit per section 1(b):

Type of Dealer Member	Q1 Approval		Q2 Approval		Q3/Q4 Approval	
	Annual Fee	Balance Due	Annual Fee	Balance Due	Annual Fee	Balance Due
Mutual Fund Dealer Level 1-3	\$3,750	\$2,500	\$2,500	\$1,250	\$1,250	-
Mutual Fund Dealer Level 4	\$11,250	\$7,500	\$7,500	\$3,750	\$3,750	-
Investment Dealer or Dual-Registered Dealer	\$18,750	\$12,500	\$12,500	\$6,250	\$6,250	-
Investment Dealer - Crypto Asset Trading Platform						

Payment of Annual Fee

8. **Quarterly Payments.** The Annual Fee shall be payable in quarterly instalments by the Dealer Member in each year. Notice of the Annual Fees and quarterly payments shall be communicated to each Dealer Member on or about the first week of April. The first quarterly payment shall be made by each Dealer Member by the first business day of May. Each subsequent quarterly installment will be communicated at the beginning of the quarter, and payment shall be made by the first business day of the following month.
9. **Payment of Annual Fee on Acquisition of Dealer Member.** Notwithstanding the foregoing, in the event that:
- (a) an applicant for membership has acquired the whole or a substantial part of the business and assets of a Dealer Member or Members in good standing whose Annual Fee for the then current Fiscal Year has been paid in full and who is or are resigning from membership concurrently with the admission of the applicant to membership; and
 - (b) at least a majority in number of the partners of the applicant, in the case of a partnership, or at least a majority in number of the directors and at least a majority in number of the officers of the applicant, in the case of a corporation, are partners, or directors and officers, as the case may be, of the resigning Dealer Member or Members;

then the applicant, if the Board so approves, shall be exempted from payment of the Entrance Fee and from payment of the Annual Fee for the then current Fiscal Year. In no event including the foregoing circumstances shall there be a credit or refund of Annual Fees paid to date where one Dealer Member acquires all or any part of the shares, business or assets of another Dealer Member.

Dealer Member Reorganizations or Other Material Changes in Dealer Member Business

Each type of material business change and their associated fees are described below. If a transaction entails more than one type of material business change, the Dealer Member will only be charged the highest applicable fee (as summarized in the tables below), rather than being charged multiple fees.

10. **Reorganization, transfer, amalgamation or other combination of a Dealer Member**

Fees for review and/or approval of a material business change as described in By-law No. 1, section 3.10 wherein the business or ownership of a Member is proposed to be reorganized or transferred, amalgamated or otherwise combined in whole or in part with another person (including another Member) in a manner which the Member or its business will cease to exist in, or will be substantially changed from, its then current form, or a change of control of the Member may occur, are:

Type of Dealer Member	Fee
All Dealer Types	\$5,000

11. Material Changes to Business Activities

Fees for any material change to a Dealer Member’s business activities as referenced in IDPC Rules, subsection 2246(2) and described in the Corporation Guidance Note GN-2200-21-001 Reporting of material changes to business activities are:

Type of Dealer Member or Business Change	Fee
Investment Dealer or Dual-Registered Dealer	\$5,000
Adding a new Crypto Asset Trading Platform	\$10,000

Any material changes to a Dealer Member’s existing Crypto Asset Trading Platform, will fall into the category of a material change in business for an Investment Dealer and charged the applicable fee of \$5,000.

12. Change in the Type of Dealer Member

Where a Mutual Fund Dealer Member proposes to change to another type of Dealer Member, the Member will be charged the difference in the entrance fees for the relevant Dealer Member types per Section 1(a). Proposals from Investment Dealer Members to add Mutual Fund Dealer registration alongside their existing Investment Dealer registration (i.e., to become “dual-registered”) will be treated as a material change to business activities and subject to a fee per Section 11.

The table below summarizes the fees for a change in the type of Dealer Member:

Change in the Type of Member ID = Investment Dealer MFD = Mutual Fund Dealer Dual-Registered = ID and MFD	Fee for Change in Dealer Type
Change from MFD Level 1-4 to ID or Dual-Registered	\$20,000

Underwriting Levies

13. **Interpretation.** In Sections 13, 14 and 15 the following terms have the following meanings:

- (a) “**Canadian Public Offering**” means a Distribution of securities of a corporation, partnership or a trust if a prospectus or similar offering document is required to be filed with any securities regulatory authority in Canada, other than:
- (i) Private Placement; or
 - (ii) Distribution of Government of Canada securities, Provincial Securities, Municipal Securities or Not-for-Profit securities;
- (b) “**Distribution**” means a distribution of securities in Canada by way of Canadian Public Offering or Private Placement, or a distribution of Government of Canada Securities, Provincial Securities, Municipal Securities or Not-for-Profit Securities, whether underwritten on a firm (including bought deals) or best efforts basis by the Dealer

Member, as principal or agent, and as a member of the underwriting or selling groups; provided no such distribution shall be a Distribution for the purposes of this definition if the securities are:

- (i) Money market obligations with a term to maturity of one year or less, or greater than one year solely by reason of the term to maturity otherwise ending on a day that is not a business day;
 - (ii) Government of Canada, Provincial and Municipal Securities which are distributed by way of auction by or on behalf of the Government of Canada or a provincial or municipal government;
 - (iii) Rights to acquire securities issued to holders of previously distributed securities;
 - (iv) Securities, other than securities described in subsections 13 (c) to 13 (g), inclusive, in respect of which the Total Revenue to the underwriters for the offering of such securities is equal to 1% or less of the aggregate principal amount of the offering in the case of debt securities, or the maximum aggregate price at which the securities are offered in the case of any other securities;
 - (v) Debt securities in respect of which the aggregate principal amount is less than \$1,000,000;
 - (vi) Any securities (other than debt securities) in respect of which the maximum aggregate offering price is less than \$1,000,000; or
 - (vii) securities distributed in a block trade conducted on a Marketplace if no prospectus or similar offering document is filed with a securities regulatory authority in respect of the block trade;
- (c) **“Government of Canada Securities”** means securities of, or guaranteed by, the Government of Canada;
- (d) **“Municipal Securities”** means securities of, or guaranteed by, any municipal corporation in Canada;
- (e) **“Not-for-Profit Securities”** means securities of any school or school board, hospital or other not-for-profit organization;
- (f) **“Private Placement”** means a Distribution of securities of a corporation, partnership or trust if a prospectus or similar offering document is not required to be filed with any securities regulatory authority in Canada, provided that a Distribution of Government of Canada securities, Provincial Securities, Municipal Securities or Not-for-Profit Securities shall not be a private placement for the purposes of this definition;

- (g) **“Provincial Securities”** means securities of, or guaranteed by, any province or territory of Canada;
- (h) **“Levy Cap”** means, for any Distribution, an amount equal to 2.5% of the Total Revenue to a Dealer Member for its participation in that Distribution;
- (i) **“Responsible Dealer”** means the Dealer Member, if any, which is responsible on behalf of more than one Dealer Member for the bookkeeping and accounting in a Distribution;
- (j) **“Security”** means any property that is a “security” for the purposes of any securities legislation in Canada, and shall include, without limitation, warrants, debt-like derivatives, structured notes and asset-backed instruments, provided that the Board may from time to time determine whether any particular property is to be included or excluded from such definition, which determination shall be final and conclusive; and
- (k) **“Total Revenue”** means, in respect of an offering, the aggregate of:
 - (i) any commission paid to the Dealer Member; and
 - (ii) any fee paid to the Dealer Member.

14. **Levy.** Each Dealer Member shall pay to the Corporation a levy as follows with respect to its proportionate participation in any Distribution:

- (a) For a Canadian Public Offering, in the case of debt securities, 1/100th of 1% of the aggregate principal amount of the offering or, in any other case 1/100th of 1% of the maximum aggregate price at which the securities are offered;
- (b) For a Private Placement, in the case of debt securities, 1/200th of 1% of the aggregate principal amount of the offering or, in any other case, 1/200th of 1% of the maximum aggregate price at which the securities are offered;
- (c) For a Distribution of Government of Canada securities, 1/300th of 1% of the aggregate principal amount of the offering;
- (d) For a Distribution of Provincial Securities, in the case of debt securities, 1/200th of 1% of the aggregate principal amount of the offering or, in any other case, 1/200th of 1% of the maximum aggregate price at which the securities are offered;
- (e) For a Distribution of Municipal Securities, in the case of debt securities, 1/300th of 1% of the aggregate principal amount of the offering or, in any other case, 1/300th of 1% of the maximum aggregate price at which the securities are offered; and
- (f) For a Distribution of Not-for-Profit Securities, in the case of debt securities, 1/200th of 1% of the aggregate principal amount of the offering or, in any other case, 1/200th of 1% of the maximum aggregate price at which the securities are offered,

provided that the amount of the levy payable by a Dealer Member for a Distribution shall not exceed an amount equal to the Levy Cap for that Dealer Member for that Distribution.

Each levy shall be calculated in Canadian dollars or in the Canadian dollar equivalent of the currency of the Distribution as of the date on which the first closing of the transaction occurs. If the levy for an offering may be calculated according to more than one of paragraphs (a) to (f) above, the levy shall be calculated according to the paragraph which provides the highest levy.

All Distributions are deemed to take place entirely in Canada unless the Dealer Member provides evidence, acceptable to the Corporation in its sole discretion, of the number of securities offered outside Canada, in which case the levy will be calculated on the securities distributed in Canada.

15. **Responsible Dealers.** Each Dealer Member or, if there is a Responsible Dealer in respect of a Distribution involving more than one Dealer Member, the Responsible Dealer shall:

- (a) Complete a new levy form for submission with payment;
- (b) Provide details of the Total Revenue for each Dealer Member, supported by third- party sources such as the Underwriting/Agency Agreement, Financial Post or SEDAR; if such details are not provided, the Levy Cap will not apply;
- (c) Calculate the amount of the levy to be paid by each Dealer Member in respect of the Distribution;
- (d) Pay and, in the case of a Responsible Dealer, collect from the other Dealer Members and remit to the Corporation the amount of the levy within sixty (60) days of the date on which the first closing of the transaction occurs; and
- (e) Deliver to the Corporation on or before the time of payment of the levy pursuant to paragraph (d) copies of any and all forms, notices and calculations relating to the size or amount of the Distribution as are required to be filed with any securities regulatory authority or stock exchange in Canada in respect of the Distribution.

If there are two or more Responsible Dealers who have substantially equal obligations in respect of a Distribution, they shall each be responsible on a proportional basis for the collection and remission of the applicable levy; provided that if one of such Responsible Dealers is not a Dealer Member, the Responsible Dealer(s) which are Dealer Members shall collect and remit the levy on behalf of all Dealer Members.

If there is no Responsible Dealer in respect of a Distribution, or if the Responsible Dealer is not a Dealer Member, each Dealer Member shall complete a new levy form and remit its proportion of the levy.

16. **Discretion of the Board.** The Board may in its discretion impose the levy on an amount which is less than, in the case of debt securities, the aggregate principal amount of the offering and, in any other case, the maximum aggregate price at which the securities are offered and make

any other variations in connection with the imposition of the levy as it deems necessary or desirable.

