



# Investment Adviser Representative Continuing Education Program Handbook



**March 2024**

protecting investors for over 100 years

---

# TABLE OF CONTENTS

---

<b>INTRODUCTION</b> .....	<b>3</b>
<b>PROVIDERS</b> .....	<b>4</b>
<b>Requirements for Providers</b> .....	<b>4</b>
<b>Provider Criteria</b> .....	<b>5</b>
1. Experience .....	5
2. Program Management .....	5
3. Curriculum .....	5
4. Program Improvement .....	6
5. Conflict of Interest.....	6
6. Qualified Instructor(s) .....	6
7. Environment and Infrastructure .....	6
8. Registration and Attendance .....	6
<b>Application Process</b> .....	<b>7</b>
<b>Provisional and Provider Status</b> .....	<b>8</b>
<b>INSTRUCTORS</b> .....	<b>9</b>
<b>Requirements for Instructors</b> .....	<b>9</b>
<b>Courses that Require Instructors</b> .....	<b>10</b>
<b>Instructor Criteria</b> .....	<b>10</b>
1. Content Expertise .....	10
2. Facilitation Skills .....	10
3. Answering Questions.....	11
4. Enhancing Skills .....	11
<b>Application Process</b> .....	<b>12</b>
<b>Provisional and Instructor Status</b> .....	<b>13</b>
<b>COURSES</b> .....	<b>14</b>
<b>Requirements for Courses</b> .....	<b>14</b>
<b>Qualifying Subject Matter</b> .....	<b>16</b>
<b>Course Criteria</b> .....	<b>18</b>
1. Title, Description, and Dates Offered .....	18
2. Objectives .....	18
3. Level of Difficulty.....	18
4. Method of Instruction .....	18
5. Assessments .....	19
6. Duration, Credits, and Outline .....	21

7. Qualified Instructor(s) .....	22
8. Registration, Evaluation, and Reporting .....	22
9. Participant and Assessment Security .....	24
<b>Application Process .....</b>	<b>24</b>
<b>Modifying Approved Courses .....</b>	<b>26</b>
<b>Renewal and Retirement .....</b>	<b>27</b>
<b>APPEALS PROCESS .....</b>	<b>32</b>
<b>AUDITS .....</b>	<b>33</b>
<b>CONTACT INFORMATION .....</b>	<b>37</b>
<b>NONCOMPLIANCE/NONPERFORMANCE .....</b>	<b>38</b>
<b>PROCESS FOR A “STATUS PENDING” DECISION .....</b>	<b>44</b>
<b>APPENDIX A: THE MODEL RULE .....</b>	<b>45</b>
<b>APPENDIX B: OBJECTIVE WRITING GUIDE .....</b>	<b>48</b>
<b>APPENDIX C: ASSESSMENT GUIDELINES .....</b>	<b>49</b>
<b>APPENDIX D: SAMPLE COURSE OUTLINES.....</b>	<b>50</b>
<b>APPENDIX E: MEDIATION AND APPEAL WORKFLOW .....</b>	<b>55</b>

---

# INTRODUCTION

---

Investment adviser representatives (IARs) play an important role in the financial lives of millions of Americans by providing advice on important financial decisions. NASAA's Investment Adviser Representative Continuing Education (IAR CE) Committee conducted substantial outreach efforts and considered comments from regulators and the securities industry in developing a model rule (*see Appendix A*) that requires IARs to complete annual continuing education. This Program Handbook lays out the guidelines for providing IAR CE course content to fulfill this requirement.

---

# PROVIDERS

---

## Requirements for Providers

Professionals who are applying to operate as IAR CE Course Providers are expected to meet the following requirements:

- Course Providers will operate in good standing free from sanctions.
- Course Providers will have experience delivering continuing education or compliance services or working in the securities industry or regulation of the securities industry.
- Course Providers will evaluate course satisfaction and assess IAR participant competency on the course content.
  - All courses will include a satisfaction survey.
  - Survey results will be provided to the IAR CE Evaluation Team upon request.
  - All courses will include an assessment of competency.
  - The IAR must score at least 70% within three attempts to pass the assessment.
  - If the IAR is unsuccessful after three attempts, the IAR must retake the course prior to attempting the assessment again.
- Course titles will be a maximum of 40 characters.
- Course Providers will ensure that the IAR participant's Central Registration Depository (CRD) number, first, and last name are collected on the rosters. **This information must match 'exactly' to the CRD number, first, and last name on the [Investment Adviser Public Disclosure \(IAPD\) website](#) to help ensure full CE credit is applied.**
- Course promotions and marketing will refrain from using words such as “certified” or “accredited” and will refrain from offering certificates or accreditations – except in the case where a “Certificate of Completion” or a “Certificate of Attendance” is provided.
- Course Providers must agree that representatives of NASAA and/or its designees, and employees of Prometric and/or its designees, in an official capacity, may audit the following elements of continuing education:
  - Classroom course instruction and instructors’ presentations.
  - Course materials and assessments.
  - Course records, records of assessment, attendance rosters, and other aspects of instruction.

***Note:** The Course Provider agrees that auditors will not be interfered with while conducting or attempting to conduct an audit. Audits will be conducted with minimal disruption. Providers agree that auditors may attend any course offered for the purpose of the audit without paying any fee. Providers grant Prometric and NASAA the right to audit or inspect these records at the premises of the provider or at the physical location of such records. Failure to grant access will automatically result in suspension of approval to operate as a Course Provider.*

- **Course Providers will add the following disclaimer to all courses, promotions, and marketing they offer:**

*“NASAA does not endorse any particular provider of CE courses. The content of the course and any views expressed are my/our own and do not necessarily reflect the views of NASAA or any of its member jurisdictions.”*

## **Provider Criteria**

After attesting to your agreement and ability to meet the general requirements and supplying your provider information, your application begins with a self-assessment of your qualifications. This will include your reason for wanting to operate as an IAR CE Course Provider. This is an opportunity to tell your personal and professional story and to highlight your motivations and your ability to meet the needs of IARs.

There are several components of self-assessment whose satisfactory completion are essential to achieve success in your candidacy. Each response may include a narrative and some documentation or a portfolio of your work that supports your narrative or experience.

The IAR CE Evaluation Team is looking for commitment and competence in your responses. Please ensure that when appropriate, your self-assessment highlights both aspects.

### 1. Experience

You will be asked to provide a statement regarding your professional experience and why you can offer a program or courses in the area for which you have applied. This may include a brief biography and your resume or curriculum vitae (CV).

### 2. Program Management

You will be asked to provide a statement regarding who will manage your IAR CE offering(s) and provide a resume or CV for that person unless already provided in the “Professional Experience” section.

- Name of the IAR CE program director.
- Resume or CV of the IAR CE program director.

### 3. Curriculum

You will be asked to provide a list of your curriculum and the individual course(s) you feel meet the requirements of the IAR CE program.

- For each course you list, provide the title and a one or two-sentence description of the course.
- Courses must fall under at least one of the two components to be approved.

More information will be collected once the course(s) are submitted and evaluated separately.

#### 4. Program Improvement

You will be asked to review your course content on a regular basis and revise that content as needed to keep up with industry knowledge, financial rules, regulations, and other information relevant to your course.

- How do you plan to evaluate your course(s) for needed revision and improvement?
- How often do you review your course material, and have you revised it?

When courses are revised, they will need to be resubmitted to the IAR CE Evaluation Team with modifications so they can be reevaluated, and course information can be kept up to date.

#### 5. Conflict of Interest

You will be asked to attest and sign a conflict of interest (COI) statement certifying that you and your organization are free of conflicts of interest associated with the delivery of educational material. This would include, and not be limited to, promoting certain products or services above others—especially those products and services with which you may be related, associated, or in a position to either personally or professionally gain from promoting.

If there is a potential COI, you can still apply, but you must disclose the conflict of interest and provide a detailed explanation as to how you will mitigate the conflict.

#### 6. Qualified Instructor(s)

You will be asked to provide the total number of instructors, their credentials, a personal COI statement for each, and the courses they plan to offer.

- Instructor biography and a resume or CV for each instructor listed.
- A personal COI statement from each instructor.
- A list of the courses that each instructor will offer.

#### 7. Environment and Infrastructure

You will be asked to provide information about the environment and infrastructure that you have available to support the course delivery as described (infrastructure, resources, facilities, etc.). An infrastructure plan is submitted detailing the timing and frequency of planned courses as well as the instructor rooms, virtual technologies, and other resources available to successfully deliver the course.

#### 8. Registration and Attendance

You will be asked to provide a plan for the management of IAR registration and the recording of attendance, including policies for each. This includes a way to both verify attendance and document attendance on course rosters, which would then be submitted for IAR CE credits upon verification of course completion.

The roster must include the name and CRD number of each IAR. Course Providers will ensure that the IAR participant's CRD number, first, and last name are collected on the rosters. **This information must match 'exactly' to the CRD number, first, and last name in [IAPD](#) to help ensure CE credit is applied.**

All policies must include a plan to keep all attendance and course completion records for a minimum of five years.

Policies will be submitted along with one example of a roster that demonstrates the tracking and reporting of both attendance and course completion.

## Application Process

### Provider Information

When applying, you must provide your organization's information, including the best way to contact you for the purposes of IAR CE program review. You should also include a cover letter expressing your interest in becoming an IAR CE Course Provider and your intent. If your organization has a vision or mission statement, please include that as well. Finally, you will indicate if you plan to provide continuing education for the Products and Practice component, the Ethics and Professional Responsibility component, or both.

- Contact information.
- A one-page cover letter of interest, including your organization's vision or mission statement (if available).
- The type of program for which you are applying:
  - Products and Practice
  - Ethics and Professional Responsibility

### Application Review

Once your application has been submitted, it will be reviewed by the IAR CE Evaluation Team. The application will be reviewed and scored based on the criteria outlined and an evaluation checklist.

- As your application is reviewed, each criterion will be scored resulting in an overall score.
- The overall score will result in either approval of your application or your application being held in pending status.
- If your application is in pending status, you can revise and resubmit it based on the feedback you receive.
- There is no cost to reapply, and you may revise and resubmit a pending application as many times as necessary for success.

Until you are approved to operate as an IAR CE Course Provider, your application will remain in pending status.



## Provisional and Provider Status

There are two tiers to Course Provider status: provisional status and provider status. Please see the following to understand the difference between the two and how to achieve both.

### Obtaining Provisional Status

With your successful candidacy, you will be approved to operate as an IAR CE Course Provider. For the first 12 months, you will be awarded provisional status. During that time, the IAR CE Evaluation Team will perform a more thorough evaluation of your organization and program operations through the audit process. If no courses are offered or no credits are awarded during the first 12 months, Provisional Status will continue another 12 months.

During your time as a provisional provider, the IAR CE Evaluation Team will conduct a review of the following:

- The general requirements and your ability to meet them.
- The IAR CE Course Provider criteria and your continued success in meeting those criteria.
- Your course content via a formal course audit procedure.
- Your course satisfaction scores and IAR customer feedback.
- Your course competency rates and the number of IARs successful in achieving CE credit through your course or program.

