



# CE Transformation Release Summary of Enhancements under Consideration

## OVERVIEW OF PROGRAM ENHANCEMENTS

1. Communicate regulatory developments in a timely manner via Regulatory Element.
2. Improve coordination between firm and regulatory training programs.
3. Incorporate diverse instructional formats to facilitate learning.
4. Identify and reduce redundancy in training programs.
5. Ensure all registered persons receive adequate training.
6. Enable previously registered individuals to maintain their qualifications while out of the industry.
7. Consider more defined minimum standards of CE for the industry.

### I. REGULATORY ELEMENT

#### *Purpose*

Help registered representatives understand new and changing rules. Provide education on significant regulatory issues facing the industry.

#### *Proposed Changes*

1. Increase relevance of content for individuals (based on their registrations)
2. Improved Timeliness in delivery of regulatory changes
  - Annual training vs. every three years
  - Cost = 1/3 of current \$55 fee
  - Time = 1/3 of current time required to complete training
3. Enhancements to systems (FINRA CRD)
  - Improve availability of information to firms via reporting, data access, and delivery of automated notifications
  - Substantial time savings for firms with a notable number of RRs due to automated notifications sent as windows open and at varying intervals
  - Firms may “opt-in / opt-out” to receipt of notifications
  - Firm made aware of CE notices sent to RRs – frequency / format up to the firm
4. Stronger synergies with Firm Element
  - Reduce duplication of content between Regulatory and Firm Element
  - Content in following year’s Regulatory Element would be provided to firms so they could tailor their Firm Element training program

### II. FIRM ELEMENT

#### *Purpose*

Firms provide training to address firm policies, products, services, strategies, and industry trends to registered individuals.

#### *Request for Feedback*

1. Guidance and resources –
  - Value / usefulness of annual Firm Element Advisory (FEA)?
2. Characteristics of a firm’s Firm Element program –
  - Types of training, format for delivery, use of third-party courses?
  - Are conferences, seminars, etc. used?
3. Appropriate amounts of Firm Element content –
  - Minimum threshold requirement similar to other professions?
4. Coordination of training and identifying redundancy –
  - Other professional credentialing programs?
  - Reciprocity between programs when CE completed?
5. Access to Firm Element content –
  - Do firms develop internally or rely on third-party vendors or SROs?
  - Value / helpfulness to firms of creating a centralized content catalogue course options from SROs, third-party vendors, and others?
6. See “Summary of Enhancements Under Consideration” for comprehensive list of questions

### III. MAINTAINING QUALIFICATIONS POST-TERMINATION

#### *Purpose*

Allow previously registered individuals to maintain their qualifications beyond the current two-year period.

#### *Proposed Changes*

1. Regulatory Element and
2. Equivalent of Firm Element each year so they would not have to requalify by examination upon reentering the industry
  - Align requirement with the FSAWP - registered for five years within previous 10 years and entirety if most current year