

## Continuing Education - Frequently Asked Questions

### 1. What are the course requirements?

The CE Program operates on three-year cycles. All Approved Persons are on the same schedule: the first cycle began on January 1, 2000. Individuals are required to participate after their third year following IIROC approval.

Individuals who are approved by IIROC must complete either a 12-hour Compliance course and/or a 30-hour Professional Development course during each three-year cycle, depending on their Approval Category. Please consult the CE Requirements by Approval Category in order to determine your CE requirements.

A course can be a single course or a series of pertinent courses, seminars, presentations, webcasts or programs to meet the minimum time/content requirement.

### 2. How do the cycles work?

The first three-year cycle began on January 1, 2000. Each cycle runs for three years.

### 3. Is there any grandfathering?

There is no grandfathering for Compliance courses. For Professional Development courses, there is a limited form of "grandfathering", as follows: Those who have been continuously registered in a trading category with a Self-Regulatory Organization (i.e.: IIROC, the TSE, the ME, ASE or VSE), from January 1, 1990 or earlier, will not be required to take Professional Development courses. However, they must still complete a Compliance course during every three-year cycle.

### 4. I have been in the securities industry for many years. Do I qualify as being continuously approved and am I eligible for the grandfathering from the Professional Development requirement?

To qualify for grandfathering (i.e. an exemption from the Professional Development requirement), you must have been approved in a trading capacity by a Self-Regulatory Organization, prior to January 1, 1990, and must have been approved continuously since that time – that is, any gaps in approval between transferring from one brokerage firm to another, must have been no longer than two months.

If you were licensed after January 1, 2000 your Professional Development course requirement does not change no matter what your length of service. The grandfathering provision was a one-time offering.

**5. If I have just started to work in the securities industry, when will I be required to start taking CE courses?**

You will start taking courses three years after your initial date of approval in the applicable category. If the third anniversary of your initial approval falls within the first year of a cycle, your CE requirement begins in that cycle. If it falls within the second or third year of a cycle, your CE requirement begins during the following cycle, as illustrated in the following table:

An Approved Person first approved in the year:	Starts CE in this Cycle
2001	Cycle 3: 1/Jan/2006 to 31/Dec/2008
2002	Cycle 3: 1/Jan/2006 to 31/Dec/2008
2003	Cycle 3: 1/Jan/2006 to 31/Dec/2008
2004	Cycle 4: 1/Jan/2009 to 31/Dec/2011
2005	Cycle 4: 1/Jan/2009 to 31/Dec/2011
2006	Cycle 4: 1/Jan/2009 to 31/Dec/2011
2007	Cycle 5: 1/Jan/2012 to 31/Dec/2014
2008	Cycle 5: 1/Jan/2012 to 31/Dec/2014
2009	Cycle 5: 1/Jan/2012 to 31/Dec/2014
2010	Cycle 6: 1/Jan/2015 to 31/Dec/2017
2011	Cycle 6: 1/Jan/2015 to 31/Dec/2017
2012	Cycle 6: 1/Jan/2015 to 31/Dec/2017
2013	Cycle 7: 1/Jan/2018 to 31/Dec/2020
2014	Cycle 7: 1/Jan/2018 to 31/Dec/2020
2015	Cycle 7: 1/Jan/2018 to 31/Dec/2020

**6. I have been out of the industry, and have recently been re-approved. When am I required to enter CE?**

Individuals who were approved more than three years ago (i.e. have written their basic proficiencies three years ago or more) do not qualify for the three-year exemption that newly Approved Persons are entitled to. Individuals returning to the industry will be required to complete their CE requirements in the present cycle. If you find you do not have sufficient time left in the cycle to meet your CE requirements, you may request a Hardship Extension. Please see question #27 for further details.

Individuals who are required to re-write basic proficiency requirements (CSC and CPH) in order to re-qualify for IIROC approval, may apply these two courses towards the CE requirements for the cycle in which they were re-written.

Please note that individuals who have previously been grandfathered from the Professional Development requirement under Rule 2900, Part III, C.2, who become re-approved after a gap of more than three years, are no longer exempted from the Professional Development requirement. These individuals will be required to complete the CE requirement as per their approval category. An exception will be made for individuals who were previously grandfathered from the Professional Development requirement who voluntarily participate in the IIROC's CE program during the gap in approval. These individuals will not be required to re-write the CSC and CPH, and will maintain the grandfathering from the Professional Development requirement when they become re-approved. See Question # 18 for details on Voluntary Participation.

