

FINra[®]

The Maintaining Qualifications Program (MQP) Explained

Thursday, February 3

2:00 – 3:00 pm ET

Agenda

- 01 | CE Transformation Overview
- 02 | The Maintaining Qualifications Program (MQP)
- 03 | MQP Eligibility Conditions
- 04 | MQP Lookback Provision
- 05 | MQP Participation Conditions
- 06 | Resources

CE Transformation - Overview

- In 2018, the Securities Industry Regulatory Council on Continuing Education (“CE Council”) made recommendations to further enhance the Securities Industry CE Program
- In support of CE Council’s recommendations, FINRA filed proposed rule changes that were approved by the SEC on [Sep 21, 2021](#)
- FINRA published [Regulatory Notice 21-41](#) announcing the effective dates and operational implementation of upcoming changes
- FINRA continues to work with CE Council and partner SROs to implement the CE Transformation

CE Transformation – Regulatory Element

- **Rule 1240(a) – becomes effective January 1, 2023**
 - Annual requirement - December 31 deadline
 - Content will be registration-targeted and include timely education on regulatory matters (e.g., rule changes, industry hot topics)
 - Current session fee will change from \$55 to \$18
- **Regulatory Element learning topics will be published in advance to assist firms in planning their Firm Element programs**
 - 2023 topics will be published by October 1, 2022
- **FINRA system(s) functionality will be enhanced to facilitate compliance with the Regulatory Element requirements (e.g., tracking, notifications, reporting capabilities)**

CE Transformation – Firm Element

- **Rule 1240(b) – becomes effective January 1, 2023**
 - Firm Element training extended to all registered persons
 - Explicit recognition of other training requirements for purposes of satisfying Firm Element (e.g., ACM, AML)
- **Improve guidance and resources provided to firms for conducting the Firm Element annual needs analysis and training program**
- **Create a centralized content catalog that would include content created by SROs and training providers that firms may optionally leverage for their firm training**

The Maintaining Qualifications Program (MQP)

- **Rule 1240(c) – becomes effective March 15, 2022**
 - Ability for individuals to maintain their qualification(s) after termination of their registration(s) for up to five years
 - Content is specific to the registration category for which an individual wishes to maintain their qualification
 - Annual CE Program consists of Regulatory Element content and Practical Element content selected by FINRA and the CE Council

MQP Eligibility Conditions

- **Individual must be registered in terminated registration category for at least one year prior to termination**
- **Individual must elect to maintain qualification within two years of termination of registration**
- **Individual must not have been subject to statutory disqualification during last year of registration or after termination**
- **Individual must not have been CE inactive for two consecutive years at the time they elect to maintain qualification**

MQP Participation

- **MQP participation is on a registration-by-registration basis**
 - An individual can choose to maintain some or all of their qualifications
- **An individual whose registrations are partially terminated can enroll in the MQP to maintain the qualifications associated with the terminated registrations**
 - *For example:* An individual was GS and GP registered. The GP registration is terminated. The individual may join the MQP to maintain the Series 24 (GP) qualification, assuming eligibility conditions are met.

MQP Participation

- **An individual who maintains a principal qualification must also maintain the associated representative qualification unless the representative-level registration is active.**
 - *For example:* An individual who wishes to maintain the Series 4 (Options Principal) must also maintain the SIE and the Series 7 qualifications
- **If a 'partially terminated' individual enrolls in the MQP and then subsequently fails to maintain their participation in the program there will be no effect on the active registration(s).**
 - *For example:* An individual enrolled in the MQP fails to pay the annual MQP participation fee

MQP Lookback Provision

- **MQP enrollment option is extended to the following two groups of individuals:**
 - Individuals who terminated their representative or principal registrations between March 15, 2020 and March 15, 2022
 - Persons who are participating in the Financial Services Affiliate Waiver Program (FSAWP) (Rule 1210.09) prior to March 15, 2022
- **To participate in the MQP, such individuals must elect to enroll in the MQP between January 31, 2022 and March 15, 2022.**
 - No exceptions or extensions will be granted

MQP Lookback Provision

- **If these individuals enroll in the MQP, their 5 year MQP participation period will have begun on the date they terminated their registration and not the date they enroll in the MQP.**
 - *For example:* An individual terminated his registration on August 1, 2021. The individual enrolls in the MQP on March 14, 2022. The individual will be able to maintain his qualification through participation in the MQP until August 1, 2026.
- **For individuals who enroll in the MQP, their 2022 learning assignment will become available on July 1, 2022 and they will have until December 31, 2022 to complete their 2022 continuing education.**

MQP Lookback Provision - Outreach

- **FINRA is notifying eligible individuals by:**
 - sending emails to notify them of the opportunity to enroll in the MQP
 - sending postcards to more than 80,000 individuals to notify them of the opportunity to enroll in the MQP
 - using social media to announce the creation of the MQP and the opportunity for individuals to enroll in the program

MQP Participation Conditions

- **Individuals must pay \$100 participation fee each year**
- **Individual must complete CE (Regulatory Element and Practical Element) by December 31 of each year**
- **Individuals who become subject to a statutory disqualification while in the MQP may not continue in the MQP**
- **MQP participants who becomes CE inactive for two consecutive years while in the program may not continue in the program**
- **MQP participants have up to five years to reassociate with a member firm without having to requalify by exam or obtain an exam waiver**

MQP and FinPro

- **Individuals who wish to enroll in the MQP must have an active FinPro account**
- **Individuals must enroll in and pay for the MQP through their FinPro account**
- **Individuals will be able to access their annual MQP learning through FinPro.**
- **Individuals also will be able to track their MQP learning progress through FinPro.**

MQP Participation

- **The MQP is a program for terminated and partially terminated individuals. Member firms do not have a responsibility to enroll individuals in the MQP.**
- **For individuals with a FinPro account, the Form U5 notification sent to the individual's personal email is being updated to make reference to the availability of the MQP to eligible individuals.**
- **On and after March 15, 2022, exam validity dates in FINRA Gateway will be updated for MQP participants.**
- **Additional changes in FINRA Gateway are being planned to reflect MQP participation.**

Resources

Regulatory Notice and FAQ:

www.finra.org/rules-guidance/notices/21-41

CE Transformation Webpage:

www.finra.org/cet

Maintaining Qualifications Program Webpage:

www.finra.org/mqp

CE Council Website:

www.cecouncil.org

Questions?

For questions or feedback regarding the MQP,
please email mqp@finra.org