Conversation Preparation Guide

Your Name

Your CCO / Decision Maker

Meeting Date

This guide helps you prepare specific language, talking points, and responses to anticipated objections for your compliance conversation. These are frameworks to adapt, not scripts to read verbatim.

Key Principle Your compliance officer is not your adversary. They are a professional with legitimate regulatory accountability who needs specific information to make an informed decision. Frame this conversation as partnership, not persuasion.

How to Use This Component

Read the pre-populated frameworks (cream background), then write your adapted version in the fillable fields (white background). Complete at least the opening, your top 3 objection responses, and the closing for a prepared conversation.

If you have not completed the Framework (Component 01), consider starting there. It identifies your firm's approval landscape and your CCO's likely priorities.

Where This Fits

01 Framework — 03 Vendor Checklist — 02 Business Case

YOU ARE HERE

04 Conversation Prep — 05 Meeting Agenda

This guide helps you prepare for conversations about AI tool adoption at your firm. It does not constitute compliance or legal advice. Consult your firm's compliance department and legal counsel for guidance specific to your situation. Information in this kit reflects the regulatory landscape as of March 2026. Regulations and guidance are evolving.

Section 1 — Opening Framework

A — The Proactive Approach

"I've identified a tool that I believe addresses [specific need]. I've done a preliminary evaluation covering data handling, regulatory alignment, and security. I'd like to walk you through what I've found so we can assess it together."

B — The Shadow AI Formalisation

"I want to be transparent about something. I've been [describe current practice, e.g., using a tool informally for meeting notes] and I want to find a properly approved solution. I've evaluated a tool that I believe meets our compliance requirements and I'd like your assessment."

C — The Industry Context

"CIRO's recent compliance report flagged AI controls as an examination focus. I've been thinking about how we should approach this proactively, and I've put together an evaluation of a tool that could help us get ahead of it."

My chosen opening approach

- ○ A — Proactive
- ○ B — Shadow AI Formalisation
- ○ C — Industry Context
- ○ Custom

My customised opening

Adapt the framework above to your specific situation, tool, and words.

What I want to achieve in this conversation

- ☐ Get approval for a pilot
- ☐ Get approval for full adoption
- ☐ Get agreement to formally evaluate the tool
- ☐ Understand what compliance needs to see (exploratory)
- ☐ Formalise existing informal use

Tone Guidance

Prepared, not pushy. Thorough, not demanding. Collaborative, not adversarial. You are bringing a solution to a shared problem, not arguing your case against a gatekeeper.

Section 2 — Talking Points by Compliance Priority

Component 01 (Framework) — Match your talking points to your CCO's priorities. Reference your Framework to identify which priorities matter most at your firm.

Priority: Data Security

Pre-built talking points:

- *"The tool handles client data by [describe PII handling]. Here's the vendor's data flow documentation."*
- *"Client-identifying information is [removed locally / encrypted in transit / handled by X mechanism]."*
- *"The vendor uses [encryption type] for data in transit and [encryption type] for data at rest."*

My data security talking points:

Priority: Regulatory Compliance

Pre-built talking points:

- *"I've mapped the tool against PIPEDA requirements. Here's where it aligns."*
- *"CSA Staff Notice 11-348 takes a technology-neutral approach. The tool supports compliance by [describe how]."*
- *"The tool supports human-in-the-loop review, aligning with CSA's recommendation for AI oversight."*

My regulatory compliance talking points:

Priority: Supervisory Requirements

Pre-built talking points:

- *"Tool outputs can be exported in [format] for compliance review."*
- *"The tool maintains an audit trail that shows [what inputs generated what outputs]."*
- *"Outputs can be retained for 7+ years through [in-tool retention / export to DMS]."*

My supervisory talking points:

Priority: Operational Risk

Pre-built talking points:
- *"I would always review outputs before using them with clients. This is a drafting tool, not autonomous."*
- *"If the tool is unavailable, my fallback is [describe existing process]."*
- *"The vendor has been operating for [X years], serves [X clients]. SLA guarantees [uptime %]."*

My operational risk talking points:

Section 3 — Anticipated Objections & Responses

Component 01 (Framework), Section 5 — Reference objections specific to your firm.

These are the objections Canadian financial advisors most commonly encounter. Prepare your response for each one relevant to your situation.

"We don't allow AI tools"

Why they say this: *Often a reflexive response rather than a policy position. They may not have considered the distinction between consumer AI (ChatGPT on a personal phone) and purpose-built professional tools designed for regulated industries.*

Response framework: *[Acknowledge] I understand the concern. [Reframe] Can I ask whether that applies to all AI-assisted tools, including ones designed specifically for compliance in regulated industries? [Bridge] I've evaluated a tool built to address exactly the concerns that make consumer AI inappropriate for our work.*

My adapted response:

"What about data security and cross-border issues?"

