

INFORMATIONAL

Continuing Education

Amendment To The Policy For Granting Foreign Deferrals Of The Regulatory Element

SUGGESTED ROUTING

The Suggested Routing function is meant to aid the reader of this document. Each NASD member firm should consider the appropriate distribution in the context of its own organizational structure.

- Continuing Education
- Legal & Compliance
- Registration Department
- Senior Management

KEY TOPICS

- Foreign Deferrals of the Regulatory Element

Executive Summary

NASD Regulation, Inc. (NASD RegulationSM) is amending its policy of granting foreign deferrals of the Continuing Education Regulatory Element requirement for registered persons now that there are VUE-authorized testing and training centers (VUE centers) in Europe and the Pacific Rim.¹ Registered persons residing approximately 350 miles or less from VUE centers located in Frankfurt, Hong Kong, Paris, Seoul, Sydney, and Tokyo are no longer eligible for foreign deferrals.

Questions/Further Information

Questions concerning this *Notice* may be directed to John Linnehan, Director, Continuing Education, NASD Regulation, Inc., at (240) 386-4684; or Heather Bevans, Continuing Education Communications Coordinator, NASD Regulation, Inc., at (240) 386-4685.

Background

A foreign deferral from the Continuing Education Regulatory Element prevents a registered person from becoming CE Inactive, and is valid until the person's next anniversary requirement. Previously, NASD Regulation granted foreign deferrals to registered persons residing outside of the United States, Canada, and the United Kingdom because there were no facilities for delivering the Regulatory Element.

Now that there are VUE centers operating in Frankfurt, Hong Kong, Paris, Seoul, Sydney, and Tokyo, NASD Regulation will no longer grant foreign deferrals of Regulatory Element requirements for registered persons residing

within approximately 350 miles of one of these centers. Table 1 (below) lists the locations where foreign deferrals will no longer be granted for S101 Registered Representative Sessions or S106 Series 6 Investment Representative Sessions.

Table 1: Locations Not Eligible For A Foreign Deferral Of The Regulatory Element**Asia:**

Hong Kong
Japan
South Korea

Australia:

Sydney (*and all locations within 350 miles of Sydney*)

Europe:

Belgium
France (*all locations within 350 miles of Paris*)
Germany
Holland
Ireland
Luxembourg
Switzerland
United Kingdom

North America:

Canada
United States

Importantly, principals and supervisors who reside within 350 miles of the VUE centers will be given 120-day extensions to their anniversary requirement windows until the S201 Principal Session becomes available internationally. Firms must alert Field Support Services to request extensions for their registered principals residing in locations listed in Table 1. To reach Field Support, please phone (800) 999-6647 and select Option 1.

Additionally, firms may continue to request foreign deferrals for their registered persons residing

in locations ***not listed*** in Table 1. Foreign deferral requests must be in writing, signed by a principal of the firm, and mailed or faxed to the NASD Regulation Continuing Education Department.² Requests must contain the individual's name, CRD Number, and the city and country of residence. Firms must proactively request a foreign deferral for each anniversary date that subjects a registered person to a Regulatory Element requirement. NASD Regulation does not automatically renew foreign deferrals.

Any questions about distances to a VUE center or whether a particular location entitles a registered person to a foreign deferral of the Regulatory Element should be referred to Matthew Swyndle at (240) 386-4686 or Heather Bevans at (240) 386-4685.

Endnotes

- 1 This amends the policy established in July 1996 (see *NASD Notice To Members 96-48*) when the NASD opened a testing and training center in London and foreign deferrals were discontinued for registered persons in the United Kingdom only.
- 2 NASD Regulation, Inc., Attn. Continuing Education Department, 9509 Key West Avenue, Rockville, MD 20850. Fax number: (240) 386-4675.

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