General

17. **Assessment.** Notwithstanding Sections 3 to 6, inclusive, the Board shall have power to make an assessment in any Fiscal Year upon each Dealer Member not to exceed 50% of the Annual Fee payable in such year by such Dealer Member. Each Dealer Member shall pay the amount so assessed upon it within thirty (30) days after receiving written notification thereof from the Secretary.

18. **Effect of Non-Payment of Fees.**

(a) If the Annual Fee payable by a Dealer Member has not been paid:

- (i) in the case of the first quarterly payment, by the first business day of June;
- (ii) in the case of the second quarterly payment, by the first business day of September;
- (iii) in the case of the third quarterly payment, by the first business day of December; or
- (iv) in the case of the fourth quarterly payment, by the first business day of March in any year, or

(b) if the amount assessed upon any Dealer Member pursuant to Section 17 or Section 19 has not been paid within thirty (30) days after the date specified in the written notification thereof from the Secretary,

the Secretary shall, by registered mail, request the Dealer Member to pay the same and draw the Dealer Member's attention to the provisions of this Section 18. If the entire amount owing by the Dealer Member has not been paid within thirty (30) days from the date the Secretary has mailed the request, the Secretary shall notify the Board to this effect and the Board may, in its discretion, terminate the membership of the Dealer Member in default. If the Board decides to terminate the membership of a Dealer Member pursuant to the provisions of this Section 18, the Secretary will be requested to notify the Dealer Member, by registered mail, of the decision of the Board. A former Dealer Member whose membership has been terminated pursuant to the provisions of this Section 18 shall cease to be entitled to exercise any of the rights and privileges of membership but shall remain liable to the Corporation for all amounts due to the Corporation from the former Dealer Member.

19. **Extraordinary Costs and Expenses.** The extraordinary costs and expenses of the Corporation incurred in connection with, but not limited to, items such as (i) the review and/or approval of a novel or unusual application for membership as a Dealer Member, (ii) the review and/or

approval of any reorganization, take over or other substantial change in the business, structure or affairs of a Dealer Member, (iii) travel and accommodation outside Canada for staff to conduct compliance exams for a Dealer Member, or (iv) costs associated with compliance site visits conducted by staff for applicants as Dealer Members, may be assessed to the Dealer Member at the discretion of the Board.

- a) If an application or review per Sections 1, 10, 11 or 12 remains under compliance review for any period longer than 6 months, the reimbursement for the additional costs and expenses will be at a rate of one-sixth (1/6) of the application or business change fee for each month and/or partial month that the application remains under review until the compliance review is complete, the firm withdraws its application, or the Corporation staff have suspended their review of the application.

Please refer to the tables below for a summary of the monthly reimbursement rate for each type of Dealer Member application or business change.

Type of Dealer Member Application or Business Change	Monthly Extraordinary Costs
New Dealer Member Application	1/6th of the application fee as per Section 1
Reorganization, transfer, amalgamation or other combination of a Dealer Member	1/6th of the fee as per Section 10
Material Changes to Business Activities	1/6th of the fee as per Section 11
Change in the Type of Dealer Member	1/6th of the fee as per Section 12

- 20. **Additional Fees Payable by Dealer Members.** The foregoing Dealer Member Fee Model is not an exhaustive list of the fees payable by Dealer Members. Additional fees that are payable by Dealer Members in certain circumstances are contained in the Corporation’s Rules and in the By-laws. Appendix B contains a summary of where these additional fees may be found and the nature of such fees. The summary is intended to be a guide only and is not a full reproduction of the applicable Corporation Rules and/or By-laws. Reference should be made to the full text of the Corporation Rules and the By-laws.

EQUITY MARKET REGULATION FEE MODEL

The Equity Market Regulation Fee Model is applicable to Marketplaces that trade equity securities. Applicants for acceptance as Marketplace Members that are alternative trading systems are required to pay Entrance Fees for their Dealer Member application in addition to the Regulation Services Agreement Fee and an Information Technology Fee, which must be paid by all applicants for acceptance as Marketplace Members. On becoming Marketplace Members, Marketplace- Specific Costs may be payable in certain circumstances. Monthly Equity Market Regulation Fees consisting of Message Processing Fees and Trade Fees (subject to a Minimum Market Regulation Fee) are allocated to Marketplaces and are payable by Dealer Members participating in those Marketplaces. Administration Fees are allocated to Marketplace Members and Dealer Members.

Entrance and Set-Up Fees

21. **Dealer Member Application Fees.** For alternative trading systems, the process for acceptance as a Marketplace Member is concurrent with that to become an Investment Dealer Member. The Entrance Fee described in Section 1 is payable by such applicants at the time an application is made.

22. **Regulation Services Agreement Fee.**

(a) The minimum fee for the drafting and negotiation of a Regulation Services Agreement between the Corporation and an applicant as a Marketplace Member is \$25,000 and is payable at the time of application.

(b) If time cost spent by the Corporation staff on the drafting and negotiation of the Regulation Services Agreement is greater than \$25,000, the difference will be invoiced by the Corporation and is payable by the Marketplace Member prior to the Marketplace commencing operations as a Marketplace Member.

(c) The Corporation may, in its discretion, charge the fees indicated in paragraphs (a) and (b) above in connection with the drafting and negotiation of a revised or amended Regulation Services Agreement in circumstances where there has been a material change in the activities of a Marketplace Member.

23. **Information Technology Fee.** The Information Technology Fee charged to each applicant as a Marketplace Member is \$66,500 payable as follows:

(a) a non-refundable deposit of \$10,000 payable at the time of application for membership as a Marketplace Member; and

(b) the balance of \$56,500 payable when the applicant is authorized to proceed with the testing and development of Surveillance System functionality for the marketplace.

