

Continuing Education

Regulatory Element Continuing Education Fees to Increase

Effective Date: January 4, 2010

Executive Summary

Beginning January 4, 2010, the fee for the Regulatory Element of the continuing education requirements of FINRA rules will increase from \$75 to \$100.¹ The fee increase applies to all three Regulatory Element programs: the General Program (S101), the Series 6 Program (S106) and the Supervisors Program (S201). Firms that participate in in-firm delivery of the Regulatory Element will continue to receive a \$3 credit to their Central Registration Depository (CRD[®]) account for the in-firm deliveries they make.

The text of the rule amendments is set forth in Attachment A.

Questions concerning this *Notice* should be directed to Roni Meikle, Director, Continuing Education, at (646) 315-8688.

Background & Discussion

NASD Rule 1120 (Continuing Education Requirements) and Incorporated NYSE Rule 345A (Continuing Education for Registered Persons) prescribe requirements regarding the continuing education of certain registered persons (referred to as the “Securities Industry Continuing Education Program” or “CE Program”). The CE Program consists of a Regulatory Element and a Firm Element. The Regulatory Element is a computer-based education program developed and administered by FINRA to help ensure that registered persons are kept current on regulatory, compliance and sales practice matters in the industry.²

November 2009

Notice Type

- Rule Amendment

Suggested Routing

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

Key Topic(s)

- Continuing Education
- Regulatory Element Fees

Referenced Rules & Notices

- NASD Rule 1120
- NYSE Rule 345A
- Section 4 of Schedule A of the By-Laws

The Regulatory Element session fee will increase from \$75 to \$100 on January 4, 2010. The fee increase is necessary to cover the costs associated with administering the CE Program, including the redesign of the Regulatory Element,³ and to maintain an adequate reserve.

Endnotes

- 1 See Exchange Act Release No. 60963 (November 6, 2009), 74 FR 59334 (November 17, 2009) (Notice of Filing and Immediate Effectiveness of SR-FINRA-2009-071). Under Section 19(b) of the Securities Exchange Act of 1934, the Securities and Exchange Commission has the authority to summarily abrogate this type of rule change within 60 days of filing.
- 2 The Firm Element consists of annual, firm-developed and administered training programs designed to keep covered registered persons current regarding securities products, services and strategies offered by the firm.
- 3 The redesign updates the presentation and content of the Regulatory Element to reflect changes in technology and adult learning theories. FINRA will implement the redesign of the General and Series 6 Programs first; the redesign of the Supervisors Program will be implemented at a later stage.

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Attachment A

Below is the text of the amendments. New language is underlined; deletions are in brackets.

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SCHEDULE A TO THE BY-LAWS OF THE CORPORATION

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Section 4 – Fees

(a) through (e) No change.

(f) There shall be a session fee of [\$75.00] \$100 assessed as to each individual who is required to complete the Regulatory Element of the Continuing Education Requirements pursuant to [Rule 1120] FINRA Rules.

(g) through (h) No change.

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