

Who an independent financial advisor answers to

For an independent financial advisor who is licensed for life and health insurance, registered or approved to conduct investment activities through a sponsoring dealer, and provides financial planning across Ontario, Alberta, British Columbia, Saskatchewan and Manitoba.

An independent, dual-authorized advisor operates within overlapping statutory, regulatory, self-regulatory, contractual, corporate and professional accountability systems. The applicable obligation and oversight body depend on the activity, product, licence, registration or approval, province and legal entity involved. This overview focuses on Ontario, Alberta, British Columbia, Saskatchewan and Manitoba—the five provinces included in the A. Typical Financial case study.

ACCOUNTABILITY	SECURITIES · INVESTMENTS	INSURANCE · LIFE AND HEALTH	APPLIES TO BOTH
1 · Laws Statutes and rules with force of law.	Provincial securities legislation Applicable provincial securities legislation in Ontario, Alberta, British Columbia, Saskatchewan and Manitoba, including each province’s securities statute, regulations, rules and regulatory instruments. National instruments include NI 31-103, covering registration and ongoing registrant obligations, and NI 81-105, covering mutual fund sales practices.	Provincial insurance and distribution legislation Applicable provincial insurance and insurance-distribution legislation in Ontario, Alberta, British Columbia, Saskatchewan and Manitoba. This includes Ontario’s and Alberta’s Insurance Acts, British Columbia’s Financial Institutions Act and Insurance Act, Saskatchewan’s The Insurance Act, and Manitoba’s The Insurance Act, together with applicable regulations, rules, bylaws and regulatory guidance. These frameworks establish requirements for licensing, distribution, disclosure, market conduct and insurance contracts.	Federal and provincial laws Federal and provincial laws that may apply across the practice include the PCMLTFA and regulations; the Income Tax Act; PIPEDA and applicable provincial private-sector privacy laws, including Alberta’s and British Columbia’s PIPA; and Canada’s anti-spam legislation, CASL. As a corporation, employer, property owner, landlord and commercial tenant, the business may also be subject to applicable corporate-registration, employment, human-rights, occupational health and safety, workers’ compensation, accessibility, building, fire, municipal, property, commercial-leasing and tax requirements. Within the five-province case-study scope, Ontario’s Financial Planner and Financial Advisor title-protection framework is in force. Individuals using either title in Ontario must hold the applicable approved credential, subject to the governing requirements. Saskatchewan has enacted title-protection legislation, but its substantive framework is not yet in force.
2 · Government regulators Administer the laws and can investigate and sanction.	Provincial securities regulators The Ontario Securities Commission, Alberta Securities Commission, British Columbia Securities Commission, Financial and Consumer Affairs Authority of Saskatchewan, and Manitoba Securities Commission administer securities legislation in the five case-study provinces. They coordinate national rules and regulatory initiatives through the Canadian Securities Administrators and recognize or oversee CIRO within their respective jurisdictions.	Provincial insurance regulators Insurance oversight in the five case-study provinces involves FSRA in Ontario; Alberta’s Superintendent of Insurance and Alberta Insurance Council; BCFSa and the Insurance Council of British Columbia; Saskatchewan’s Superintendent of Insurance, FCAA and Insurance Councils of Saskatchewan; and Manitoba’s Financial Institutions Regulation Branch and Insurance Council of Manitoba. Their respective responsibilities include insurer supervision, intermediary licensing, market conduct, complaints and discipline. Canadian insurance regulators and intermediary-regulatory organizations coordinate nationally through CCIR and CISRO.	Federal and provincial agencies Other public bodies can include FINTRAC for anti-money laundering and anti-terrorist financing; the CRA for federal tax administration; federal and provincial privacy commissioners; the CRTC, Competition Bureau and Office of the Privacy Commissioner of Canada for their respective CASL mandates; and applicable corporate registries, employment and occupational health and safety authorities, workers’ compensation boards and municipal authorities.
3 · Self-regulatory and licensing bodies Exercise recognized or delegated authority to approve, register or license; establish and enforce requirements; examine or audit; investigate; and discipline within their respective mandates.	CIRO The Canadian Investment Regulatory Organization regulates investment dealer and mutual fund dealer members and their approved or registered individuals. It sets and enforces dealer rules, conducts compliance examinations and investigations, and holds disciplinary proceedings. The applicable provincial securities regulators retain their statutory authority.	Insurance licensing and disciplinary bodies FSRA licenses life and accident-and-sickness agents and corporate insurance agencies in Ontario. Insurance councils license and discipline insurance intermediaries within their mandates in British Columbia, Alberta, Saskatchewan and Manitoba. Licensing structures, corporate requirements, E&O requirements and continuing-education obligations vary by province and licence class.	Continuing education and E&O requirements CIRO rules and applicable insurance regulators or licensing bodies impose continuing-education requirements where applicable. Hours, content and cycles vary by registration category, licence and jurisdiction. E&O requirements also vary by licence, legal entity and jurisdiction.