If time cost spent by the Corporation's staff on the connectivity and testing process for the marketplace is greater than \$66,500, the difference will be invoiced by the Corporation and is payable by the Marketplace Member upon launch of the marketplace.

All costs of information technology development, including any third-party costs, for a new marketplace are borne by the Marketplace Member.

24. **Marketplace-Specific Costs.** Each Marketplace Member will pay to the Corporation (i) incremental costs incurred by the Corporation to perform additional work to monitor a Marketplace as a result of unique marketplace features, and (ii) incremental costs incurred by the Corporation as a result of a Marketplace's failure to meet a Corporation regulatory feed standard, testing window or project deadline, including, without limitation, modifications to the Corporation's systems, additional staffing or remedial work. Marketplace-Specific Costs will be

determined with respect to each Marketplace Member on a monthly basis and shall be invoiced in accordance with Subsection 29(b).

Monthly Equity Market Regulation Fees

When determining the Monthly Equity Market Regulation Fees allocated to a Marketplace Member for a particular month, the Corporation first determines its total market regulation costs and then deducts the timely disclosure fees, interest and other income received by the Corporation. The net costs are then allocated to each Marketplace Member on a pro-rata basis and are paid by that Marketplace's participating organizations, members or subscribers, as the case may be, that are Dealer Members as identified by the Marketplace. The allocation is based on the number of messages sent and trades executed by each Dealer Member on each Marketplace, all in accordance with the provisions set out below.

25. Message Processing Fee.

- (a) Each Marketplace shall be allocated a fee based on the Marketplace's share of the total number of messages processed by the Corporation's surveillance system during a particular month. The Message Processing Fee is determined with reference to the total information technology costs of the surveillance system.
- (b) The Message Processing Fee shall be paid by Dealer Members based on each Dealer Member's pro-rata share of the messages sent through each Marketplace. The total Message Processing Fee and the applicable unit cost per message shall be disclosed in the monthly invoice delivered to Dealer Members in accordance with Subsection 29(a).

26. Trade Fee.

- (a) Each Marketplace shall be allocated a fee based on a particular Marketplace's share of the total number of trades completed during a particular month. The Trade Fee is determined with reference to the net market regulation costs after deduction of the information technology costs of the surveillance system.
- (b) The Trade Fee shall be paid by Dealer Members based on each Dealer Member's pro-rata share of the trades made through each Marketplace. The total Trade Fee shall be specified in the monthly invoice delivered to Dealer Members in accordance with Subsection 29(a).

27. Minimum Equity Market Regulation Fee.

- (a) If the aggregate of the Message Processing Fee and the Trade Fee allocated to a Marketplace Member is less than \$4,800 in a particular month, such Marketplace Member shall be allocated the Minimum Equity Market Regulation Fee of \$4,800, consisting of \$1,200 allocated to messages and \$3,600 allocated to trades.
- (b) If applicable, the Minimum Equity Market Regulation Fee shall be paid by Dealer Members based on each Dealer Member's pro-rata share of the messages sent and the trades made through a Marketplace subject to the Minimum Equity Market Regulation Fee. The portion of the Minimum Equity Market Regulation Fee, if any,

payable by a Dealer Member shall be specified in the monthly invoice delivered to the Dealer Member in accordance with Subsection 29(a). If a Marketplace Member chooses to pay the difference between the Minimum Equity Market Regulation Fee and the aggregate of the Message Processing Fee and the Trade Fee allocated to the Marketplace Member then Dealer Members shall only be responsible for paying the latter.

- (c) If there are no messages processed or trades completed during a particular month, the Marketplace Member shall be required to pay the Minimum Equity Market Regulation Fee directly.

28. Administration Fee.

- (a) A fee of \$400 shall be charged to each Dealer Member and invoiced in accordance with Subsection 29(a) each month for the provision of detailed billing information or other information related to market regulation fees requested by the Dealer Member.
- (b) An Administration Fee of \$500 shall be charged to each Marketplace Member and invoiced in accordance with Subsection 29(b) each month for the administration of the invoicing of the fees described in this Equity Market Regulation Fee Model to Dealer Members on behalf of the Marketplace Member.

Payment of Monthly Equity Market Regulation Fees

29. Monthly Invoices.

- (a) Dealer Members: Dealer Members shall be invoiced on a monthly basis in arrears within the first ten (10) days of any month for the aggregate of the Message Processing Fee and the Trade Fee, or the Minimum Equity Market Regulation Fee, as applicable, and the Administration Fee charged to Dealer Members. Such invoices are due and payable immediately upon receipt.
- (b) Marketplace Members: Marketplace Members shall be invoiced on a monthly basis in arrears within the first ten (10) days of any month for the aggregate of any Marketplace-Specific costs incurred during a particular month as contemplated in Section 24, the Administration Fee charged to Marketplace Members and any amount invoiced to a Marketplace Member under Subsection 27(b).

DEBT MARKET REGULATION FEE MODEL

Monthly Debt Market Regulation Fees

When determining the Monthly Debt Market Regulation Fees allocated to a Dealer Member for a particular month, the Corporation first determines its total debt market regulation costs. These costs are then allocated to each Dealer Member on a pro-rata basis and are paid by those Dealer Members as identified based on the number of Non-Repo Debt Transactions and Repo Debt Transactions submitted by each Dealer Member, all in accordance with the provisions set out below.

30. **Non-Repo Debt Transaction Fee.**

(c) Each Dealer Member shall be allocated a fee, based on their pro-rata share of the total number of Non-Repo Debt Transactions received and processed by the Corporation's debt surveillance system during a particular month. The total Non- Repo Debt Transaction Fee and the applicable unit cost per transaction shall be disclosed in the monthly invoice delivered to Dealer Members in accordance with Section 32.

