



MEMBER REGULATION

notice



ATTENTION:
Ultimate Designated Persons
Chief Financial Officers
Panel Auditors

Please distribute internally to:
Registration
Training

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MR0404

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Post-licensing Requirement / Wealth Management Essentials Course

As announced in IDA Bulletin 3557, effective July 4, 2006 the *Wealth Management Essentials* course ("WME") replaces the CSI's *Professional Financial Planning* course ("PFPC") and the *Investment Management Techniques* course ("IMT") as the course required to fulfill the 30-month post approval requirement mandated in Policy 6, Part I, section 3(c).

Currently Approved Individuals

Individuals who are currently approved in the category of Registered Representative (Retail) ("RRs") as of the July 4, 2006 effective date, who have not yet completed the post-licensing requirement and who enrolled in the PFPC or IMT prior to July 4, 2006 may complete either the course in which they are enrolled or the WME to fulfill their post-licensing requirement. Before reporting completion of the requirement through passing the PFPC or IMT, Member firms must ensure the enrolment date is prior to July 4, 2006 and retain proof of enrolment date on file. Proof of enrolment date can be found on the Proof of Completion provided by the CSI. Individuals in this situation who fail to complete the PFPC or IMT within two years of course enrolment must complete the WME to satisfy the post-licensing requirement. The IDA may require proof of PFPC/IMT enrolment date to be submitted for review.

Individuals who are not yet approved:

Individuals who have not yet received approval but who enrolled in either the PFPC or IMT prior to July 4, 2006, will be able to use the enrolled course to fulfill the 30 month requirement, provided they are able to complete the course within two years of enrolment.

Individuals who have not yet received approval but who have completed either the PFPC or IMT prior to July 4, 2006, will be able to use it to fulfill the 30 month requirement if they become approved as Registered Representatives within two years of completion.

CFA Designation

RRs approved prior to the WME July 4, 2006 effective date who have completed all three levels of the Chartered Financial Analyst course within two years of RR approval, or who are enrolled in the CFA and are able to complete all three levels prior to their 30 month requirement due date, will continue to be exempted from the IDA's post licensing requirement as per IDA Policy 6, Part II. Ontario registrants must continue to file an exemption request for consideration under OSC Rule 31-502.

CFA designates (with designation in good standing) or individuals seeking RR approval within two years of completing all three levels of the CFA, who are approved on or after July 4, 2006 will be given advance standing by the CSI with regards to the investment management module of the WME. They will still have to complete the WME by completing the other two modules.

Alternate Courses

The IDA will support requests for exemptions from the 30 month post-licensing requirement for RRs approved prior to the WME effective date who have completed either of the following, or are enrolled prior to July 4, 2006 and able to complete either prior to their 30-month post-licensing deadline:

- The Certified Financial Planning designation and exam (with designation in good standing)
- The *Personal Financial Planning Program* administered by the Institute of Canadian Bankers in the past 2 year period.
- The *Financial Planner Designation* administered by the Quebec Institute of Financial Planning in the past 3 year period.

Please refer to the amended version of Policy 6, Part II, Sections B10 and B11 for the policies regarding exemptions from the WME for individuals completing the following courses:

- Portfolio Management Techniques Course
- Wealth Management Techniques

Suspensions

Please note that RRs who fail to complete the post-licensing requirement within 30 months of initial approval will be suspended automatically under By-law 18.4

PM / APM Proficiency Requirements

The change to the IDA's post licensing requirement does not introduce any changes to the proficiency requirements for portfolio managers and associate portfolio managers as specified in Policy 6, Part 1. However, individuals who have completed the WME will be able to take a top-up course to complete the IMT before going on to the Portfolio Management Techniques course.

OSC Rule 31-502

In Ontario, the IMT or PFPC post-licensing requirement is included in OSC Rule 31-502. The OSC will be changing or repealing that portion of the rule to eliminate any discrepancy between IDA and OSC requirements.

Until that process is completed, anyone seeking to use the WME to fulfill his or her 30-month requirement under Rule 31-502 will need to obtain an OSC exemption. OSC Staff have

indicated that they will look favourably on applications for waiver of the exemption fee in such cases. This will only affect those who have not enrolled in either the PFPC or IMT as of July 4, 2006 (and who therefore have to use the WME to fulfill their post-registration requirement) and whose completion deadline falls before the OSC changes Rule 31-502. The exemption applications must state that the firm is seeking an exemption from the OSC's post licensing requirement under 31-502, and should contain a statement requesting a waiver of the exemption fee.

To enrol in the WME, please contact the CSI directly (www.csi.ca).