Why they say this: *The most legitimate and most common concern. Data residency for AI processing is genuinely complex. Cross-border data transfer under PIPEDA is permissible with appropriate safeguards, but compliance officers rightly want specifics.*

Response framework: *[Lead with specifics] Here's the vendor's data flow. [Address PII directly] Client-identifying information is [handled how]. [Reference PIPEDA] Cross-border transfers are permissible with [safeguards]. [Offer documentation] I have the full vendor data handling documentation here.*

Section 3 — continued

Attention
Be precise about what crosses borders and what does not. Distinguish data at rest from data in transit from processing/inference. If PII is removed before transmission, lead with that. Do NOT overclaim data residency.

My adapted response:

"The regulatory landscape is too uncertain"

Why they say this: *Partially valid. The Canadian AI regulatory framework is evolving. But "waiting for certainty" has costs: shadow AI risk compounds, competitors adopt, and CIRO has signalled it will examine AI controls.*

Response framework: *[Validate] The landscape IS evolving. [Reframe with CSA] CSA Staff Notice 11-348 confirmed existing securities laws are technology-neutral—they already apply. [Add CIRO context] CIRO's February 2026 Compliance Report signals examination of AI controls. [Propose pilot] A structured pilot lets us get experience under controlled conditions rather than waiting indefinitely.*

My adapted response:

"We should wait and see what other firms do"

Response framework: *[Acknowledge pragmatism] There's wisdom in not being first. [Provide context] Some firms are already moving. [Frame the cost of waiting] While we wait, advisors may be using personal AI tools without controls. CIRO will not wait to examine us. [Propose middle ground] A controlled pilot gives us experience without full commitment.*

My adapted response:

"What if the tool produces inaccurate output?"

Response framework: *[Acknowledge the risk] AI tools do make errors—that is why human review is essential. [Describe the workflow] I would always review and edit any output before using it. Think of this as a first draft, not a final product. [Reference CSA] This aligns with CSA's recommendation for human-in-the-loop oversight. [Quantify the alternative] Manual documentation under time pressure also produces errors, but without the efficiency gain.*

My adapted response:

Section 3 — continued

"This seems like it's just for your benefit, not the firm's"

Response framework: *[Reframe to firm benefit] Better documentation quality protects the firm in examinations. Reduced shadow AI risk protects the firm's compliance posture. [Quality angle] Clients benefit from improved follow-up quality. [Scalability] If this works for me, it could benefit other advisors at the firm.*

My adapted response:

Going Deeper:

Use these fields for objections specific to your firm or situation that are not covered above. Cross-reference your Framework (Component 01, Section 5) for firm-specific objections.

Custom objection:

My response:

Custom objection:

My response:

Custom objection:

My response:

Section 4 — The Shadow AI Conversation

Going Deeper:

If you or colleagues are currently using AI tools without formal approval, this section helps you frame that reality constructively. This is the most sensitive part of the conversation. How you handle it determines whether compliance sees you as part of the problem or part of the solution.

Is shadow AI relevant to your situation?

- Yes, I am using AI informally
- Yes, I know colleagues who are
- No, this is purely proactive
- Prefer not to address

If disclosing personal use:

[Own it without drama] "I want to be transparent. I've been using [tool/approach] for [purpose] because [it saves X hours / improves quality / there is no approved alternative]." [Frame constructively] "I recognise this is not ideal, which is exactly why I'm here with a formal proposal." [Redirect to solution] "I'd rather formalise this under our firm's oversight than continue informally."

If raising it as a firm-wide concern:

[Name the reality] "Based on industry data, most advisory firms have advisors using personal AI tools informally. CIRO's 2026 report signals they will examine AI controls." [Redirect to solution] "A formal evaluation process protects the firm. This proposal is a starting point."

My approach:

Caution Do not name specific colleagues. Do not frame shadow AI as "everyone is doing it." Frame it as an industry reality that your firm can proactively address. Your tone should be constructive, not defensive or accusatory.

Section 5 — Closing & Next Steps Language

A — Seeking Approval

"Based on my evaluation, I believe [tool] meets our compliance requirements. I'm requesting [specific ask: pilot approval, formal review, meeting with broader team]. What else would you need to see?"

B — Seeking Further Evaluation

"I'd like to suggest we formally evaluate this tool. I've done the initial assessment and put together the documentation. Here's what I'd recommend as next steps: [proposed evaluation process]."

C — Exploring

"I wanted to raise this proactively before CIRO's examination focus makes it urgent. What would a formal AI tool evaluation process look like at our firm?"

My closing

Specific ask for this meeting
I am asking for:

If They Say No

A "no" is information, not defeat. Ask: "What would need to change for you to consider this in the future?" and "Is there additional evidence I can provide?" Document their specific concerns. These become your preparation forthenext conversation.

If They Say "Maybe" or "Let Me Think About It"

Agree on a specific follow-up date. Ask: "What additional information would help you make a decision?" Offer to provide anything identified. Send a brief follow-up email summarising the conversation and agreed next steps.

Going Deeper:

Follow-up actions
Notes on what to do after the conversation.