**7. Does the course used to complete IIROC's post licensing requirement count towards CE?**

- (i) If you are approved in a capacity that does not require the post-licensing requirement (currently the Wealth Management Essentials Course (WME), or prior to July 4, 2006 the Professional Financial Planning Course (PFPC) or Investment Management Techniques Course (IMT)), such as an IR, and subsequently upgrade to RR, you may use the same course to fulfill the Professional Development requirement of CE, as well as the 30-month post-licensing requirement.
- (ii) If you are an RR who has used this course to satisfy the 30-month post licensing requirement of IIROC Rule 2900 Part I Section 3(b), you may not use the same course to fulfill the Professional Development requirement of CE.

**8. I have just changed categories. What are my CE requirements?**

***For changes from a category that required Compliance only, to a category requiring both Compliance and Professional Development:***

If the change of category occurs in year one of a CE Cycle, the requirements are for the new position (For example, if you are upgrading from IR to RR, you must complete CE requirements for the new RR position). Similarly, individuals previously approved as a non-trading Executive who change to a supervisory

position are required to complete CE requirements for the new position.

If the upgrade occurs in years two or three, the requirements are based on your previous position (in the above case, the IR requirement). The requirements for the new position begin in the following cycle.

***For changes from a category that required both Compliance and Professional Development to a category requiring Compliance only,***

The requirements are based on your category in year three of the Cycle. However, any change back to a category requiring both Compliance and Professional Development courses will return you to the full CE requirement immediately. If such a change occurs too close to the end of the cycle to permit completion of the requirement, your firm will have to seek a hardship extension for you. Similarly, any change back to a category requiring both Compliance and Professional Development CE in the first year of the next cycle will require an explanation from your firm of the category changes sufficient to satisfy IIROC Staff that the category changes were not done in an effort to avoid completion of a CE requirement.

**9. What kinds of courses can I take to satisfy my CE course requirements?**

There is considerable flexibility built into the program. IIROC Rule 2900, Part III includes guidelines of acceptable continuing education course content, length and rigour. Your firm will determine courses eligible under the Members CE program based on these guidelines. Please see [Course Guidelines](#) to determine course eligibility.

In addition certain courses have been reviewed and accredited for IIROC's CE Program:

- Courses accredited by IIROC's official accreditation process. The full list is available on <http://cecap.ca/cy4//en/#>
- Seminars, presentations and conferences offered by IIROC. The full list is available at:  
<http://www.IIROC.ca/English/MemberResources/ContinuingEducation/Pages/CECredits.aspx>

It is important to be sure that the course you are interested in satisfies the guidelines issued by IIROC. Once you provide your firm with the necessary information, your firm will decide on its eligibility as a CE course.

Alternatively, your firm may request that the course provider submit the course for official accreditation through IIROC's official accreditation process (CECAP).

**10. I received a brochure for a course or seminar which implies the course meets CE Requirements. Can I assume that completion of this course or seminar will meet IIROC CE requirements?**

There are many designations and licenses that require CE credits. However, a course which meets CE credits, may not necessarily meet IIROC CE credits.

Each member firm is responsible for designating an individual to review courses and seminars to ensure they meet the Guidelines set out in Rule 2900, Part III, and are appropriate to the individual, his or her position and responsibilities, and to the needs of the firm.

Please consult with the individual at your firm to ensure that the course or seminar you plan to take is eligible for IIROC CE Credits.

#### **11. Do Prep Courses or Road Shows count for CE?**

Prep courses on their own do not count. However, if the individual successfully completes the applicable course for which the prep course was taken, the hours spent on the prep course can be added to the hours of the applicable course towards the CE requirement. The Prep course must be counted towards the same requirement (Compliance or Professional Development) as the applicable course and must be counted in the same CE Cycle.

Purely promotional road shows, such as the launch of particular products or services, are not acceptable for CE.

However, if the presentation and/or road show is inclusive of some educational element regarding the general product group that is relevant to your type of business and enables you to provide a better and more informed service and/or advice to your clients, it can be considered acceptable, as long as your Member Firm determines that it is acceptable for CE.

The CECAP Process uses the following guidelines to assess the portion of a road show that is applicable:

*The particular product portion of the presentation is granted 50% of the actual time while the general education portion will be granted full time (i.e. a two-hour session with one hour of general education and one hour issuer-specific product can be granted up to 1 ½ hours of CE). It is advisable in such cases to provide a brief explanation of why the presentation and/or road show should be counted as CE for your firm's records.*

#### **12. What if I do more than one qualified course during a cycle? Will I get credit for the second course?**

A second course that is 30 hours or greater may be carried forward to satisfy the Professional Development requirement of the next cycle.