31. **Repo Debt Transaction Fee.**

(d) Each Dealer Member shall be allocated a fee, based on their pro-rata share of the total number of Repo Debt Transactions received and processed by the Corporation's debt surveillance system during a particular month. The total Repo Debt Transaction Fee and the applicable unit cost per transaction shall be disclosed in the monthly invoice delivered to Dealer Members in accordance with Section 32.

(e) The Repo Debt Transaction Fee will be reduced by cost recoveries received from the Bank of Canada.

Payment of Monthly Debt Market Regulation Fees

32. **Monthly Invoices.** Dealer Members shall be invoiced on a monthly basis in arrears within the first ten (10) days of any month for the aggregate of the Non-Repo Debt Transaction Fee and the Repo Debt Transaction Fee, as applicable. Such invoices are due and payable immediately upon receipt.

Late Filing Fee

33. **Late Filing Fee.** Dealer Members may be charged a late filing fee, which will be based on the additional effort required by the Corporation to input the late data, make corrections and perform appropriate surveillance.

DEBT INFORMATION PROCESSOR FEE MODEL

Monthly Debt Information Processor Fees

When determining the Monthly Debt Information Processor Fees allocated to a Dealer Member for a particular month, the Corporation first determines its total debt information processor costs. These costs are then allocated to each Dealer Member on a pro-rata basis and are paid by those Dealer Members as identified based on the number of Debt Transactions submitted by each Dealer Member, all in accordance with the provisions set out below.

34. **Debt Transaction Fee.** Each Dealer Member shall be allocated a fee, based on their pro- rata share of the total number of Debt Transactions received and processed by the Corporation's debt information processor system during a particular month. The total Debt Transaction Fee

and the applicable unit cost per transaction shall be disclosed in the monthly invoice delivered to Dealer Members in accordance with Section 35

Payment of Monthly Debt Information Processor Fees

35. **Monthly Invoices.** Dealer Members shall be invoiced on a monthly basis in arrears within the first ten (10) days of any month for the Debt Information Processor Fees. Such invoices are due and payable immediately upon receipt.

GENERAL PROVISIONS

The provisions set out below are of general application to the Fee Model.

36. **Interest.** Any amount due and owing to the Corporation pursuant to the Fee Model by a Dealer Member shall bear interest at a rate per annum, for any month, of one percent above the Canadian Chartered Bank prime lending rate at the end of each preceding month (calculated daily on the basis of a 365-day year, and payable and compounded monthly) from the date the amount is first due until paid, with interest on arrears calculated and payable in the same manner.
37. **Change in Fees.** Any fees specified in the Fee Model may be changed on not less than sixty (60) days' notice from the Corporation.
38. **Applicable Taxes.** Any fees specified in the Fee Model shall require the payment of any taxes applicable to such fees in addition to the specified amounts.

INTERPRETATION

The capitalized terms used in the Fee Model have the meanings given to such terms in the Corporation Rules and By-laws, unless otherwise defined in the Fee Model. The Corporation is engaged in a Rule Consolidation Project aimed at consolidating Investment Dealer and Partially Consolidated (IDPC) Rules and Mutual Fund Dealer (MFD) Rules into one set of Dealer and Consolidated (DC) Rules. References to Rules in the Fee Model will be revised once the DC Rules are approved and put into effect.

The following terms have the following meanings:

“Administration Fee” means the administration fees payable by Dealer Members and Marketplace Members in accordance with Section 28.

“Annual Fee” means the annual fee payable by Dealer Members determined with reference to the components set out in Section 3 and calculated in accordance with the provisions of the Fee Model.

“Approved Person” has the same meaning as set out in By-law No. 1, section 1.1.

“Approved Person Fees Component” means the levy payable by each Dealer Member determined in accordance with Section 5.

“Corporation Rule” or **“Rule”** has the same meaning as set out in By-law No. 1, section 1.1. This includes but is not limited to that set out in the Corporation Investment Dealer and Partially Consolidated Rules, and Mutual Fund Dealer Rules.

“Crypto Asset Trading Platform” means a platform that facilitates the buying, selling, and holding of crypto assets.

“Dealer Member” has the same meaning as set out in By-law No. 1, section 1.1.

“Debt Transactions” means, for the purpose of the Monthly Debt Information Processor Fees, the aggregate of Repo Debt Transactions and Non-Repo Debt Transactions submitted by a Dealer Member.

“Dual Registered Dealer” means a firm that is registered as both an investment dealer and a mutual fund dealer. A Dual Registered Dealer Member is considered an Investment Dealer Member for the purposes of calculating fees.

“Entrance Fees” means the initial fees payable by an applicant for membership in the Corporation as a Dealer Member as specified in Section 1.

“Fiscal Year” means the fiscal year of the Corporation ending on the last day of March in each year.

“Information Technology Fee” means the fee payable by an applicant as a Marketplace Member in accordance with Section 23.

“Investment Dealer Member” has the same meaning as set out in Rule 1201 of the IDPC Rules. For clarity, this would include Dual Registered Dealer Members where not otherwise specified.

“Marketplace-Specific Costs” means the incremental costs payable by a Marketplace Member in accordance with Section 24.

“Message Processing Fee” means the fee allocated to a Marketplace each month determined in accordance with Section 25.

“Minimum Dealer Regulation Fee Component” means the minimum fee payable by a Dealer Member in each Fiscal Year determined in accordance with Section 6.

“Minimum Equity Market Regulation Fee” means the minimum fee allocated to a Marketplace Member in each month determined in accordance with Section 27.

“Monthly Debt Information Processor Fees” means the monthly fees allocated to Dealer Members in accordance with Section 34.