If at any time you are found to be noncompliant with the IAR CE Course Provider standards or criteria, the outcome may be the removal of your approval to operate as an IAR CE Provider.

### Obtaining Provider Status

After serving for 12 months as an approved IAR CE Provider with provisional status and successfully completing all associated reviews and audits, you will be awarded IAR CE Course Provider status. This status will then be reviewed on an annual basis and is effective for a period of five years so long as you remain in good standing, without any nonconformance or noncompliance notices.

There is no charge for initial or renewal applications for Course Providers.

---

# INSTRUCTORS

---

## Requirements for Instructors

Anyone may apply to become an IAR CE Course Instructor, regardless of their level of education.

A background in the content area specific to the course is required.

It is anticipated that professionals who are applying to operate as an IAR CE Course Instructor will review what is expected of them and meet the following requirements:

- Course Instructors will operate in good standing free from sanctions.
- Course Instructors will have at least one of the following experiences delivering continuing education or compliance services or working in the securities industry or regulation of the securities industry. If instructors have more than one or all three experiences, it is encouraged that they indicate that experience on the IAR CE Program application.
  - Three years of experience within the past five years in the course subject matter
  - A college degree in the subject being taught, which qualifies you as an instructor
  - A license or a recognized professional designation related to the subject matter
- Course Instructors will sign a conflict of interest (COI)\* and promotions statement.

*\* The COI statement certifies that you are free of conflicts of interest associated with the delivery of educational material. This includes and is not limited to promoting certain products or services above others—especially those products and services with which you may be related, associated, or in a position to either personally or professionally gain from promoting. If there is a potential COI, you can still apply. You must disclose the conflict and provide a detailed explanation as to how you will mitigate it.*

Some Course Provider requirements also apply to Course Instructors:

- Course Instructors must offer at least one competency-based assessment per course.
- Course Instructors must offer a satisfaction survey that includes evaluation of both the course content and the Course Instructor.
- Course Instructors will work with the Course Provider to ensure the appropriate environment or infrastructure is available to deliver education.
- Course Instructors will work with the Course Provider to ensure any panelists, subject matter experts, or other relevant guest speakers participating in live instruction courses have relevant qualifications and have been properly vetted for credentials.
- Course Instructors will ensure that the IAR participant's CRD number, first, and last name are collected on the rosters. **This information must match 'exactly' to the CRD number, first, and last name in [IAPD](#) to help ensure full CE credit is applied.**
- Course Instructors will refrain from using words such as “NASAA certified” or “NASAA accredited” and will refrain from offering NASAA certificates or accreditations – except in the case where a “Certificate of Completion” or a “Certificate of Attendance” is provided.
- Course Instructors will add the following disclaimer to all courses, promotions, and marketing that they offer:

*“NASAA does not endorse any particular provider of CE courses. The content of the course and any views expressed are my/our own and do not necessarily reflect the views of NASAA or any of its member jurisdictions.”*

## **Courses that Require Instructors**

All live courses guided in real time (whether live or virtual) are required to have an approved Course Instructor and complete an instructor application. Self-study courses—courses not guided by live instruction—do not need an approved Course Instructor. See chart on page 19 for examples of live and self-study courses.

## **Instructor Criteria**

After attesting to your ability to meet the general requirements of an instructor, our process begins with a provisional instructor status and an evaluation of your qualifications.

There are several components of the evaluation that you are expected to meet to achieve success in your candidacy.

### 1. Content Expertise

Course Instructors will be evaluated on their ability to deliver the course content as described and approved.

The following aspects of this ability will be evaluated:

- The instructor demonstrates knowledge of the assigned course and related content.
- The instructor can articulate the purpose of the course content and relevance to the securities industry.
- The instructor demonstrates an ability to reinforce concepts that are relevant to the securities industry.
- The instructor educates participants on how to best apply the knowledge gained from the course.

This criterion is to help ensure that all information provided by a course instructor is accurate and aligned with the standards of the securities industry.

### 2. Facilitation Skills

Course Instructors will be expected to be prepared for the class and maintain an acceptable professional standard.

The following aspects of these abilities will be evaluated:

- The instructor takes attendance.
- The instructor informs the class of course objectives.

- The instructor uses techniques to keep the class engaged.
- The instructor uses questioning techniques to check for understanding and reinforce content.
- The instructor provides direction to participants regarding expectations.
- The instructor builds rapport with participants and manages the room.

This criterion is to help ensure that instructors have the appropriate facilitation skills and the ability to convey topics and material successfully, considering the diverse set of topics that can be covered.

### 3. Answering Questions

Course Instructors will be expected to welcome questions and provide answers in the context of the course content, regulatory requirements, and securities industry best practices.

The following aspects of this ability will be evaluated:

- The instructor creates an environment in which students are comfortable asking questions.
- The instructor answers questions with relevant information and ties the answer back to the course content, current regulatory requirements, and best practices in the securities industry.
- The instructor shows well-developed strategies for managing questions.
- The instructor points to other resources or uses a list for documenting questions they cannot answer (i.e., the instructor knows how to say “I don’t know” when appropriate and either cites a source for follow-up or commits to finding the answer for follow-up).
- The instructor encourages questions.

This criterion is to ensure that course instructors can answer questions\*\* in a way that helps participants learn.

*\*\* Answering questions effectively does not necessarily mean the instructor always knows the answer. The instructor would have a responsibility to set aside questions they are unable to answer and follow-up with the answer once available.*

### 4. Enhancing Skills

Course Instructors will be expected to enhance learner competency and skills regarding the course content, current regulatory requirements, and securities industry best practices.

The following aspects of this ability will be evaluated:

- The instructor presents content in the context of real-life (i.e., on-the-job) application to enhance knowledge transfer to securities industry best practices.
- The instructor points out key actions and behaviors that would be used by IARs to better serve their clients.
- The instructor uses activities (when appropriate) to effectively reinforce course content.
- The instructor provides feedback to participants as they answer questions and complete activities assigned.
- The instructor provides supplemental material and a list of course references and resources to aid in retention and transference to the job.

- The instructor measures the performance of learners and can assess the learning of course content through a knowledge-based assessment or a skills-based competency assessment (whichever is more appropriate).

## **Application Process**

When applying, you must provide your information, including the best way to contact you for the purposes of IAR CE Program review. This will include your biography and your resume or CV. You will also indicate your plan to provide continuing education for the Products and Practice component, the Ethics and Professional Responsibility component, or both.

- Contact information.
- Resume or CV.
- The type of program for which you are applying:
  - Products and Practice
  - Ethics and Professional Responsibility
- A signed agreement to meet the general requirements.

### Application Review

Once your application has been submitted, it will be reviewed by the IAR CE Evaluation Team. The application will be reviewed and scored based on the criteria outlined and an evaluation checklist.

- As your application is reviewed, each criterion will be scored resulting in an overall score.
- The overall score will result in either approval of your application or your application being held in pending status.
- If your application is in pending status, you can revise and resubmit it based on the feedback you receive.
- There is no cost to reapply, and you may revise and resubmit a pending application as many times as necessary for success.

Until you are approved to operate as an IAR CE Instructor Provider, your application will remain in pending status.

## Provisional and Instructor Status

There are two tiers to Course Instructor status: provisional status and instructor status. Please see the following to understand the difference between the two and how to achieve both.

### Obtaining Provisional Status

With your successful application review, you will be approved to operate as an IAR CE Course Instructor. For the first 12 months, you will be awarded provisional status. During that time, the IAR CE Evaluation Team will perform a more thorough evaluation of your performance as an instructor through the audit process. If no courses are offered or no credits are awarded during the first 12 months, Provisional Status will continue another 12 months.

During your time as a provisional instructor, the IAR CE Evaluation Team will conduct a review of the following:

- The general requirements and your ability to meet them.
- A formal evaluation of your course and your ability to meet the outlined criteria.
- Your course content via a formal course audit procedure.
- Your course satisfaction scores and IAR participant feedback.
- Your course competency rates and the number of IARs successful in achieving CE credit through your course or program.

If at any time you are found to be noncompliant with the IAR CE Course Instructor standards or criteria, the outcome may be the removal of your approval to operate as an IAR CE Instructor.

### Obtaining Instructor Status

After serving for 12 months as an approved IAR CE Instructor with provisional status and successfully completing all associated reviews and audits, you will be awarded IAR CE Course Instructor status. This status will then be reviewed on an annual basis and is effective for a period of five years so long as you remain in good standing, without any nonconformance or noncompliance notices.

There is a \$250 application fee and a \$35 renewal fee\* at the end of each one-year term. After five years of operation, you will need to complete a comprehensive application and audit review, which will cost \$250 and will be effective for another five-year period.

*\*Note: Renewal payments and roster payments are due promptly. If payments are missing or late, the Course Provider and Course Instructor will be notified of a non-compliance regarding overdue payments. After you have been notified of non-compliance for an overdue payment, that issue should be resolved without delay. If the issue is not resolved, missing payments are grounds for an immediate suspension, and you will be notified as such.*

---

# COURSES

---

## Requirements for Courses

To ensure content validity, reliability, and IAR CE program credibility, all approved Course Providers must apply to have their chosen courses approved.

There are official rubrics and guidelines for approving course curriculum, as well as procedures to ensure classes are supported by materials appropriate for the subject and allowed the proper time allocation. In addition, a proven process is in place for performing audits of classroom sessions, webinars, and self-study programs to identify and report any issues with course content.

IAR CE courses and curricula are approved in accordance with industry standards, the key elements of which are as follows:

- Material that is current, relevant, and accurate and includes valid reference materials, graphics, and interactivity.
- Clear and specific course outlines that include the course duration for credit determination.
- Clearly defined objectives and course completion criteria.
- For self-studies, ensure that course content meets the word count requirements and guidelines for the credits being offered.
- Specific instructions to register, navigate, and complete the coursework in place for all courses.
- Technical support/provider representatives who are available during business hours to support course participants in accessing the course and content.
- Course measurement for evaluating each IAR's successful completion of course material and the learning experience.
- A process for authorizing IAR identities.
- A process for receiving and processing IAR CE course completion.

The course content rubric will also document elements such as course duration, delivery methodologies, credits, evaluation timing, and other standard best practice elements for evaluating course content.