Firm supervision and professional standards

ACCOUNTABILITY	SECURITIES · INVESTMENTS	INSURANCE · LIFE AND HEALTH	APPLIES TO BOTH
4 · Firm supervision The organizations, accountable officers and internal controls that supervise or oversee the advisor’s regulated activities and business obligations.	Sponsoring dealer A CIRO-regulated mutual fund dealer supervises the advisors’ securities activities in each province where they are registered or approved to act. Its Ultimate Designated Person, Chief Compliance Officer and designated supervisors oversee compliance, including account opening, KYC, KYP, suitability determinations, conflicts of interest, outside activities, trading supervision and complaint handling.	Insurers and MGAs Insurers remain accountable for appropriate oversight of their insurance distribution. Depending on the province and contractual structure, an MGA may perform delegated functions such as advisor contracting, screening, training, licence and E&O verification, monitoring, administration and file review. The individual advisor and, where applicable, the corporate insurance agency remain responsible for complying with applicable licensing, needs-based sales, suitability, disclosure, replacement and market-conduct requirements.	The financial advisor’s own business A. Typical Financial is an Ontario corporation and must complete extra-provincial corporate registration where required. Its insurance activities are conducted under the applicable individual licences and, where required, corporate insurance agency licences or registrations, insurer or MGA appointments, and designated agent, representative or nominee arrangements. Its securities activities are conducted by appropriately registered or approved individuals through the sponsoring mutual fund dealer; the advisor’s corporation should not be described as the registered dealer. The business must also maintain the policies, controls and records required for privacy, cybersecurity, employment, corporate operations and other applicable obligations. AML obligations apply where the individual or entity is a reporting entity under the PCMLTFA.
5 · Professional standards Credentials and codes a financial advisor chooses or a title requires.	Credentialing and professional bodies Relevant credentialing and professional bodies include FP Canada for the CFP and QAFP certifications; the Institute for Advanced Financial Education for the CLU and PFA designations; the Canadian Securities Institute for the PFP designation; and the Canadian Institute of Financial Planning for the RRC, RFRA, RRA and Chartered Financial Planner designations. Certain CIRO registration categories are also approved Financial Advisor credentials in Ontario.	Codes, continuing education and discipline Requirements depend on the credential or membership. Approved title-protection credentials must include professional standards, continuing education and credential-holder oversight. Advocis members are also subject to the Advocis Code of Professional Conduct and its disciplinary procedures.	Protected titles Ontario — An approved credential is required to use Financial Planner, Financial Advisor or a confusingly similar title. CIRO’s Mutual Fund Dealing Representative category is among the approved credentials for Financial Advisor title use. Saskatchewan — Title-protection legislation has been enacted, but its substantive framework is not yet in force. Alberta, British Columbia and Manitoba — No equivalent dedicated Financial Planner and Financial Advisor title-protection framework is included in this case study. Other restrictions arising from securities regulation, insurance regulation, credential ownership, misleading representations and firm policies continue to apply.

When a concern or loss arises

The appropriate route depends on the product, conduct, firm, province and remedy sought. Complaint resolution, regulatory reporting, civil proceedings and insolvency protection are separate processes.

Internal complaint Submit the complaint to the dealer or insurer and complete its internal complaint process.	External dispute resolution OBSI handles eligible investment complaints. A client may generally approach OBSI after receiving the dealer’s final response or after 90 days without one, and normally must do so within 180 days of the final response. OLHI handles eligible life and health insurance complaints within its mandate after the insurer’s internal process or applicable waiting period.	Regulatory report Investment conduct may be reported to CIRO and/or the applicable securities regulator. Insurance conduct may be reported to the applicable insurance regulator or licensing body. Regulatory discipline is separate from financial compensation.	Court or tribunal Civil or statutory remedies may be available. Limitation periods apply.	Insolvency protection CIPF provides limited protection for eligible client property missing because a CIRO member firm becomes insolvent. Assuris protects eligible policy benefits if a member life and health insurer fails. Neither compensates for unsuitable advice or ordinary market losses.
--	--	---	--	--

This overview is aligned to the fictional A. Typical Financial operating model in Ontario, Alberta, British Columbia, Saskatchewan and Manitoba. It is not an inventory of requirements in every Canadian province or territory.