“Monthly Debt Market Regulation Fees” means the monthly fees allocated to Dealer Members in accordance with Sections 30 to 31, inclusive.

“Monthly Equity Market Regulation Fees” means the monthly fees allocated to Marketplace

Members in accordance with Sections 25 to 28, inclusive.

"Mutual Fund Dealer Member" has the same meaning as set out in Rule 1A of the MFD Rules.

"Non-Repo Debt Transaction Fee" means the fee allocated to a Dealer Member each month determined in accordance with Section 30.

"Non-Repo Debt Transactions" means transactions in a Debt Security that are subject to reporting requirements under the Corporation Rule 7200: Transaction Reporting for Debt Securities except Repo Debt Transactions, in relation to that portion of the monthly fees allocated to Dealer Members in accordance with Section 30.

"Regulation Services Agreement Fee" means the fee payable by a Marketplace Member for the negotiation of a Regulation Services Agreement in accordance with Section 22.

"Repo Debt Transaction Fee" means the fee allocated to a Dealer Member each month determined in accordance with Section 31.

"Repo Debt Transactions" means transactions that involve the simultaneous sale and future repurchase, or simultaneous purchase and future sale ("Reverse Repo"), of any Debt Securities, including transactions arranged as buy/sell-backs and sell/buy-backs, as prescribed in the Corporation Rule 7200: Transaction Reporting for Debt Securities, in relation to that portion monthly fees allocated to Dealer Members in accordance with Section 31.

"Restricted Fund" means the fund for collection and use of monetary sanctions received by the Corporation.

"Revenue Component" means the portion of the Annual Fee determined in accordance with Section 4.

"Revenue Component Tier" means the tiers of revenue set out in Appendix A used to calculate the Revenue Component.

"Revenue Rate" means the rate prescribed annually by the Board for a particular Revenue Component Tier set out in Appendix A.

"Total Revenue" means the amount reported as "Total Revenue" in the IDPC Form 1, Statement E, line 21 and MFD Form 1 Statement D, line 13.

"Trade Fee" means the fee allocated to a Marketplace each month determined in accordance with Section 26.

APPENDIX A. REVENUE RATE TIERS

Tier	Revenues for the Previous Calendar Year
Tier 1.....	Under \$2.5M
Tier 2.....	up to \$10M
Tier 3.....	up to \$50M
Tier 4.....	up to \$100M
Tier 5.....	up to \$500M
Tier 6.....	up to \$1B
Tier 7.....	over \$1B

The rate prescribed to each tier will be provided to the Dealer Member through the Fee Letter.

APPENDIX B: ADDITIONAL FEES PAYABLE BY DEALER MEMBERS

PART 1 – CORPORATION RULES AND BY-LAWS

The following summary is intended to be a guide only and is not a full reproduction of the applicable Corporation Rules and By-Laws. Reference should be made to the full text of the Corporation Rules and By-laws. The Corporation Rules refer to both current and successor Rules, as applicable. The Corporation is currently engaged in a Rule Consolidation Project aimed at consolidating the Investment Dealer and Partially Consolidated (IDPC) Rules and Mutual Fund Dealer (MFD) Rules into one set of CIRO Rules. References to Rules in the Fee Model will be revised once the CIRO Rules are approved and put into effect.

Investment Dealer and Partially Consolidated Rules

Rule 2117(2)	Fee payable for approval or exemption required by Rule 2100.
Rule 2224(1)(i)	Responsibility for fees on amalgamation of two or more Dealer Members.
Rule 2227	Payment of Annual Membership fees by resigning, suspended, terminated or surrendering Dealer Member.
Rule 2505(5)	Fee payable for failure to have a qualified Chief Financial Officer (CFO) within 90 days of the cessation date of the previous CFO, or other Corporation specified dates.
Rule 2506(6)	Fee payable for failure to have a qualified Chief Compliance Officer (CCO) within 90 days of the cessation date of previous CCO, or other Corporation specified dates.
Rule 2552(5)	Fees payable for the failure of the Dealer Member to file within 10 business days after the end month a report specified by the Corporation on the conditions imposed on an Approved person under Rules 8200 or 9200.
Rule 2626(3)	Fees payable for exemption from any proficiency requirement, as per Rule 2600.
Rule 2755(2)	Penalties imposed for the failure of a continuing education participant to complete the continuing education requirements within a continuing education program cycle.
Rule 2803(1)(i)	Payment of National Registration Database (NRD) Dealer Member enrollment fee.
Rule 2806(1)	Annual NRD system fee set by the Corporation payable to the securities regulatory authorities.

Rule 2806(2)(i)	Fees payable for making any NRD submission under section 2803.
Rule 2806(2)(ii)	Fees payable for the failure of the Dealer member to file any notification within the time specified.
Rule 2806(3)	Exemption request fees payable for making an application for proficiency exemption of an Approved Person or applicant for approval of pursuant to Rule 2600.
Rule 3704	Administrative fee or other penalties imposed by the Corporation for failure to meet reporting requirements under Rules 3702 and 3703.
Rule 4133(1)	The Corporation may require a Dealer Member to pay reasonable costs and expenses incurred to administer the Dealer Member's early warning situation under Rule 4100.
Rule 4153	Fees payable for the failure of Dealer Member to file any document or information required under Part C of Rule 4100 despite grant of an extension to file such information by the Corporation.
Rule 8214(1)	Costs ordered in a sanction after a hearing under Rule 8200.
Rule 8431(5)	Fees payable for requesting a record of a proceeding.