The following outlines the content and delivery requirements of courses considered for publication:

- Courses/programs of instruction must meet certain characteristics.
  - Be offered by an approved provider
  - Contribute to the professional competence of an IAR
  - Be submitted using the appropriate application form and with the appropriate fee for each course
  - Include intellectual or practical content to enhance and improve the investment advisory knowledge of the participants
  - Include a bibliography of reference sources
- Only courses that have been approved by the IAR CE Evaluation Team may be offered for CE credit.
  - No course may be conducted for credit until it has been approved

- No course may be advertised or otherwise promoted as appropriate for IAR CE credit until it has been approved in writing
- If the course has been submitted but not yet approved, it may be advertised as “IAR CE Credits Applied For.” This must be prominently displayed in advertising copy, pamphlets, brochures, or any other mode of advertisement
- When a course has been approved for IAR CE credit and is advertised, the advertisement must contain the following:
  - The provider’s name and course title as they appear on the provider application
  - The number of approved credits
  - The fact that successful completion of an assessment is required
  - No false, deceptive, or misleading statements
  - All fees and associated expenses
- Course Instructors will add the following disclaimer to all courses, promotions, and marketing that they offer:

*“NASAA does not endorse any particular provider of IAR CE courses. The content of the course and any views expressed are my/our own and do not necessarily reflect the views of NASAA or any of its member jurisdictions.”*

- Once approved, a course may not be substantially altered.
  - An alteration is any change that would modify the content or time allocations stated in the course syllabus or that would modify any of the course topics
  - Providers may change a course’s content or outline with written approval and by informing Prometric of changes 15 days prior to delivery
- Failure to obtain written approval in advance of the course may result in a denial of credit for the course, the Course Provider being given a notice of noncompliance by an auditor, or both. Course Providers must agree that representatives of NASAA and/or its designees, and employees of Prometric and/or its designees, in an official capacity, may audit the following elements of continuing education:
  - Classroom course instruction and instructors’ presentations
  - Course materials and assessments
  - Course records, assessment records, attendance rosters, and all aspects of instruction

***Note:** The Course Provider agrees that the auditors will not be interfered with while conducting or attempting to conduct an audit. Audits will be conducted with minimal disruption. Providers agree that auditors may attend any course offered for the purpose of the audit without paying any fee. Providers grant Prometric and NASAA the right to audit or inspect these records at the premises of the provider or at the physical location of such records. Failure to grant access will automatically result in suspension of approval to operate as a Course Provider.*

- All requests for course approval must be submitted at least 30 calendar days in advance of the requested approval date.
- The Course Provider must ensure that all classes and course content are offered in compliance with the Americans with Disabilities Act.



## Other Considerations

- IARs may not take the same course more than once for IAR CE credit.
  - This may be monitored using the Course ID Number.
- Joint courses: Two or more providers may jointly submit a course for IAR CE credit.
  - If approved, each provider may offer the course under their own name.
  - Course application fees are required for each instructor even though there is only one course submission.
- Other IAR CE programs and courses: Providers may use approved courses from other CE programs provided they are relevant to IARs.
  - Provide a letter of previous authorization with your course submission; this should include where the course is approved and when it is due for renewal.
  - NASAA course approval and relevant fees will still be required.
- Courses must be applied for individually, even if they are part of a larger curriculum.

## **Qualifying Subject Matter**

For courses to qualify, there must be a formal program of learning, which contributes directly to the professional competence of the participant.

- The continuing education content focuses on compliance, regulatory, ethical, and industry standards.
- The continuing education content is derived from state, federal, or self-regulatory organization (SRO) rules and regulations and accepted standards and practices in the financial services industry.
- The continuing education content requires that its participants demonstrate proficiency in the subject matter of the educational materials.

## Ethics and Professional Responsibility Requirement

The Ethics and Professional Responsibility content\* addresses an IAR's ethical and regulatory obligation.

An IAR must complete six credits of Ethics and Professional Responsibility content offered by an authorized provider, with at least three credits covering the topic of ethics.

*\*Note: Every Ethics and Professional Responsibility course must ensure that at least one-half (50%) of the material in the course is related to an IAR's ethical responsibilities. If the provider is unable to certify that content on ethical responsibility is covered or if content reviews determine that content on ethical responsibility is insufficient, courses submitted to meet this requirement will not be approved.*

## Products and Practice Requirement

The Products and Practice content addresses an IAR's continuing education regarding financial products, investment features, and practices in the investment advisory industry.

An IAR must complete six credits of Products and Practice content offered by an authorized provider.

### Relevant Topics

Courses that focus content on the following are requested; other topics are welcome:

- New and emerging issues or products for the IAR to navigate.
- Compliance issues arising from advertising, including content that addresses the following:
  - Both physical and electronic sources of advertising
  - Direct mailings
  - Email advertising
  - Social media advertising
  - Broadcast media advertising
  - Online advertising
- Sufficiency and accuracy of the following financial reports:
  - Reports prepared and provided to regulators (income statements, balance sheets)
  - Reports prepared and provided to clients (account statements, fund performance)
- Changes and new developments in legislation, regulations, and rules
- Quality and accuracy of communications with clients and prospects, including content that addresses the following:
  - Form ADV and product-specific disclosures
  - Unlawful or misleading representations about an IAR's registrations or qualifications
  - Performance guarantees
  - Client contracts
  - Correspondence
  - Need for ongoing client profile updates
- Fiduciary obligations and ethical practices, including content that addresses the following:
  - Acting in the clients' best interests, irrespective of other financial services provided
  - Compensation (fees, commissions, performance-based fees, soft dollars, disclosure of compensation)
  - Discretion and trading authorization
  - Prudent investor standards and suitability
  - Anti-money laundering (AML)
  - Custody conditions and obligations
  - Conflicts of interest, unlawful activities, fiduciary, and other ethical considerations (loans to and from clients, sharing in profits and losses in a customer account, client confidentiality, insider trading, selling away, market manipulation, personal securities transactions, outside securities accounts, initial holdings and quarterly reports, political contributions, due diligence, excessive trading)
  - Fraudulent, manipulative, and deceptive practices
  - Business continuity plan (disaster recovery, succession planning)
- Misuse of investments for clients, including content that addresses the following:
  - Alternative securities investments
  - Leveraged exchange-traded funds
  - Insurance products
- Obligations for supervising IARs.

## Course Criteria

### 1. Title, Description, and Dates Offered

Applicants will be asked to provide the course title and the date(s) they plan to offer the course. If you have an existing course number, the team will ask you to provide that to avoid duplication of content and courses in our course management system. If the course is offered on a regular basis (e.g., once per month or every other Tuesday), you will be asked to provide the frequency.

### 2. Objectives

Applicants will be asked to list the course objectives, which are the foundation for the course outline and course content.

A course objective specifies what a participant will learn in terms of knowledge, behaviors, skills, or actions that can either be demonstrated or be measured through an assessment. Course objectives should be written in a way that can be measured.

Learning objectives should contain the following four elements: **Audience**, **Behavior**, **Condition**, and **Degree** (A, B, C, and D). An example of a course learning objective follows:

**The participant** can **prepare income statements** that **are accurately aligned with state and federal regulations every time**.

Objectives should also be specific, measurable, action oriented, relevant to the course, and time bound (when possible).

Objectives will be used to create assessment items to measure learning outcomes.

### 3. Level of Difficulty

Applicants will be asked to disclose the level of difficulty and the experience that may be needed to be successful in completing the course.

- Explain how you will ensure IARs have the background and experience needed to successfully complete the course.
- Provide a statement on the level of difficulty as being basic, intermediate, or advanced.

### 4. Method of Instruction

Applicants will be asked to select their method of instruction and assessment. If a course may be offered in more than one way, select all methods that apply.

Methods of instruction examples	
Self-study course: Materials not guided by live instruction.	
eLearning module	<i>Method requires self-study assessment questions</i>
Podcast	
Text-only	
Video	
Webinar (pre-recorded)	
Other	
Live course: Material is guided in real time by an instructor.	
Conference	<i>Method requires element of engagement</i>
Discussion	
Expert Panel	
Lecture/Presentation	
Seminar/Webinar	
Video Conference (Zoom, Teams, Webex, etc.)	
Workshop	
Other	

One-time live events applying for approval as both a live course and as an on-demand self-study course must include two assessment components; one element of engagement (per credit) for the live course and one assessment question component for the recorded self-study version of the course.

Larger conference events can either be submitted as one larger multi-credit course or may be divided into smaller separate courses each with their own topic. Each individual course must represent only one of the two CE components.

## 5. Assessments

All courses must also have a method for measuring each student's successful completion of the course, which includes the material, assessment, and any specific course requirements.

### **Self-study** course assessment requirements:

- Assessments must contain a minimum of 5 questions for every 25 minutes of instruction.
- An additional 5 alternate questions should be available in a question bank for each additional credit.

Self-study course assessment question minimums			
Credits	Duration	Questions Used per Assessment	Total Questions Needed
.5 credit	25 minutes	5	10
1 credit	50 minutes	10	15
1.5 credits	75 minutes	15	20
2 credits	100 minutes	20	30
2.5 credits	125 minutes	25	35
3 credits	150 minutes	30	40
3.5 credits	175 minutes	35	50
4 credits	200 minutes	40	55
4.5 credits	225 minutes	45	60
5 credits	250 minutes	50	70
5.5 credits	275 minutes	55	75
6 credits	300 minutes	60	80

- Assessments must not be printable or viewable prior to the review of the course material.
- Methodology must be devised to ensure that the student taking the assessment is the same person who is taking the course for credit completion (i.e., a process to authenticate student identity, such as passwords and security prompts).
- The completion date for all courses must be the date the assessment is provided and passed or the date for which the course has been approved by Prometric for credit, whichever is the later date. *Note: An IAR cannot receive credit for a course if the course is not considered approved in the same calendar year as the course was taken. For example, if an IAR takes a course in 2023, but it does not become an approved course until 2024, the IAR cannot receive credit for that course.*
- Credit will only be provided if the student receives a grade of 70 percent or higher on the assessment within a maximum of three attempts. If the IAR is unsuccessful after three attempts, the IAR must retake the course prior to attempting the assessment again.

**Live course** assessment requirements:

- Must include at least one content-related engagement activity during the course per credit.
- The engagement activity should be designed to encourage attendee participation.
- Examples of engagement activities include:
  - Poll questions/quiz
  - Games
  - Group discussion
  - Instructor-posed question with time for participant reflection
  - Role play
  - Simulations
  - Problem-solving exercise
  - Q&A
  - Case study
- If a provider believes engagement activities are not appropriate for the course, they must document the justification within the course application.
- Live courses that will be recorded and offered after the event as an on-demand course must also submit self-study assessment questions.

Courses without a means of measuring the student’s successful completion of the course, including all course material and any specific course requirements, will not receive continuing education credit.

## 6. Duration, Credits, and Outline

Applicants will be asked to provide the duration of the course, as well as the number of credits anticipated for either Ethics and Professional Responsibility\* or Products and Practice. You will also submit a course outline detailing the topics and agenda supporting the course. A sample course outline will be provided to support you in successfully completing this aspect of the application.

