



**FINANCIAL  
PLANNING  
STANDARDS  
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## **FINANCIAL PLANNING STANDARDS COUNCIL**

**Response to MFDA Bulletin #0743-P:  
Proposed MFDA Rules 1.2 (Definitions), 1.26  
(Continuing Education), and Proposed MFDA Policy  
No. 9 – Continuing Education (CE) Requirements**

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## INTRODUCTION

Financial Planning Standards Council (FPSC) is pleased to comment on MFDA Bulletin #0743-P: Proposed MFDA Rules 1.2 (Definitions), 1.26 (Continuing Education), and Proposed MFDA Policy No. 9 – Continuing Education (CE) Requirements (“the Bulletin”).

FPSC is a national, not-for-profit standards-setting and certification body that develops, promotes and enforces professional standards for financial planning through CERTIFIED FINANCIAL PLANNER certification. FPSC certifies and oversees approximately 16,700 CFP® professionals and 2,000 FPSC Level 1® Certificants in Financial Planning across Canada. With FPSC’s formal partnership with the Institut québécois de planification financière (IQPF), the only organization authorized to certify “financial planners” in Quebec, there are more than 24,000 “financial planners” in Canada who have met, and continue to meet, FPSC’s unified financial planning standards.

## GENERAL COMMENTS

FPSC continues to welcome the introduction of Continuing Education (CE) requirements by the Mutual Fund Dealers Association of Canada (MFDA). We support the MFDA’s objectives of ensuring all MFDA Approved Persons maintain high standards of professionalism and keep their industry knowledge current.

For their part, Approved Persons who are CFP professionals or FPSC Level 1 certificants are already required to satisfy rigorous CE requirements to maintain certification. In terms of content, these requirements are closely aligned with the MFDA’s proposed requirements.<sup>1</sup> Many other Approved Persons hold additional licenses and/or certifications with other regulators, membership and/or professional bodies, for which they too are already required to satisfy significant and substantively similar CE requirements.

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<sup>1</sup> In our response to MFDA Bulletin #0711-P – *Request for Comments on the Development of Continuing Education Requirements*, we outlined in detail the alignment between the CE requirements for CFP professionals and FPSC Level 1 certificants, and MFDA’s proposed requirements for Approved Persons. Please refer to: <http://www.fpssc.ca/docs/default-source/FPSC/submissions-and-remarks/fpsc-response-to-mfda-bulletin-0711-p.pdf>

While the proposed requirements would close an important gap in ongoing proficiency for Approved Persons who are not currently subject to such requirements, in keeping with our response to MFDA Bulletin #0711-P, we continue to believe it is critical that the new CE framework is designed with a view to minimizing duplication and facilitating integration with existing programs, and striving for efficiency and cost-effectiveness overall. While many of the decisions that will be central to achieving these goals will be made in the future, with a careful and collaborative approach to development and implementation, we believe the framework can accomplish this. FPSC looks forward to continuing to engage in consultations with the MFDA to achieve these goals.

## **SPECIFIC COMMENTS ON THE BULLETIN**

### ***Accreditation***

FPSC is supportive of the modifications the MFDA has made to its proposed accreditation requirement, specifically the proposals to permit self-accreditation and to allow accreditation requests to be completed on behalf of the MFDA by recognized, reputable third-party organizations.

In addition to delivering its own high-quality CE activities, FPSC has a well-established CE Approval Program for third-party education providers. Education providers who wish to have their CE activities designated as “FPSC-Approved” CE activities must apply to have them reviewed by FPSC for relevance of content, number of credits and credit category. To maintain the integrity of the program, FPSC may further audit approved CE activities. There are approximately 75 organizations and educators currently registered with FPSC as CE providers, for a total of more than 2,000 available CE activities at any given time. Further, FPSC’s “FPSC-Approved CE Search Tool” is widely used, receiving approximately 65,000 views each year.

We would be pleased to speak further with the MFDA regarding FPSC’s potential role as an “accreditor”. We would also be pleased to speak further with respect to the unresolved details surrounding the proposed accreditation scheme, including the appropriate standards for organizations seeking to become “accreditors”, the evaluation criteria and fees for accreditation requests and filings, the oversight and auditing of “accreditors” and accredited activities, and opportunities to work together on solutions that create clarity for Approved Persons seeking CE activities that will satisfy the requirements of multiple bodies at once (i.e. FPSC and MFDA CE requirements).

### ***Content Categories***

As currently written, it is unclear whether the list of acceptable topic areas identified under the category of “Professional Development” is intended to be exhaustive, or whether it is intended to be open-ended, like the list of “Business Conduct” topic areas.

If the list of “Professional Development” topic areas enumerated in the Bulletin *is* intended to be exhaustive, then in the interest of maximizing opportunities for Approved Persons to avoid duplication in the satisfaction of their various CE obligations, and to complete activities that are most relevant to their current and future roles and responsibilities, we recommend broadening this list.

For example, “Professional Development” topic areas that are commonly recognized by other regulators and professional bodies that would seem appropriate for some Approved Persons include professional skills, technology changes, human behaviour and client decision-making, practice management and business development.

We recommend the MFDA look at IIROC Rules Notice 18-0023: *Guidance on IIROC's Continuing Education Program* for examples of additional topics that could be included under the category of Professional Development.<sup>2</sup>

### ***Tracking and Reporting***

If the MFDA ultimately moves forward with the creation of a detailed CE tracking system, as opposed to an attestation model, FPSC would welcome the opportunity to discuss issues related to coordination of tracking and reporting of CE credits for Approved Persons who are also FPSC certificants, including specifically for CE activities delivered by FPSC.

## **CONCLUSION**

FPSC would like to thank the MFDA and the British Columbia Securities Commission (BCSC) for the opportunity to provide comment. We wish to reiterate our support for the development of CE requirements by the MFDA. We also wish to reiterate our belief that the new framework should strive to reflect the principles of efficiency and cost-effectiveness, and should actively seek opportunities to mitigate duplication for all participants.

As the MFDA works to implement its new CE system and considers issues beyond the scope of the Bulletin, FPSC would be pleased to lend its counsel and to explore opportunities for coordination and integration.

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<sup>2</sup> Please refer to Appendix B: [http://www.iiroc.ca/Documents/2018/9fe2a3a8-9360-4ffb-ac98-694e1d41ed51\\_en.pdf](http://www.iiroc.ca/Documents/2018/9fe2a3a8-9360-4ffb-ac98-694e1d41ed51_en.pdf)