Mutual Fund Dealer Rules

Rule 1.2.6(i)(ii)	Fees payable for failure to comply with the continuing education requirements of Rule 1.2.6 or Rule 900.
Rule 1.4(c)	Levies or assessments payable for failure to meet reporting requirements.
Rule 3.5.4(b)	Fees payable for failure of the Member, its auditors or any person acting on its behalf to meet the financial and operational reporting requirements under Rule 3.
Rule 7.4.2	Costs ordered to be paid by a Hearing Panel pursuant to Rule 7.3, 7.4.1 or Rule 7.4.3.
Rule 7.4.8(e)	Payment of annual fees by suspended members.
Rule 8.6	Other fees prescribed by the Board.
Rule 900 Part I 13.5	Fee for failing to meet continuing education credit requirements as per rule 1.2.6 and Rule 900.

By-Law No.1

Section 3.4	Membership and other fees, assessments established by the Board.
Section 3.5(1)	In the case of Dealer Members, an application for membership shall be accompanied by such fees as the Corporation may require.
Section 3.5(3)	An application for membership shall be accompanied by a non-refundable application review deposit in an amount to be determined by the Board, to be credited towards the annual fee paid by the Member in the event that the application is approved by the Board.
Section 3.5(11)(b)	If and when the application has been approved by the Board, and upon payment of the balance of the entrance and annual fees, the applicant shall become and be a Dealer Member.
Section 3.7	If two or more Members propose to amalgamate and continue as one Member, the continuing Member must comply with the payment of Member fees, if applicable.
Section 3.8	A Dealer Member resigning from the Corporation shall make full payment of its annual fee, if applicable, for the financial year in which its resignation becomes effective.

PART 2 – FEES RELATED TO REGISTRATION MATTERS

The following summary is intended to be a guide only and is not a full reproduction of the applicable registration-related fees collected by the Corporation pursuant to delegation orders from the noted securities regulatory authorities. Reference should be made to the applicable instruments of the Canadian Securities Administrators (CSA).

On April 1, July 1, and October 1, 2025, CIRO was delegated and assigned additional registration functions for both investment dealers (ID), mutual fund dealers (MFD), and the individuals who act on their behalf. It is anticipated that by Spring 2026, additional delegation for investment and mutual fund dealers and the individuals they regulate will be granted in the remaining jurisdiction.

On April 1, 2026, CIRO will cease collection of its main activity-based registration-related submission fees collected through the National Registration Database (NRD) fees and end its cost recovery arrangements with certain provincial securities regulatory authorities. In Québec, until CIRO begins conducting all oversight activities related to MFDs and the individuals acting on their behalf, and receives approval from the Autorité des marchés financiers (AMF), the applicable CIRO NRD fees will continue to apply. In Ontario, we will continue to receive the Ontario Securities Commission (OSC)'s NRD fees related to ID and MFD registration activities until March 31, 2027.

Accordingly, we will update the following table once the delegation and assignment across all jurisdictions has taken effect and to reflect any changes to CIRO's registration-related fees.

Fee Type	Collection Details	Authority
Initial firm registration fees	The Corporation collects the CSA fee in Ontario. The Corporation charges a fee in Québec.	Delegation Orders / Revenue Sharing Agreements IDPC Rule 2806(2)
Initial, reactivation, additional jurisdiction, additional sponsoring firm submissions	The Corporation collects the CSA fee in Ontario. The Corporation charges a fee in Québec.	Recognition Order / Assumed fee from the Bourse
Reinstatements	The Corporation charges a fee in Québec.	
Change or surrender of individual categories	The Corporation collects a CSA fee in Ontario. The Corporation charges a fee in Québec.	

Notice of End of Individual Registration or Permitted Individual Status (formerly Notice of Termination)	The Corporation charges a fee in Québec.	
File copies	The Corporation charges a fee for providing an individual with a copy of their registration file.	Administrative practice

APPENDIX C: REVENUE CALCULATION FOR TRANSITIONARY PERIOD

In order to minimize the impact of the new fee model on Mutual Fund Dealer Members, the Corporation will be implementing transitional measures.

The following adjustments would be made to Total Revenues reported by Mutual Fund Dealer Members in Statement D of Form 1 for the purpose of calculating the Revenue Component in Section 4:

- **Quebec Revenues:** Mutual Fund Dealer Members with Quebec revenue will have revenues adjusted to reflect transition of regulation to CIRO as follows:
 - o Year 1 – reduce Form 1 revenues for 100% of Quebec Revenue;
 - o Year 2 and/or until such time as the transition period is complete - reduce Form 1 revenues for 50% of Quebec Revenues.

When the transition period is complete, there will be no reduction for inclusion of Quebec revenues.

During this transitional period, the Corporation will compute the value of Quebec Revenues based on the Quebec based Assets under Administration relative to the total Assets Under Administration of the Mutual Fund Dealer Member.

Appendix C – Frequently Asked Questions

1. Is the 5% my total expected increase for FY27? What is the total expected increase in CIRO fees for FY27?

The 5% increase represents the cost recovery for registration delegation. A deficit was taken in FY26 as a transitional measure. The fee increase is required for CIRO to operate on a full cost recovery basis and comply with CSA Recognition Orders.

However, this does not include:

- i. Transitional measures agreed to with the Ontario Securities Commission where NRD fees will still continue in FY26;
- ii. Any fee changes based on Member revenue (in relation to other members) and AP count, which is subject to change come FY27;
- iii. Expected fee increases for cost recovering on new Québec activities in FY27; and
- iv. Indexation for inflation.

2. How is CIRO determining the per AP number? Does it include unlicensed individuals? Does it include Branch Managers without a client facing role?