The following information is important to consider as you are filling out your application:

- “Credit” refers to a unit that has been designated by NASAA or its designee as at least 50 minutes of educational instruction.
- Breaks, introductions, lunches, announcements, and other non-instructional activities do not qualify for CE credit.
- No partial credit for partial attendance is allowed.
- For Text-Based/Read-Only self-study courses, the word count will determine the standard course duration and number of credits assigned. The international standard of 180 words per minute will be used to calculate the course duration and credits assigned. *(see the chart below for clarification on the exact number of words needed to qualify the course and number of credits assigned)*

<b>Determining credit count</b>		
<b>Text-based read-only self-study course</b>	<b>All other course methods</b>	<b>Total credits</b>
4,500 words	25 minutes	0.5 credit
9,000 words	50 minutes	1 credit
13,500 words	75 minutes	1.5 credits
18,000 words	100 minutes	2 credits
22,500 words	125 minutes	2.5 credits
27,000 words	150 minutes	3 credits
31,500 words	175 minutes	3.5 credits
36,000 words	200 minutes	4 credits
40,500 words	225 minutes	4.5 credits
45,000 words	250 minutes	5 credits
49,500 words	275 minutes	5.5 credits
54,000 words	300 minutes	6 credits

*Note: Courses approved for credits based on the 2022 word count guidelines will retain that same number of credits for the initial five-year term as long as they are renewed annually and on time.*

## **Modifications/Changes to Course Content or Credits:**

Course Providers agree to inform NASAA, via the online system, of any changes in the course outline; course content; number of credits; or date, time, or location of each course session at least 15 days prior to offering that course. Failure to submit course offering schedules may result in the denial of credit to participants in sessions not properly reported.

*\*Note: Every Ethics and Professional Responsibility course must ensure that at least one-half (50%) of the material in the course is related to an IAR's ethical responsibilities. If the provider is unable to certify content on ethical responsibility is covered or if content reviews determine content on ethical responsibility is insufficient, then courses submitted to meet this requirement will not be approved.\**

### 7. Qualified Instructor(s)

Applicants will be asked to provide the Course Instructor name, contact information, and IAR CE Course Instructor number (if available) to avoid duplication.

If the Course Instructor is new and an instructor application is being submitted along with the course application, you will be asked to indicate that.

Any IAR teaching an approved course of instruction or an approved seminar shall receive the same credit as is granted to all participants attending and successfully completing each course. Those credits are provided only once in any given year regardless of how many times the courses are taught within that year.

*Note: Providers must verify each instructor's relevant qualifications and maintain these records in the event of an audit. Instructor information should be indicated on the course approval application. After the initial approval of a course, instructor information does not need to be submitted to Prometric.*

### 8. Registration, Evaluation, and Reporting

Applicants will be asked to provide a plan for registration, attendance tracking, course evaluation, and reporting.

- Course Providers must maintain accurate attendance records for each course.
- For live courses, Course Providers must maintain documentation of each type of element of engagement used, presentation materials and activities, and the names and qualification information for any panelist, subject matter expert, or other guest speaker for a period of five years.
- Course Providers must verify the identification of IARs who attend approved courses and must obtain all participants' signatures on a sign-in sheet.
- Only students meeting attendance requirements may receive credit for course completion.
- Course Providers are required to provide a course satisfaction survey or a course evaluation at the end of each class and will be asked to provide a sample of that evaluation as part of their course application.



- Course Providers are required to report course completion rosters and pay the associated roster fees within **30 calendar days\*** of course completion to NASAA through their course processor, FINRA.
  - **Course Completion is defined** as the date a course participant sat for a course ‘or’ the date the course was approved, whichever is later. (Note: These both must occur in the same year. (i.e., If Jane Smith sits for the course in 2022 and the course becomes approved in 2023, Jane Smith cannot receive credit for that course. Course completion cannot be carried forward to future years.)
  - **\*Exception:** *After a course is offered, course providers have 30 calendar days to submit the roster and associated roster fees. If the roster is not submitted within that timeframe, credit will not be counted. However, if a course provider has yet to receive the Course ID for the course they are offering, it is necessary to wait until a Course ID is provided before submitting rosters. In that case, the course offering date on the roster must be changed to the first day after a course ID is provided by Prometric and FINRA. It is incumbent on the course provider to attempt to ensure all courses relevant to a calendar year are **submitted for approval** before the 15<sup>th</sup> of November (if possible) to provide time for the course to be approved and credit applied appropriately for that same calendar year. Otherwise, credit will still be applied, and it may not be allocated until the following calendar year.*
  - **Limited corrective filings submitted beyond 30 calendar days will be deemed acceptable.** However, the provider’s standard practice should be to submit the course roster and associated fees within 30 days of course completion.
  - **ATTENTION:** As the reporting period nears December 31<sup>st</sup>, it is crucial that the Provider submits course completion in much fewer than 30 days. Failing to submit could impact an IAR’s license and should be made top priority. The current recommendation is to submit completions no later than the second Friday in December or December 15<sup>th</sup>, whichever is later. However, we understand that IARs may need to take courses between that date and December 31<sup>st</sup>. In those instances, unless the Provider reports daily, we recommend the Provider caution the IAR their completion may not be reported by the December 31<sup>st</sup> IAR CE deadline.
- Each roster must include the name and CRD number of each IAR. Course Providers and Course Instructors will ensure the IAR participant’s CRD number, first, and last name are collected on the rosters. **This information must match 'exactly' to the CRD number, first, and last name in IAPD to help ensure full CE credit is applied.**
- Course Providers must distribute course completion notices to all individuals who meet the requirements of the IAR CE course within seven days of the conclusion of a course. The notice should contain the following:
  - The name and identification number of the IAR
  - The name and identification number of the course
  - The dates the course was held
  - The number of credits completed by the IAR
  - The name and identification number of the Course Provider
- Course Providers who fail to report course completion rosters in a timely manner may be subject to sanctions for noncompliance.
- Course Providers must keep all records pertaining to IAR CE activities for a minimum of five years.



## 9. Participant and Assessment Security

Each Course Provider must have in place a methodology to ensure that each student taking the course, or any associated assessment is the same person who is taking the course for credit completion (i.e., a process to authenticate student identity, such as passwords and security prompts).

The following security requirements will be reviewed:

- Prevention of IARs from gaining access to course material before enrolling in the course.
- Prevention of participants from gaining access to course assessments before the review of course material.
- Prevention of participants from downloading any course assessment questions or answers.

## **Application Process**

Applicants will be asked to provide the Course Provider name and address, the IAR CE Course Provider number (if available), and the name(s) of the instructor(s) offering the course.

Applicants will provide their course information, including the best contact for the purposes of IAR CE program review unless that contact information was provided above.

Through this process, you will indicate if you plan to provide continuing education for Products and Practice, Ethics and Professional Responsibility, or both.

NASAA's dedicated IAR CE team will review each course application against the standards criteria and general requirements.

During this review, the team will do the following:

- Review the course application.
- Identify the course type (classroom, self-study, correspondence, etc.).
- Review the course content.
- Review the requested credits (based on time and level of difficulty).
- Assign the appropriate course content to credits based on course topics and materials. For self-study courses use the 'word count' model to determine credits as described in Criterion #6 of this Program Handbook.
- Assure that providers maintain a quality curriculum supported by qualified instructors.
- Review a comprehensive course outline.
- Review the content of course materials and the assessments.

The IAR CE team also reviews each course for its evaluation and assessment methods. Where course content is extremely complex or marginal in its acceptability, the evaluator will confer with other members of the evaluation team before making a final determination. If consensus cannot be reached, a supervisory evaluator will review the course so a prompt decision is made.

NASAA's IAR CE team will review each course application for its material relevance and correctness of course content. Any material that is found to cover ineligible topics, such as sales or product advertisements, marketing material, or compensation, will not be granted IAR CE credit.

### Course Application Fees

There is a \$250 application fee and a \$35 renewal fee\* at the end of each one-year term.

After five years of operation, you will need to complete a comprehensive application and audit review, which will cost \$250 and will be effective for another five-year period.

### Partial Credit

NASAA's IAR CE team will review each course application for full and partial credit. Partial credit may be applied to some sections of a workshop and not others if that is clarified on the application form.

The minimum amount of credit that can be applied for is one half ( $\frac{1}{2}$ ) credit, or 25 minutes of instruction. Courses can only be assigned credit in one half ( $\frac{1}{2}$ ) or 1 whole credit increments.

### Application Review

Once your application has been submitted, it will be reviewed by the IAR CE Evaluation Team. The application will be reviewed and scored based on the criteria outlined and an evaluation checklist.

1. As your application is reviewed, each criterion will be scored resulting in an overall score.
2. The overall score will result in either approval of your application or your application being held in pending status.
3. If your application is in pending status, you can revise and resubmit it based on the feedback you receive.
4. There is no cost to reapply, and you may revise and resubmit a pending application as many times as necessary for success.

Applicants will either be approved to offer the course, or your application will remain pending approval.

### Course Pending Notices

Course pending notices will be sent for those courses that do not qualify for the IAR continuing education program. Where course content is extremely complex or marginal in its acceptability, the course evaluator will confer with other members of the evaluation team before making a final decision. If consensus cannot be reached, a supervisory evaluator will review the course so a prompt decision is made.

A course application may be revised and resubmitted while in pending status until it is approved at no additional application charge.

## Modifying Approved Courses

Approved Courses may be modified under certain conditions. If the modifications are considered substantial alterations, the approved course may also be eligible for a new Course ID number.

**Substantial alterations** are any changes that modify the course content, outline, topics, or duration (time allotment or word count).

For courses that have substantial alterations:

- Provider must submit changes to Prometric and receive written approval prior to offering the course.
- Provider must also inform NASAA, via the online system, of any changes in the course outline; course content; number of credits; or date, time, or location of each course session at least 15 days prior to offering the course for credit.
- Provider must ensure modifications are easily identifiable via use of Track Changes, redline, highlighting, or other indicator.
- Provider must review and update course assessment questions to ensure they remain relevant and consistent with modified course.
- Upon approval, courses with substantial alterations affecting less than 25% of the existing content would maintain the original Course ID number. Courses with substantial alterations affecting more than 25% of the existing content will be required to submit a new course application to receive a new Course ID number.

Providers who would like to offer the same course on an ongoing basis and allow individuals to receive credit each time, such as annually, must substantially alter at least 25% of the course and submit a new course application to receive a new Course ID Number. Examples of possible changes include changing case examples, current issues, rules, etc.

Failure to comply with the modification and approval process as outlined above may result in the denial of credit to participants in sessions not properly reported to Prometric.

## Renewal and Retirement

All approved courses are valid for five years but must be renewed annually at a fee of \$35. Prometric will send a reminder to the Course Provider approximately 90 days prior to the date of renewal. Unless the Prometric team is notified otherwise, all courses in good standing will be automatically renewed to avoid disruptions to concurrent course offerings.

Every five years, a new course application must be submitted at the rate for new applications at that time.

The course will be reviewed and evaluated in detail again prior to renewal.

NASAA reviews courses to make sure they have the relevant information to qualify them for continuing education credit. All courses are given thorough reviews that result in consistency of awarded course credits regardless of who submits the applications.

Courses submitted for approval must have a completed application and a comprehensive copy of the timed class outline. Our course review procedures include review, evaluation, approval/pending, and credit assignment in accordance with the guidelines and procedures developed with NASAA.

The Products and Practice component is designed to ensure ongoing knowledge and competency related to investment products, strategies, standards, and compliance practices relevant to the investment advisory industry.

The Ethics and Professional Responsibility component is designed to ensure ongoing knowledge and competency related to an IAR's duties and obligations to their clients including, but not limited to, issues related to the fiduciary duty owed to each client.