In addition, if you do a multi-year course like the Chartered Financial Analyst course or two qualifying Professional Development courses, you can carry credits forward a maximum of one cycle.

No carry forwards are allowed for the Compliance course.

**13. I have 14 hours of Compliance, and need 2 hours of Professional Development. Since some courses can be counted for either, can I transfer the extra hours?**

No. The 12 hours for Compliance and 30 hours for Professional Development are the recommended minimum amount of hours a course should take.

Courses that qualify for both Compliance and Professional Development are to be applied in whole to the CE category of your choice. It is not meant to imply that credit in excess of the minimum number of hours required can be transferred to the other requirement.

**14. If I take a course during my first three years of approval, before I am required to participate in CE, can I carry that course forward to meet the requirement of my first CE Cycle?**

A course that meets 30 hours or more of the Professional Development requirement that is taken during a newly approved individual's first three years of approval can be carried forward to apply to that individual's first CE Cycle. The exception to this is the WME when this course is used to satisfy the 30-month post-licensing requirement.

**15. I am also registered in the U.S. and participate in the U.S. CE program. Can I apply these US courses, or any foreign courses, to meet IIROC's CE requirements?**

The Compliance portion of any foreign CE or securities licensing course can be used to satisfy up to 1/3 (i.e. 4 hours) of the 12 hour Compliance portion of IIROC's CE requirement. The Professional Development portion of the foreign course can be used to satisfy some or all of the 30 hour Professional Development portion of IIROC's CE requirement, provided the course(s) relate(s) to the business you are engaged in.

The Chartered Financial Analyst courses offered through the CFA Institute contain relevant material. Each level can be used to satisfy both the Professional Development requirement for a cycle and the 1/3 of the Compliance requirement that can be devoted to US or other foreign material.

**16. If an employee sits on an advisory committee or council of the IIROC, does he/she receive CE credits for participating in meetings?**

If an individual sits on an advisory committee or council that deals with relevant issues, the member firm may decide that the time is applicable to the CE Compliance component. The time cannot be applied towards the Professional Development component. The onus is on the individual Approved Person to provide sufficient documentation to enable the member firm to validate IIROC's qualification for CE.

**17. If an employee teaches a financial course, does he/she receive CE credits for this?**

If an individual is teaching a course which deals with relevant issues, the

member firm may decide that the time is applicable to the relevant CE component. The applicable time may include the preparation time, in addition to the time spent in the classroom. Please note that the same course may be applied towards CE only once in the individual's career. The onus is on the individual Approved Person to provide sufficient documentation to enable the member firm to validate IIROC's qualification for CE.

#### **18. Does participation in CE keep my CSC and CPH valid?**

Individuals may extend the validity periods of the CSC and CPH by successfully completing courses recognized by IIROC as meeting the requirements of the Program. This is known as **Voluntary Participation** in CE.

A list of CE-eligible courses that are also eligible for Voluntary participation is available through IIROC's web site.

[http://www.iroc.ca/English/MemberResources/ContinuingEducation/Documents/CoursesRecognizedVoluntaryParticipation\\_en.pdf](http://www.iroc.ca/English/MemberResources/ContinuingEducation/Documents/CoursesRecognizedVoluntaryParticipation_en.pdf)

Please note:

- The CSC and CPH are the only courses which can automatically be kept valid through voluntary participation in CE.
- The course that you wish to keep valid (CSC or CPH), must have been successfully passed within the three years prior to the start of the CE Cycle.
- Both the Compliance and the Professional Development portions of CE must be completed to keep the CSC and/or the CPH valid and cannot be carried forward from a previous cycle.
- Courses counting as Voluntary Participation cannot be carried forward from the previous cycle.
- If you have taken more than the required amount of Professional Development courses during the voluntary participation period, you may carry one of these courses forward to count as CE once you are re-registered. Compliance courses may not be carried forward.

This extends to:

(i) Approved Persons who left the industry within the three years prior to the start of the current cycle

(ii) Individuals who have never been approved by IIROC, who successfully passed the course within the three years prior to the start of the current cycle

Please also refer to [MR Notice 323](#) and [MR Notice 376](#) for further details on Voluntary Participation.

#### **19. How long will Voluntary Participation keep my courses valid?**

Voluntary participation in CE will keep the CSC and CPH valid until the end of the first year of the next cycle. You may continue to participate in each CE cycle to extend the validity of your courses indefinitely.

To qualify for this automatic exemption, you must provide proof of passing to your firm of the courses used to fulfill the Professional Development and the Compliance portion of CE. Your firm will report this to IIROC at the time of your application for approval.