Accuracy & updates

While we make every attempt to ensure the information in this resource is accurate, complete and current, errors or omissions may occur, and laws, regulations and industry requirements may change. The information is provided for general educational purposes and is not legal, regulatory or compliance advice. Requirements vary by activity, product, licence, province and legal entity. Verify applicable requirements with the relevant authority and seek qualified advice where appropriate.

If you notice a discrepancy or information that needs updating, please contact connect@canadianadvocacy.ca . Please identify the section, describe the discrepancy and include a supporting source or link, if available.

A typical practice providing holistic advice: A. Typical Financial

A composite independent practice built from research and findings and led by its principal and owner, Norm. It brings investments, insurance, group benefits, financial planning and banking relationships together for clients across Ontario, Alberta, British Columbia, Saskatchewan and Manitoba. It operates under the applicable licences, registrations, approvals and contractual arrangements in those five provinces. As a business, it is also an employer, owns and leases out commercial property in Ontario, and leases branch-office space in Alberta.



The structure

Every layer behind one client conversation.

1	Federal and provincial laws Corporate, tax, employment, human rights, privacy, AML, securities, insurance, property
2	Regulators and self-regulatory bodies CIRO, five provincial securities regulators, five insurance licensing bodies, FINTRAC, privacy commissioners
3	Licences, registrations, approvals and corporate authorizations across five provinces Per individual and legal entity, by licence, registration or approval category and jurisdiction, with separate renewal, continuing-education and regulatory-reporting cycles where applicable.
4	The business itself Employer in two provinces, building owner, landlord and tenant
5	Partners and contracts Dealer, two MGAs, 12 individual carriers, 4 group carriers, a TPA, an HSA provider, a portfolio management firm, specialty and travel insurers, three banks, vendors, landlord and tenant
6	Seven lines of business Each with its own rules, disclosures, oversight and complaint path
7	Systems and records 196 system access points and 989 individual user-access assignments managed across the team

Firm profile

STRUCTURE	An Ontario corporation, extra-provincially registered where required. Insurance activities are conducted under applicable individual licences and, where required, corporate insurance agency licences or registrations, appointments and designated responsible-person arrangements. Securities activities are conducted by appropriately registered or approved individuals through the sponsoring mutual fund dealer. Norm, the principal, and a second financial advisor own the corporation.
TEAM	Norm and one other financial advisor, one CFP professional, one licensed associate, and three client service and administrative staff.
OFFICES	Owns a commercial building in Ontario and leases the upper floor to a tenant. Leases branch-office premises in Calgary, Alberta.
OFFERS	Provides investment services through its sponsoring dealer and portfolio-management relationship; individual life insurance and living benefits; group benefits and savings; financial planning; banking-product relationships; travel insurance; and mortgage referrals. Each activity is conducted directly or by referral, as permitted by the applicable licence, registration, approval and contractual arrangement.
PARTNERS	A mutual fund dealer; two MGAs; 12 individual-insurance carriers; four direct group carriers; a third-party administrator; a health spending account provider; a registered portfolio-management firm; and three banks or banking partners.
OUTSIDE ACTIVITY	Norm sits on the board of a local community association.

The numbers

The scale of what one practice of seven people manages.

7 people on the team, including Norm and his co-owner	800 households	6,000 contacts
3,200 insurance policies	\$200M investment assets serviced through the firm’s dealer and portfolio-management relationships	75 group benefits clients
5,600 group plan members, about 75 employees per client	7 lines of business	5 provinces in which specified advisory, insurance or investment activities are conducted
60 licensing, registration, approval and related requirements identified in the fictional case-study table	196 system access points required across the fictional firm’s operating environment	989 individual user-access assignments managed across the team

A. Typical Financial is fictional, and all practice, client, policy, asset, requirement, system-access and user-access assignment counts are illustrative case-study assumptions rather than industry statistics.



Fostering shared knowledge and mutual understanding.

We create greater understanding between Canadians, financial professionals, industry stakeholders and decision-makers about the realities shaping financial lives and the delivery of financial advice in Canada, turning that understanding into informed participation, better advocacy and meaningful change.

Join the community, participate in feedback, validate learning resources. Send us an email to indicate your interest.

Get involved: connect@canadianadvocacy.ca