### Course Retirement Procedures

Course Providers have a responsibility to contact both Prometric and FINRA when a course is retired.

Retired courses include courses that are not being renewed.

Once a course is retired it will be permanently suspended in both the Prometric and the FINRA system.

Prior to communicating a course retirement to Prometric and FINRA, please ensure all rosters for that course have been submitted and ensure IARs have received their credit for this course.

### Communication and Process Guidelines

The IAR CE Communication and Process Guidelines have been developed to provide information to IAR CE Course Providers and Course Instructors regarding how to communicate with Prometric and/or NASAA. This includes the typical types of information that might be sent and received and the appropriate mediums or channels of communication to use for important items (phone, email, U.S. mail, fax, etc.).

## Course Provider Communications

All Course Provider application submissions as well as feedback on those submissions will be handled over the web through the IAR CE portal, managed by Prometric.

Prometric and NASAA do ask that Course Providers first review the [Frequently Asked Questions \(FAQs\)](#) prior to sending a question. Many times, the answer to your question can be found there.

If you are unable to find the answer to your question online, please follow the communication process and guidelines that follow.

**Contact Person/Sender:** Only the Course Provider contact listed on your application and your account should send messages. This helps to streamline communications and ensures that the proper person is always informed during communications between NASAA, Prometric, and Course Providers.

**Message:** The Course Provider contact person (i.e., sender) should determine the topic of the message and include in any written communications for clarity.

Typical messages may include but are not limited to the following:

- Questions about your application.
  - Turnaround time for processing (30 days)
  - Why your application may still be in pending status after 30 days
  - Course Provider requirements
  - Sections of the application
- Questions about a nonperformance or noncompliance notice you have received.
- Questions about fees, payments, payment due dates, or invoices.
- Questions about attendee registration or submitting rosters and completion requirements to FINRA on behalf of IARs who have taken your course(s).
- Updates to the information originally submitted on your Course Provider application.
- Updates to Course Instructors, course information, or course content.
- Canceling your status as a Course Provider.

**Channel of Communication:** The best way to contact Prometric is either by phone or by email (see “General Contact Information”).

**Security—Encoding/Decoding:** You may send secure messages to [CESecuritiesSupport@Prometric.com](mailto:CESecuritiesSupport@Prometric.com)

**Receiver:** The person receiving your message will be someone who has been assigned to your account and is familiar with your status. This person will be able to answer questions right away or get you an answer as soon as possible.

**Feedback:** In some instances, Prometric or NASAA may contact you to provide feedback or ask questions about your program, a specific course, or an instructor. This includes contacting you to schedule an audit. In each case, Prometric or NASAA will get in touch with the contact person and/or CE program administrator or director listed on your application and your account.

## Course Instructor Communications

All Course Instructor application submissions as well as feedback on those submissions will be handled over the web through the IAR CE portal, managed by Prometric.

Prometric and NASAA do ask that Course Instructors first review the [Frequently Asked Questions \(FAQs\)](#) prior to sending a question. Many times, the answer to your question can be found there.

If you are unable to find the answer to your question online, please follow the communication process and guidelines that follow.

**Contact Person/Sender:** Only the Course Instructor contact listed on your application and your account should send messages. This helps streamline communications and ensures that the proper person is always informed during communications between NASAA, Prometric, and Course Instructors.

**Message:** The Course Instructor contact person (i.e., sender) should determine the topic of the message and include it in any written communications for clarity. Typical messages may include but are not limited to the following:

- Questions about your application.
  - Turnaround time for processing (30 days)
  - Why your application may still be in pending status after 30 days
  - Course Instructor requirements
  - Sections of the application
- Questions about a nonperformance or noncompliance notice you have received.
- Questions about fees, payments, payment due dates, or invoices.
- Questions about attendee registration or submitting rosters and completion requirements to FINRA on behalf of IARs who have taken your course(s).
- Updates to the information originally submitted on your Course Instructor application.
- Updates to your contact information, your resume or CV, course information, or course content.
- Canceling your status as a Course Instructor.

**Channel of Communication:** The best way to contact Prometric is either by phone or by email (see “General Contact Information”).

**Security—Encoding/Decoding:** You may send secure messages to [CESecuritiesSupport@Prometric.com](mailto:CESecuritiesSupport@Prometric.com)

**Receiver:** The person receiving your message will be someone who has been assigned to your account and is familiar with your status. This person will be able to answer questions right away or get you an answer as soon as possible.

**Feedback:** In some instances, Prometric or NASAA may contact you to provide feedback or ask questions about your course. This includes contacting you to schedule an audit. In each case, Prometric or NASAA will get in touch with the contact person and/or CE program administrator or director listed on your application and your account.

## Course Changes, Renewal, and Approval Communication & Process Guidelines

Course approvals will be communicated to the Course Provider and the Course Instructor who are, together, offering the course.

Course pending notices will be communicated to the Course Provider who is offering the course and the Course Instructor who is facilitating the course on behalf of the Course Provider.

When you receive information that your course is in pending status, you will be provided with a list enumerating the reasons. You will also be provided with the corrective actions that need to be taken to move your course into an approved status.

Course Providers agree to inform NASAA, via the online system, of any changes in the course outline; course content; number of credits; or date, time, or location of each course session at least 15 days prior to offering the course for credit. Failure to submit course content changes may result in the denial of credit to participants in sessions not properly reported to Prometric.

Course renewal applications will be submitted over the web through the NASAA Continuing Education portal managed by Prometric. Any feedback on renewal submissions will be handled over the web, and both the Course Provider and the Course Instructor will be contacted with either an approval confirmation notice, stating the course has been approved and can be offered, or a pending notice, with a list of reasons as to why the renewal application remains pending. This list will include corrective actions needed to be taken to move your course to an approved status.

### Tips for Effective Communication

If you do need to contact Prometric or NASAA for any reason, please follow the tips below to ensure there is good communication. Our representatives assigned to your account will do the same.

- Keep your message clear and simple. If you have more than one question or topic, please communicate one item at a time. Be brief and to the point.
- Please understand different people handle different aspects of the IAR CE program. The first person you correspond with may need to triage or send your question or comment to someone else who is better qualified to respond. Be patient with our representatives, and they will do everything they can to get you to the right person in a timely manner.
- Be a good listener and ask clarifying questions when needed to ensure all aspects of the issue, question, or concern are clearly understood, including responses to those issues, questions, or concerns.
- Before responding to an email or a phone call, *especially if you are upset*, please take some time, perhaps 24 hours, before responding to ensure the tone of your communications remains professional. The way you present yourself is as important as the message you are presenting.

- If you are communicating over video, please be sure to use your camera so you can be seen. Dress professionally and make sure your surroundings are free from noise (if possible). We will do the same.
- Please clarify your correspondence as many times as is necessary to make sure your issue, question, or concern is addressed. Sometimes a representative of NASAA or Prometric may be unclear or may start to respond to something other than what you are requesting. If that happens at any point, please feel free to respectfully clarify as needed.



---

# APPEALS PROCESS

---

Occasionally, Course Providers and Course Instructors may dispute the outcome of an approval application or the findings of an audit.

If a disagreement arises, NASAA recommends the following procedures be followed in the sequence listed:

1. Call Prometric and discuss the disagreement with a CE evaluator/auditor, who will discuss the findings and try to resolve the issue over the phone.
2. If the dispute cannot be resolved over the phone, document the phone call in an email or a letter to Prometric, outlining the reason(s) for the disagreement and why the decision should be reconsidered. Prometric will respond to your appeal within 15 business days.

**Send appeals to:**

Prometric Operations Center  
Attn: NASAA IAR Continuing Education  
Email: [CESupportTeam@Prometric.com](mailto:CESupportTeam@Prometric.com)

If you disagree with Prometric's response to your written grievance, readdress your appeal, in writing, to NASAA.

State your reason for disagreeing with Prometric's response, making sure to include copies of any correspondence. Your grievance will be reviewed and responded to within 15 business days of receipt.

Subject: CE Grievance

Send your appeal to:

NASAA  
Regulatory Services  
750 First Street N.E., Suite 990  
Washington, DC 20002  
(202) 737-0900  
[iarce@nasaa.org](mailto:iarce@nasaa.org)

---

# AUDITS

---

The goal of NASAA's field auditing program is to ensure IAR CE guidelines, requirements, and criteria are enforced, and instructors conduct courses such that meaningful IAR CE information is presented.

Monitoring the quality of courses through audits is critical to ensuring the value of the programs, courses, instructors, and content offered to IARs.

Prometric will implement and execute the audit program to review/examine previously approved providers' courses using the processes outlined in this section of the handbook.

## Do auditors pay the fee for the course they audit?

No. Course Providers and Course Instructors agree auditors may attend any course offered for the purpose of the audit without paying any fee.

## What will the audits include?

Audits will include all aspects of Course Provider, Course Instructor, and course content requirements and criteria, including all instructional methods. These general requirements and criteria are outlined and available in the CE framework within the program handbook for review.

Audits will be performed with a specific focus to identify and report issues of noncompliance or nonperformance while establishing appropriate remediation steps should there be any findings.

## Will audits be in-person or virtual?

Audits may be conducted either in person or virtually. This will be determined at the time of the audit and based on the type of audit and the needs of the auditor.

If an audit is conducted virtually, all the information needed to conduct the audit will be collected at a distance. Any virtual meetings will be set up and facilitated by the auditor.

## How are courses and instructors selected for an audit?

Courses and instructors are selected for audits using the total listing of all courses available during a given period.

The target for audits is as follows:

- Only active and approved providers, instructors, and courses will be audited.
- A minimum of 10 audits will be conducted monthly, with the total number of annual audits equal to 3 percent of the total approved and active courses.

In planning audits, the factors in the following table may be considered. Neither NASAA nor Prometric will specifically exclude any type of provider, course, instructor, instructional method, instructional environment, or instructional location.

FACTORS THAT INFLUENCE AUDITING	
Factor	Description
Need for a Targeted Audit	On occasion, a client requests that a provider or a course be audited. Results of a previous audit may indicate the need for a second audit. In addition, irregularities, or difficulties with providers in the course approval process may suggest observation of one of their courses is appropriate.
Previous Audits	Priority will be given to auditing new providers, those not previously audited, or those not audited for some time. Providers who are more active than others will have a somewhat higher exposure to being audited.
Productivity	Audits will be consistent with the time appropriate to observe a class or course content and come to precise conclusions. This will ensure auditors can provide actionable and constructive feedback to Course Instructors and Course Providers. Auditors will remain in a class as needed to achieve this goal. Conducting four or five class observations in a day may be feasible if locations are near each other. Where the necessity of a targeted audit and geography come into play, the number achieved may be less.
Seasonality	The time of the year can dictate how many courses are scheduled. For example, in certain states, the number of courses scheduled during the summer is considerably less than the number in the fall.

### Commitment to Audits and Minimal Disruption

Course Providers and Course Instructors agree that auditors will not be interfered with while conducting or attempting to conduct an audit provided the following guidelines are respected:

- Audits will be conducted with minimal disruption.
- Auditors who attend courses as participants will not disclose who they are to either instructors\* or other participants.