**20. How much time should I expect to spend on continuing education?**

The Compliance requirement will require a minimum of 12 hours and the Professional Development requirement a minimum of 30 hours within each three-year cycle.

**21. What happens if I change firms in the middle of a CE cycle?**

Courses completed and provided with credits from the previous firm may be accepted by your new firm. Your new firm may require proof of successful completion of those credits from the previous firm, so you should retain any status reports or other proof of completion(s) that they provide. The onus is on the individual Approved Person to provide the required documentation.

If you have not completed a course and change firms, it is advisable that you contact the new firm's CE Administrator to confirm acceptability. If however the uncompleted course was an internal program offered only to employees, it is unlikely your new firm will recognize the credits.

**22. How do I report course completions?**

It is up to you to tell your firm when you have completed your course(s). You do not have to advise IIROC, your firm will do that through IIROC's Online CE Reporting System. Member firms are required to report completions on a monthly basis to IIROC; therefore, it is important to submit your proof in a timely manner.

**23. If a representative is audited for CE, will the auditor contact the company or the individual directly? Do representatives need to maintain copies of CE that have already been forwarded to their Head Office?**

Member Firms are audited – not individual representatives. It is however recommended that you keep copies of your CE records.

**24. What happens if I don't complete my CE requirements on time?**

If you have not completed your required courses by December 31st of the third year of a cycle, your firm will be assessed a \$500 fine.

You will be placed under mandatory supervision if you have not completed the required compliance course.

For each subsequent month of non-completion, a \$500 fine will be levied.

If non-completion continues for 6 months, the monthly fine ceases and your license will be suspended until you have completed the required courses.

Please also refer to Item 27 for the procedures for requesting a Hardship

extension.

**25. Do I pay the fines or does my firm?**

The fines are levied against your firm, but your firm may choose to collect them from you.

**26. What can I do to have my license reinstated? Can I begin my course work immediately?**

You can start on your courses immediately. You will be reinstated shortly after your firm reports completion to IIROC.

**27. What if I can't fulfill my CE requirements due to illness or what if I am currently on long term disability? Can I get a deferral?**

The Rule permits the relevant District Council to grant a hardship extension or exemption from the requirement to fulfill the course requirements under the following circumstances:

1. Your firm may seek a hardship extension from the requirement to complete the course requirements within a three-year cycle if you are unable to complete the requirements due to an illness, or,
2. Your firm may seek a hardship exemption from the requirement to complete the course requirements if you are on leave for an indefinite period.

In both circumstances a request for a hardship extension and/or exemption must be filed via NRD.

If the request is from completing the requirements within a three-year cycle, the request must specify (a) the reason for the hardship and (b) a proposed date by which the requirements will be completed. If granted the extension, you will be required to complete the CE requirements for the current cycle by the agreed upon date.

If the request is from completing the requirements indefinitely, the request must specify that the leave is for an indefinite period, and outlining the reasons for the request. If granted the hardship exemption, upon your return to the industry, you may be required to re-write the CSC and CPH. Please refer to IIROC Rule 2900, Part III, L.3 (c) for further details.

There is no fee for processing these requests.

**28. How does a Dealer Member file a CE Hardship Exemption or Extension for a registrant who is unable to complete their CE requirement(s) in a cycle?**

Dealer members are to submit a CE Hardship Exemption or Extension via the *Apply for an Exemption* submission in NRD. As there are no fees associated with such requests, and considering NRD is programmed to automatically pull a fee of \$250 for an exemption, IIROC will accept that the firm links the Exemption submission to a previous submission filed for that individual. It does not matter

the type of submission, the firm can pick any submission filed in the past for that registrant. In the event the Dealer Member omits to link the Exemption submission to another submission to avoid the fees being pulled, an NRD – Request for Refund Form ([www.nrd-info.ca](http://www.nrd-info.ca)) will need to be completed and sent to the applicable IIROC office.

**29. Do Chief Financial Officers (CFO) have CE requirements?**

Yes, if the individual is approved as a Trading Executive. A CFO who is approved as an Executive (Non-Trading) has no CE requirements.

**30. Does the Chief Financial Officer's Qualifying Examination Course administered by the CSI, qualify for CE?**

Yes, the Chief Financial Officer's Qualifying Examination Course will satisfy either the 12 hour compliance requirement or the 30 hour Professional Development requirement, and cannot be applied towards both.

**31. Does the Chief Compliance Officer's Qualifying Examination Course administered by the CSI, qualify for CE?**

Yes, the Chief Compliance Officer's Qualifying Examination Course will satisfy either the 12 hour compliance requirement or the 30 hour Professional Development requirement, and cannot be applied towards both.