Under CIRO **Investment Dealer and Partially Consolidated Rules**, an “Approved Person” is an individual approved by the Corporation under these Rules to carry out a function for a Dealer Member, namely, the following individuals: (i) Associate Portfolio Manager, (ii) Chief Compliance Officer, (iii) Chief Financial Officer, (iv) Director, (v) Executive, (vi) Investment Representative, (vii) Portfolio Manager, (viii) Registered Representative, (ix) Supervisor, (x) Trader, or (xi) Ultimate Designated Person.

Under **CIRO Mutual Fund Dealer Rules**, an “Approved Person” means an individual who is a partner, director, officer, compliance officer, branch manager, or alternate branch manager, employee or agent of the Member who (i) is registered or permitted, where required by applicable securities legislation, by the securities commission having jurisdiction, or (ii) submits to the jurisdiction of the Corporation.

3. If an AP is registered in multiple categories or multiple provinces, do Members still pay \$300 per AP or per registration category or province of registration?

No. The rate will be \$300 per AP (count is based on the 12-month average of the previous calendar year), regardless of how many categories or provinces each AP is registered in.

4. Why do we need to pay an additional \$50 in per Approved Persons (AP) rate?

Historically, the cost of existing registration delegations has been partially absorbed within the Annual Dealer Member Fees. This proposed increase is intended to cover the cost of new delegations and assignments, and restructure the fee model to better align with our cost structure and Guiding Principles. CIRO needs to recover the cost of registration delegation in FY27 either through the per AP or the Revenue rate to comply with CSA Recognition Orders. If we do not amend the AP rate, all costs will be recovered through the revenue component of the Fee Model, which would unfairly allocate a greater proportion of registration costs to ID firms. The \$50 increase to the per AP rate is a reallocation of fees that better supports a proportionate and fair allocation of costs, consistent with CIRO's Guiding Principles.

5. Will CIRO adjust the per AP rate each year?

The AP rate is not intended to be adjusted annually, but rather on an as-needed basis. CIRO's Integrated Fee Model is part of CIRO Rules, and any updates to the AP Fees Component of the Annual Dealer Member Fee are subject to the Joint Rule Review Protocol of the Memorandum of Understanding between CIRO and its Recognizing Regulators (RRs), which establishes uniform procedures for the RRs' review of and decision-making about Rule Changes proposed by CIRO. This Proposed Amendment published for public comment follows procedures within the Joint Rule Review Protocol.

The Fee Model calculation includes both a Revenue rate that is set annually (ie: variable) and a per AP rate that is established per the Rules (ie: fixed). To provide consistency and stability to Dealer Members, we believe it is valuable to have a fixed rate component in the structure of the Fee Model.

6. Why are we moving away from a transactional or activity-based fees? Doesn't it make more sense for the users of CIRO Registration services to pay for those services (vs the membership as a whole)?

In the development and evaluation of the Proposed Amendment, our goal is to select the option that is best aligned with the full set of CIRO's Guiding Principles per the Recognition Orders:

- **Proportionality:** Both activity-based fees and the AP Fee Component rate increase are aligned with the guiding principle of proportionality.
- **Practicality:** Activity-based registration fees are dependent on harmonizing of NRD fee schedule across multiple jurisdictions. Lacking historical information or costing details, it will be a time-consuming and complex fee-setting and approval process. Managing activity-based fees will also drive additional costs for CIRO. In comparison, recovering through the Annual Dealer Member Fee requires minimum additional administrative efforts and is better aligned with the guiding principle of practicality.
- **Consistency:** Activity-based fees fluctuate based on usage of services and historically varied based on jurisdiction. Cost recovery through the Annual Dealer Member Fee provides national consistency as well as cost allocation consistency by allocating costs proportionately based on size of members.
- **Transparency:** Both activity-based fees and the Annual Dealer Member Fee provide transparency for members to recalculate their fee payable.
- **Serving the Public Interest:** Both activity-based fees and the Annual Dealer Member Fee will not have material impact on small members with low AP count who do not require significant activity-based services.
- **Sustainability:** The costs of performing registration function activities are largely fixed in nature, but activity-based fees are variable. In the event that the activity-based fees do not provide sufficient cost recovery of performing registration function regulatory activities, we will not achieve full cost recovery.

7. Have you thought about tiered rates rather than a set rate per AP? There are different registration rates across the CSAs depending on registration category. Why is CIRO charging the same rate for ID and MFD APs?

Registration activities are driven by changes in the AP count. Compared to IDs, MFD members have a higher AP count and require more regulatory activities. While this could justify a different AP rate for IDs vs. MFDs or tiered rates, this would also introduce unnecessary complexity and subjectivity.

During the Integrated Fee Model Public Comment process, we also received concerns that the per AP rate on MFD firms would create a significant barrier to entry. Comments expressed a potential adverse impact on the industry in the form of reduced access to advice. Tiered or different rates for ID and MFD APs would increase MFD AP rates and run counter with CIRO's Guiding Principles of practicality, consistency, sustainability, and serving the public interest. Accordingly, we chose to apply a unified rate between ID and MFD APs during the development of the Integrated Fee Model, and we intend to uphold this approach in the Proposed Amendment.

8. Are there other changes being contemplated to the Fee Model as a result of input received from the Integrated Fee Model proposal?

The current proposal would amend only the AP Fees Component of the Annual Fee. The objective of this proposal is to achieve full cost recovery as a result of the expanded registration delegation and assignment only, and ensure the additional fees are allocated in a proportionate and fair manner.

The Integrated Fee Model came into effect April 1, 2025; however, we are still in the early stage of adoption. Some Members may be making changes to their business models and/or operations to adapt to the Integrated Fee Model. Stability is required and it is too early to implement further changes and consider other methodologies within the Integrated Fee Model at this time. CIRO will continue to monitor for significant shifts in fee distribution and will ensure the Fee Model continues to meet the Guiding Principles.