- If auditors complete an audit prior to the end of a course, they will excuse themselves as if they were a participant, to avoid giving away their role as an auditor.

*\*Note: In some cases, it will be necessary for the auditor to reveal themselves to the instructor. If that is the case, they will keep their role confidential from course participants.*

### Audits for Course Providers

Course Providers must agree that representatives of NASAA and/or its designees, and employees of Prometric and/or its designees, in an official capacity, may audit all elements of continuing education.

This includes and is not limited to the following:

- Classroom course instruction and instructors' presentations
- Course content, materials, and assessments
- Course records, records of examination, attendance rosters, and other aspects of instruction

Course Providers grant Prometric, NASAA or its designees the right to audit or inspect these records at the premises of the provider or at the physical location of such records.

Failure to grant access or comply with a requested audit in full will automatically result in suspension of approval to operate as a Course Provider.

### Audits for Course Instructors and Course Content

Course Instructors agree that representatives of NASAA and/or its designees, and employees of Prometric and/or its designees, in an official capacity, may audit all elements of continuing education.

This includes and is not limited to the following:

- Classroom course instruction and instructors' presentations
- Course content, materials, and assessments
- Course records, records of assessments, attendance rosters, and other aspects of instruction

Course Instructors grant Prometric, NASAA or its designees the right to audit or inspect these records at the premises of the provider or at the physical location of such records.

Course Instructors understand that any class may be audited, and auditors are not required to identify themselves as such. Auditors will be attending as participants. After a course has been audited, however, instructors will be notified that an audit has been conducted and feedback will be provided.

Failure to grant access or comply with a requested audit in full will automatically result in suspension of approval to operate as a Course Instructor.

## Failed Audits

Occasionally, Course Providers and Course Instructors may be provided with feedback that results in a noncompliance notice, a nonperformance notice, or the failure of an audit. In those circumstances, the Course Provider or Course Instructor will have 15 days to make modifications.

While modifications are being made to course content, the Course Provider may not deliver the course that has failed the audit.

If it is the Course Instructor who has failed an audit, that instructor may not deliver courses or course content until their performance has been corrected and reevaluated by the auditor.

After modifications have been completed, a request for a second audit and review of the changes are necessary to demonstrate compliance and performance as expected. Once the second audit has been completed and passed, the Course Provider and/or Course Instructor may begin delivering the CE course(s) and course content again.

## Observances and Observations

In some situations, Course Providers and Course Instructors may pass an audit and be issued an “observance,” or observation, by the auditor.

An **observance** is official feedback that is provided on any aspect of the instructional process or CE program where modifications would be helpful in improving the program or course quality but are not yet deemed necessary for success. An observance means that CE compliance and performance is on the border of receiving a noncompliance or nonperformance notice.

If you are provided with feedback that results in an observance, please make modifications based on that feedback to improve your course content and/or your course delivery. Course Providers and Course Instructors who have received an observance will be treated with priority, and a second audit may be scheduled soon after the first and treated as a “targeted audit,” as described in the preceding table.

## Audit Questions or Disagreements

If you have questions about the feedback you received or if a disagreement arises as the result of an audit, please follow the appeals process to obtain answers to your questions or to resolve disagreements.

---

# CONTACT INFORMATION

---

Program information and additional services are available at our website.

Contact Prometric if this website does not provide the information you need:

Prometric Operations Center  
Attn: NASA IAR Continuing Education  
Email: [CESecuritiesSupport@Prometric.com](mailto:CESecuritiesSupport@Prometric.com)

Please direct all questions to Prometric at [CESecuritiesSupport@Prometric.com](mailto:CESecuritiesSupport@Prometric.com)

## Media Inquiries

All media inquiries regarding IAR CE should be addressed to:

NASAA  
Director of Communications  
750 First Street, N.E., Suite 990  
Washington, DC 20002

(202) 737-0900

## Other Inquiries

Any other IAR CE inquiries outside the scope of media relations or IAR CE applications, evaluations, audits, or administration should be addressed to:

NASAA  
Regulatory Services  
750 First Street, N.E., Suite 990  
Washington, DC 20002  
(202) 737-0900  
[iarce@nasaa.org](mailto:iarce@nasaa.org)

---

## NONCOMPLIANCE/NONPERFORMANCE

---

NASAA and Prometric are responsible for maintaining and enforcing the requirements and guidelines set forth in this handbook. To do that effectively, they will obtain information from Course Providers, Course Instructors, and course participants to determine if or when requirements and guidelines are not being followed.

This information will typically be collected in both audits and satisfaction survey data; however, information can be obtained in other ways.

When an approved Course Provider or Course Instructor is suspected of noncompliance or nonperformance, they will be contacted to resolve the matter and eliminate any conflict with CE requirements, processes, or guidelines. The Course Provider or Course Instructor may be allowed to continue to operate with deficiencies (*see definition below*) provided a plan is in place to correct those deficiencies and that plan has been approved by NASAA or its designee.

When the management of a noncompliance or nonperformance issue is not possible, NASAA may suspend CE offerings and/or impose remedial measures on the Course Provider or Course Instructor.

Appropriate action will be taken against all Course Providers and Course Instructors who fail to comply with the IAR CE requirements and guidelines they have agreed to follow.

Prometric and the IAR CE Committee are together responsible for investigations into alleged noncompliance or nonperformance, as well as findings of noncompliance or nonperformance, and are supported by the Prometric auditors and IAR CE evaluators assigned to the process.

### Sole Discretion

NASAA, Prometric and its designee may take any action or decide any matter regarding nonperformance or noncompliance with the requirements set forth by the IAR CE Program. Any determination is made at the sole and absolute discretion of NASAA and can be made for any reason either listed or unlisted within this Program Handbook. Any approval or consent to allow a Course Provider, Instructor, or Course to continue to operate with deficiencies, or after a corrective action plan is in place, may be conditioned by the NASAA IAR CE Committee and its designee at any time and in any way deemed appropriate. NASAA, Prometric, and its designee will use reasonable judgment while applying and managing mediation for non-performance and non-compliance. All judgments will be based on normal business practices for continuing education program delivery.

### Applicability

The policy and process for noncompliance and nonperformance apply to all approved NASAA Course Providers, Course Instructors, and courses.

## Definitions

1. **Allegation of Noncompliance or Nonperformance** is an unconfirmed or unverified claim of noncompliance or nonperformance.
2. **Noncompliance or Nonperformance** is defined as failure to comply with IAR CE requirements, guidelines, processes, and procedures as they were agreed upon at the time of your approved initial or renewal application.
3. **Non-serious and non-continuing noncompliance or nonperformance** involves single incidents—for example, an omission or error, an oversight, or a misunderstanding. The issue is typically isolated and will not be repeated.
4. **Serious noncompliance or nonperformance** is a mistake, an omission or error, or an action taken by a Course Provider, Course Instructor, or course participant that appears to be intentionally indifferent to, negligent of, or in disregard of IAR CE requirements, guidelines, processes, and procedures to which they agreed.
5. **Continual noncompliance or nonperformance** is a pattern of repeated mistakes, omissions or errors, or actions taken by a Course Provider, Course Instructor, or course participant, the repetition of which indicates a deficiency in the ability to perform or the willingness to comply with IAR CE requirements, guidelines, processes, and procedures to which they agreed.
6. **Targeted audit** is an audit that will be scheduled to follow up on one or more serious or continual issues of noncompliance or nonperformance.

## Sanctions for Noncompliance and Nonperformance

### Course Providers

NASAA may suspend, revoke, or refuse to renew a Course Provider's approval to offer courses for any of the following offenses:

- Providing any piece of information during the initial application or renewal process that is found to be falsified.
- Advertising a course is approved before receiving approval in writing from Prometric or NASAA.
- Failing to add the required NASAA disclaimer to courses, promotions, and marketing materials.
- Using words such as “certified” or “accredited” regarding what a participant will receive upon course completion or offering certifications or accreditations for the completion of approved courses.
- Submitting a course outline with material inaccuracies, whether in length, presentation time, or topic content.



- Presenting or using unapproved material when providing an approved course.
- Failing to conduct a course for the full time specified in the approval request submitted to Prometric or NASAA.
- Preparing and distributing documentation of attendance or notification of completion prior to the completion of the course.
- Failing to issue documentation of attendance or notification of completion to a participant who satisfactorily completes a course.
- Failing to promptly notify Prometric or NASAA when suspected or known improper activities are occurring relevant to a course, an instructor, or a participant.
- Failing to submit course schedules, rosters of attendees, course completion data, course satisfaction data, or course exam data.
- Failing to notify Prometric or NASAA of updates to a course when at least 25 percent of the original content has been updated or replaced (*as determined by the amount of time spent on content, processed as part of renewal*).
- Failing to notify Prometric or NASAA of sanctions that could affect your integrity or the integrity of the Course Instructor or course.
- Failing to disclose a potential or an actual conflict of interest (COI), whether that interest has always existed or develops at any time during the offering of a course or courses.
- Failing to provide qualified instructors for the courses being offered.
- Failing to provide the minimum environment and infrastructure, tools, and technologies needed to offer the course(s) successfully.
- Failing to implement any updated policy or procedure in a timeframe prescribed by Prometric.
- Failing to keep accurate records for a minimum of at least five years.
- Failing to ensure all classes and course content are offered in compliance with the Americans with Disabilities Act.
- Engaging in any other deceptive or improper practices.

A Course Provider is responsible for the activities of persons conducting, supervising, instructing, proctoring, monitoring, moderating, facilitating, or in any way responsible for the conduct of any of the activities associated with the course.

In addition, Prometric and NASAA may require any one of the following upon discovering a violation:

- Refunding all course tuition and fees to participants.
- Providing CE credits to participants for another suitable course to replace the course that was found in violation.
- Withdrawal of approval of courses sponsored by such a provider for a period determined by Prometric and NASAA.

### Course Instructors

NASAA may suspend, revoke, or refuse to renew a Course Instructor's approval to offer courses for any of the following offenses:

- Providing any piece of information during the initial application or renewal process that is found to be falsified.
- Advertising that a course is approved before receiving approval in writing from Prometric or NASAA.
- Failing to add the required NASAA disclaimer to courses, promotions, and marketing materials.
- Using words such as “certified” or “accredited” regarding what a participant will receive upon course completion or offering certifications or accreditations for the completion of approved courses.
- Submitting a course outline with material inaccuracies, whether in length, presentation time, or topic content.
- Presenting or using unapproved material when providing an approved course.
- Failing to conduct a course for the full time specified in the approval request submitted to Prometric or NASAA.
- Preparing and distributing documentation of attendance or notification of completion prior to the completion of the course.
- Failing to issue documentation of attendance or notification of completion to a participant who satisfactorily completed a course.
- Failing to promptly notify Prometric or NASAA when suspected or known improper activities are occurring relevant to a course or a participant.
- Failing to submit course schedules, rosters of attendees, course completion data, course satisfaction data, or course exam data.
- Failing to notify Prometric or NASAA of updates to a course when at least 25 percent of the original content has been updated or replaced (*as determined by the amount of time spent on content, processed as part of renewal*).
- Failing to notify Prometric or NASAA of sanctions that could affect your integrity or the integrity of your Course Provider.
- Failing to disclose a potential or an actual conflict of interest (COI), whether that interest has always existed or develops at any time during the offering of a course or courses.
- Failing to provide a suitable environment or infrastructure to deliver education successfully.
- Failing to successfully pass an instructor evaluation or a Prometric audit.
- Engaging in any other deceptive or improper practices.

### Procedures for Handling Alleged Noncompliance

Prometric and NASAA may become aware of alleged noncompliance during audits, through review of annual performance data and customer feedback (competency exams, satisfaction surveys, unsolicited feedback, etc.), or through unsolicited disclosures submitted by course participants, other instructors, other providers, or another third party.

When Prometric or NASAA are made aware of a noncompliance or nonperformance issue, the following process is followed:

1. **Confirmation of Evidence:** When an alleged noncompliance or nonperformance issue comes to the attention of Prometric or NASAA, the information received will be reviewed to determine

whether it is valid.

2. **Confirmation of Noncompliance or Nonperformance:** If a noncompliance or nonperformance issue is found or suspected to be true and valid, the next step is for Prometric to contact the relevant Course Provider or Course Instructor to discuss the incident to determine if the issue is serious or continuing.
  - a. If at any point during the initial inquiry and discussion the Course Provider or Course Instructor indicates the actions were a mistake and appropriate steps will be taken to resolve the issue, the matter may be closed.
  - b. If the matter is to be closed, Prometric will document the noncompliance or nonperformance in writing, including any corrective or preventive actions that will be taken and any other plans that will be put in place to resolve all issues.
  - c. Prometric will follow up to verify the corrective or preventive actions or other plans have effectively addressed the noncompliance or nonperformance issues.
  - d. For cases in which there are multiple documented issues to be addressed, the outcome will likely result in a targeted audit after the initial discussion, even when clear corrective and preventive actions have been identified by the Course Provider and Course Instructor and agreed to by Prometric and NASAA.
3. **Targeted Audit:** When, throughout the course of an investigation, the noncompliance or nonperformance issue is found to be either serious or continuing, Prometric will confirm a plan for corrective or preventive action is in place and then follow up with an audit.

During the audit, the CE course(s)—and in some cases the CE program itself—will be suspended until the issues that resulted in the noncompliance or nonperformance can be further investigated and resolved completely.

4. **Deficiency:** In some cases, the noncompliance or nonperformance issue may be significant enough to be considered a deficiency. Deficiencies need to be immediately addressed with either preventative or corrective action plan(s) for the Course Provider or Instructor to continue to offer CE courses under NASAA's program. Rosters for other courses can still be submitted during this time.
  - a. Once identified as deficient, providers and instructors will need to communicate a corrective or preventive action plan(s) to Prometric within 10 days to be able to continue to offer courses for IAR CE credit.
  - b. The corrective or preventive action plan(s) will be communicated by the provider or instructor and will be approved by Prometric and NASAA at the time of the review. Once the plan is approved, courses may be offered for IAR CE credit.

- c. Once identified as deficient, courses and instructors will need all deficiencies addressed before IAR CE credit can be offered.
  - d. Once corrections are made, Prometric will conduct an audit to review your practices and ensure the documented issues have been resolved.
5. **Permanent Suspension:** In some cases, the noncompliance or nonperformance issue may be serious enough to result in an immediate and permanent suspension of an approval to offer CE courses under NASAA's program.
- a. Neither providers nor instructors will be able to offer courses for IAR CE credit following permanent suspension.
  - b. Courses that are permanently suspended will not be offered for IAR CE credit.
  - c. You can still request an opportunity to make the necessary corrections. That request will be handled through the IAR CE appeal process and can be denied.
  - d. If approved, your request will follow the deficiency process, defined above, and require an audit to review your practices once actions to resolve the issues have been taken.
  - e. Once the issues have been resolved, your suspension will be lifted, and you will be able to offer the course or program for IAR CE credit again.
6. **Immediate Suspension:** Renewal payments and roster payments are due to FINRA and Prometric on time. Missing payments are grounds for an immediate suspension, and you will be notified as such. If payments are missing or late, you will be given an opportunity to resolve without delay. If the issue is not resolved, that will result in an immediate and permanent suspension of all rights and privileges under the NASAA IAR CE Program.

---

## PROCESS FOR A “STATUS PENDING” DECISION

---

If your application is in pending status, you can revise and resubmit it based on the feedback you receive. There is no cost to revise an application, and you may revise a pending application as many times as necessary for success.

If you have questions about the feedback you receive or if a disagreement arises, please follow the appeals process to obtain answers to your questions or to resolve disagreements.

Until you are approved to offer an IAR CE course, your application will remain in pending status.

---

## APPENDIX A: THE MODEL RULE

---

### NASAA Model Rule on Investment Adviser Representative Continuing Education Model Rule 2002-411(h) or 1956-204(b)(6)-CE

- (1) **IAR Continuing Education.** Every investment adviser representative registered under section 404 of the 2002 Act (or 201 of the 1956 Act) must complete the following IAR continuing education requirements each Reporting Period:
- (A) **IAR Ethics and Professional Responsibility Requirement.** An investment adviser representative must complete six (6) Credits of IAR Regulatory, and Ethics Content offered by an Authorized Provider, with at least three (3) hours covering the topic of ethics; and
  - (B) **IAR Products and Practice Requirement.** An investment adviser representative must complete six (6) Credits of IAR Products and Practice Content offered by an Authorized Provider.
- (2) **Agent of FINRA-Registered Broker-Dealer Compliance.** An investment adviser representative who is also registered as an agent of a FINRA member broker-dealer and who complies with FINRA’s continuing education requirements is considered to be in compliance with the subrule (1)(B) IAR Products and Practice Requirement for each applicable Reporting Period so long as FINRA continuing education content meets all of the following baseline criteria as determined by NASAA:
- (A) The continuing education content focuses on compliance, regulatory, ethical, and sales practices standards.
  - (B) The continuing education content is derived from state and federal investment advisory statutes, rules and regulations, securities industry rules and regulations, and accepted standards and practices in the financial services industry.
  - (C) The continuing education content requires that its participants demonstrate proficiency in the subject matter of the educational materials.
- (3) **Credentialing Organization Continuing Education Compliance.** Credits of continuing education completed by an investment adviser representative who was awarded and currently holds a credential that qualifies for an examination waiver under Rule USA 2002 412(e)-1(d) comply with subrules (1)(A) and (1)(B) of this rule provided all of the following are true:
- (A) The investment adviser representative completes the credits of continuing education as a condition of maintaining the credential for the relevant Reporting Period.

- (B) The credits of continuing education completed during the relevant Reporting Period by the investment adviser representative are mandatory to maintain the credential.
  - (C) The continuing education content provided by the credentialing organization during the relevant Reporting Period is Approved IAR Continuing Education Content.
- (4) **IAR Continuing Education Reporting.** Every investment adviser representative is responsible for ensuring that the Authorized Provider reports the investment adviser representative’s completion of the applicable IAR continuing education requirements.
- (5) **No Carry-Forward.** An investment adviser representative who completes Credits of continuing education in excess of the amount required for the Reporting Period may not carry forward excess credits to a subsequent Reporting Period.
- (6) **Failure to Complete or Report.** An investment adviser representative who fails to comply with this rule by the end of a Reporting Period will renew as “CE Inactive” at the close of the calendar year in this state until the investment adviser representative completes and reports all required IAR continuing education Credits for all Reporting Periods as required by this rule. An investment adviser who is CE inactive at the close of the next calendar year is not eligible for investment adviser representative registration or renewal of an investment adviser representative registration.
- (7) **Discretionary Waiver by the Administrator.** The administrator may, in its discretion, waive any requirements of this rule.
- (8) **Home State.** An investment adviser representative registered or required to be registered in this state who is registered as an investment adviser representative in the individual’s Home State is in compliance with this rule provided that both of the following are true:
- (A) The investment adviser representative’s Home State has continuing education requirements that are at least as stringent as the NASAA Model Rule on Investment Adviser Representative Education.
  - (B) The investment adviser representative is in compliance with the Home State’s investment adviser representative continuing education requirements.
- (9) **Unregistered Periods.** An investment adviser representative who was previously registered under the Act and became unregistered must complete IAR continuing education for all reporting periods that occurred between the time that the investment adviser representative became unregistered and when the person became registered again under the Act unless the investment adviser representative takes and passes the examination or receives an examination waiver as required by Rule USA 2002 412(e)-1 [or 1956 Act Exam Rule] in connection with the subsequent application for registration.
- (10) **Definitions.** As used in this rule, the following terms mean:

- (A) “Act” means the Uniform Securities Act (1956) or the Uniform Securities Act (2002) as applicable.
- (B) “Approved IAR Continuing Education Content” means the materials, written, oral, or otherwise that have been approved by NASAA or its designee and which make up the educational program provided to an investment adviser representative under this rule.
- (C) “Authorized Provider” means a person that NASAA or its designee has authorized to provide continuing education content required by this rule.
- (D) “Credit” means a unit that has been designated by NASAA or its designee as at least 50 minutes of educational instruction.
- (E) “FINRA” means the Financial Industry Regulatory Authority.
- (F) “Home State” means the state in which the investment adviser representative has its principal office and place of business.
- (G) “IAR Ethics and Professional Responsibility Content” means Approved IAR Continuing Education Content that addresses an investment adviser representative’s ethical and regulatory obligation.
- (H) “IAR Products and Practice Content” means Approved IAR Continuing Education Content that addresses an investment adviser representative’s continuing skills and knowledge regarding financial products, investment features, and practices in the investment advisory industry.
- (I) “Investment adviser representative” or “IAR” means an individual who meets the definition of “investment adviser representative” under the Act and an individual who meets the definition of “investment adviser representative” under 17 CFR 275.203A-3.
- (J) “NASAA” means the North American Securities Administrators Association, or a committee designated by its Board of Directors.
- (K) “Reporting Period” means one twelve-month (12) period as determined by NASAA. An investment adviser representative’s initial Reporting Period with this state commences the first day of the first full Reporting Period after the individual is registered or required to be registered with this state.



---

## APPENDIX B: OBJECTIVE WRITING GUIDE

---

A course objective specifies what a participant will learn in terms of knowledge, behaviors, skills, or actions that can either be demonstrated or be measured through an assessment. Course objectives should be written in a way that can be measured.

Learning objectives should contain the following four elements: **Audience**, **Behavior**, **Condition**, and **Degree** (A, B, C, and D). An example of a course learning objective follows:

**The participant** can **prepare income statements** that **are accurately aligned with state and federal regulations every time**.

Objectives should also be specific, measurable, action oriented, relevant to the course, and time bound (when possible).

Objectives will be used to create assessment items to measure learning outcomes.

### **Guidelines for Writing Learning Objectives**

<https://rutgers.cloud-cme.com/assets/rutgers/PDF/LearningObjectivesGuidelines.pdf>

## APPENDIX C: ASSESSMENT GUIDELINES

All courses will include an assessment of competency measuring a student’s successful completion of the course, which includes the material, assessment, and any specific course requirements.

Assessments should be aligned with the stated course objectives and assess course content.

- Assessments must contain a minimum of 5 questions for every 25 minutes of instruction.
- An additional five (5) questions should be available in a question bank for each additional credit. *(see the chart below for the number of questions needed for course credit and duration)*
- Assessments must not be printable or viewable prior to the review of the course material.
- A way must be devised to ensure that the student taking the assessment is the same person who is taking the course for credit completion (i.e., a process to authenticate student identity, such as passwords and security prompts).
- The completion date for all courses must be the date the assessment is provided and passed or the date for which the course has been approved by Prometric for credit, whichever is the later date.
- The IAR must score at least 70% within three attempts to pass the assessment.
- If the IAR is unsuccessful after three attempts, the IAR must retake the course prior to attempting the assessment again.
- Credit will only be provided if the student receives a grade of 70 percent or higher on the assessment within a maximum of three attempts. If the IAR is unsuccessful after three attempts, the IAR must retake the course prior to attempting the assessment again.

Courses without a way of measuring the student’s successful completion of the course, including all course material and any specific course requirements, will not receive continuing education credit.

### **Number of Questions Required Based upon Course Duration**

Credits	Duration	Number of Questions	Question Bank	Total Questions
.5 credit	25 minutes	5	5	10
1 credit	50 minutes	10	5	15
1.5 credits	75 minutes	15	5	20
2 credits	100 minutes	20	10	30
2.5 credits	125 minutes	25	10	35
3 credits	150 minutes	30	10	40
3.5 credits	175 minutes	35	15	50
4 credits	200 minutes	40	15	55
4.5 credits	225 minutes	45	15	60
5 credits	250 minutes	50	20	70
5.5 credits	275 minutes	55	20	75
6 credits	300 minutes	60	20	80

---

## APPENDIX D: SAMPLE COURSE OUTLINES

---

### A. Sample Acceptable Instructor-Led Course Outline

#### Course Topic

8:30 - 9:00 AM	30 minutes	<b>Topic 1</b> <ul style="list-style-type: none"><li>• Content Objective 1<ul style="list-style-type: none"><li>a. Sub-Topic 1</li><li>b. Sub-Topic 2</li></ul></li><li>• Content Objective 2<ul style="list-style-type: none"><li>c. Sub-Topic 1</li><li>d. Sub-Topic 2</li></ul></li><li>• Content Objective 3<ul style="list-style-type: none"><li>e. Sub-Topic 1</li><li>f. Sub-Topic 2</li></ul></li></ul>
9:00 - 9:30 AM	30 minutes	<b>Topic 2</b> <ul style="list-style-type: none"><li>• Content Objective 1<ul style="list-style-type: none"><li>g. Sub-Topic 1</li><li>h. Sub-Topic 2</li></ul></li><li>• Content Objective 2<ul style="list-style-type: none"><li>i. Sub-Topic 1</li><li>j. Sub-Topic 2</li></ul></li></ul>
9:30 – 9:40 AM	10 minutes	<b>Break</b>
9:40 - 10:40 AM	60 minutes	<b>Topic 3</b> <ul style="list-style-type: none"><li>• Content Objective 1<ul style="list-style-type: none"><li>k. Sub-Topic 1</li><li>l. Sub-Topic 2</li></ul></li><li>• Content Objective 2<ul style="list-style-type: none"><li>m. Sub-Topic 1</li><li>n. Sub-Topic 2</li></ul></li></ul>
10:40 – 10:50 AM	10 minutes	<b>Break</b>
10:50 - 11:30 AM	40 minutes	<b>Case Study:</b> [Included is a Description of the Case Study as a Capstone Activity]
11:30 AM – Noon	30 minutes	<b>Assessment and Survey:</b> <ul style="list-style-type: none"><li>• Course Assessment (<i>25 minutes</i>)</li><li>• Course Survey (<i>5 minutes</i>)</li></ul>

## Reasons for acceptability:

1. Sufficient detail on subject matter covered.
2. Sufficient detail on amount of time spent on each topic.
3. Content topics all qualify for credit based on IAR CE guidelines and requirements.
4. Breaks are noted on the outline. Ten minutes per hour of instruction are recommended.
5. Case study work is described. It is useful to include the case study materials with the outline and any practice activities that are planned.
6. A course assessment is offered and scheduled.
7. Time is provided for the course evaluation survey.

## B. Sample Unacceptable Instructor-Led Course Outline

### Course Topic

8:30 - Noon

#### **Topic 1 - Sales / Marketing of 'X' Product Company**

- Content Objective 1
- Content Objective 2

#### **Topic 2 – Specific Marketing Content**

- Content Objective 1
- Content Objective 2

Working Lunch

Noon – 1:00 PM

#### **Topic 3 – Panel Discussion w/no description of topics or backgrounds of the people on the panel**

1:00 – 4:00 PM

#### **Topic 4 – Case study w/no description**

### Deficiencies in this outline:

1. Insufficient detail on subject matter covered.
2. Insufficient detail on amount of time spent on each topic.
3. Topic #1 - is selling and marketing products, which, is not eligible for credit.
4. Topic #2 - Company-specific procedural, or marketing content is not eligible for credit.
5. Topic #3 - Where panel discussions are used, a description must be provided along with a description of the topic(s) to be addressed and backgrounds of the panel members.
6. Topic #4 - Where case studies are used, a description of the case study must be included.
7. Breaks are not noted on the outline.
8. There is no assessment listed.
9. There is no time provided for a course evaluation survey.

### C. Sample Acceptable Self-Study Course Outline for Recorded Lecture

Course Topic	Content Objectives	Word Count (if applicable)	Duration	Credits	Media Elements
Topic 1	<ul style="list-style-type: none"> <li>Content Objective 1</li> <li>Content Objective 2</li> </ul>	4,764	32 minutes	.5	1. Recorded Lecture
Topic 2	<ul style="list-style-type: none"> <li>Content Objective 1</li> <li>Content Objective 2</li> </ul>	10,821	72 minutes	1	1. Recorded Lecture 2. Drag and Drop 3. Quiz
Topic 3	<ul style="list-style-type: none"> <li>Content Objective 1</li> <li>Content Objective 2</li> </ul>	6,789	45 minutes	.75	4. Video 5. Recorded Lecture 6. Final Test
<b>Totals</b>		22,374	2 hours, 29 minutes	2 credits	

### D. Sample Acceptable Self-Study Course Outline for Text Based Courses

Course Topic	Content Objectives	Word Count	Duration	Credits	Media Elements
Topic 1	<ul style="list-style-type: none"> <li>Content Objective 1</li> <li>Content Objective 2</li> </ul>	4,764	32 minutes	.5	2. Recorded Lecture
Topic 2	<ul style="list-style-type: none"> <li>Content Objective 1</li> <li>Content Objective 2</li> </ul>	10,821	72 minutes	1	7. Recorded Lecture 8. Drag and Drop 9. Quiz
Topic 3	<ul style="list-style-type: none"> <li>Content Objective 1</li> <li>Content Objective 2</li> </ul>	6,789	45 minutes	.75	10. Video 11. Recorded Lecture 12. Final Test
<b>Totals</b>		22,374	2 hours, 29 minutes	2 credits	

**E. Sample Acceptable Self-Study Course Outline for One Hour Pre-Recorded Video or eLearning Module**

<b>Course Duration</b>	<b>Course Topic and Objectives</b>	<b>Media Elements</b>
10 minutes	<b>Topic 1</b> <ul style="list-style-type: none"> <li>• Content Objective 1               <ul style="list-style-type: none"> <li>o. Sub-Topic 1</li> <li>p. Sub-Topic 2</li> </ul> </li> <li>• Content Objective 2               <ul style="list-style-type: none"> <li>q. Sub-Topic 1</li> <li>r. Sub-Topic 2</li> <li>s. Sub-Topic 3</li> </ul> </li> <li>• Content Objective 3               <ul style="list-style-type: none"> <li>t. Sub-Topic 1</li> <li>u. Sub-Topic 2</li> </ul> </li> </ul>	Recorded Instruction / Video / eLearning Module
15 minutes	<b>Topic 2</b> <ul style="list-style-type: none"> <li>• Content Objective 1               <ul style="list-style-type: none"> <li>v. Sub-Topic 1</li> <li>w. Sub-Topic 2</li> </ul> </li> <li>• Content Objective 2               <ul style="list-style-type: none"> <li>x. Sub-Topic 1</li> <li>y. Sub-Topic 2</li> </ul> </li> </ul>	Recorded Instruction / Video / eLearning Module
	<b>Break</b>	
10 minutes	<b>Topic 3</b> <ul style="list-style-type: none"> <li>• Content Objective 1               <ul style="list-style-type: none"> <li>z. Sub-Topic 1</li> <li>aa. Sub-Topic 2</li> </ul> </li> <li>• Content Objective 2               <ul style="list-style-type: none"> <li>bb. Sub-Topic 1</li> <li>cc. Sub-Topic 2</li> <li>dd. Sub-Topic 3</li> </ul> </li> </ul>	Recorded Instruction / Video / eLearning Module
10 minutes	<b>Topic 3</b> <ul style="list-style-type: none"> <li>• Content Objective 1               <ul style="list-style-type: none"> <li>ee. Sub-Topic 1</li> <li>ff. Sub-Topic 2</li> <li>gg. Sub-Topic 3</li> </ul> </li> <li>• Content Objective 2               <ul style="list-style-type: none"> <li>hh. Sub-Topic 1</li> <li>ii. Sub-Topic 2</li> </ul> </li> </ul>	Recorded Instruction / Video / eLearning Module
10 minutes	<b>Assessment and Survey:</b> <ul style="list-style-type: none"> <li>• Course Assessment (<i>5 minutes</i>)</li> <li>• Course Survey (<i>5 minutes</i>)</li> </ul>	

**F. Sample Unacceptable Self-Study Course Outline – *Missing Learning Objectives, Word Count, Duration, and/or Media Elements***

<b>Course Topic</b>	<b>Content Objectives</b>	<b>Word Count</b>	<b>Duration</b>	<b>Credits</b>	<b>Media Elements</b>
<b>Topic 1</b>	<ul style="list-style-type: none"> <li>• Content Objective 1</li> <li>• Content Objective 2</li> </ul>	Not Specified	30 minutes	2	[Blank]
<b>Topic 2 = Sales / Product Pitch</b>	<ul style="list-style-type: none"> <li>• No Content Objective</li> </ul>	Not Specified	??	[Blank]	[Blank]
<b>Topic 3</b>	<ul style="list-style-type: none"> <li>• No Content Objective</li> </ul>	Not Specified	3 hours	3	[Blank]
<b>Totals</b>		22,374	2 hours, 29 minutes	5 credits	

# APPENDIX E: MEDIATION AND APPEAL WORKFLOW



North American Securities Administrators Association  
CE Program: Mediation and Appeal Workflow

