



PERMANENT ADMINISTRATIVE ORDER

FSR 4-2022

CHAPTER 441

DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
FINANCE AND SECURITIES REGULATION

FILED

12/22/2022 11:39 AM
ARCHIVES DIVISION
SECRETARY OF STATE
& LEGISLATIVE COUNSEL

FILING CAPTION: Securities update: Continuing Education

EFFECTIVE DATE: 01/01/2023

AGENCY APPROVED DATE: 12/20/2022

CONTACT: Karen Winkel
503-947-7694
karen.j.winkel@dcbs.oregon.gov

350 Winter St. NE
Salem, OR 97301

Filed By:
Karen Winkel
Rules Coordinator

RULES:

441-175-0190, 441-175-0195

ADOPT: 441-175-0190

NOTICE FILED DATE: 10/31/2022

RULE SUMMARY: This rule defines key terms for OAR 441-175-0195.

CHANGES TO RULE:

441-175-0190

Definitions for Investment Adviser Continuing Education

As used in OAR 441-175-0190, the following definitions apply unless context requires otherwise.¶

(1) "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. ¶

(2) "Authorized Provider" means a person that NASAA or its designee has authorized to provide continuing education content to meet the requirements of OAR 441-175-0190. ¶

(3) "Credit" means a unit that has been designated by NASAA or its designee as at least 50 minutes of educational instruction. ¶

(4) "FINRA" means the Financial Industry Regulatory Authority. ¶

(5) "IAR Ethics and Professional Responsibility Content" means approved IAR continuing education content that addresses an investment adviser representative's ethical and regulatory obligations. ¶

(6) "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. ¶

(7) "Investment Adviser Representative" or "IAR" means an individual who meets the definition of "investment adviser representative" in ORS 59.015 and an individual who meets the definition of "investment adviser representative" under 17 CFR 275.203A3. ¶

(8) "Home State" means the state in which the IAR has its primary place of business. ¶

(9) "NASAA" means the North American Securities Administrators Association or a committee designated by its Board of Directors. ¶

(10) "Reporting Period" means one twelve (12) month 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 licensed or required to be licensed with this state.

Statutory/Other Authority: ORS 59.285

Statutes/Other Implemented: ORS 59.285

RULE SUMMARY: This rule contains the requirements that an investment adviser representative obtain 12 hours of continuing education each calendar year. It also lays out instances where continuing education obtained in another state or as a prerequisite for accreditation meet the requirements of the rule.

CHANGES TO RULE:

441-175-0195

Investment Adviser Representative Continuing Education

(1) Every investment adviser representative licensed or required to be licensed under ORS 59.175 must complete the following continuing education requirements each reporting period: ¶

(a) 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) An investment adviser representative must complete six (6) credits of IAR products and practice content offered by an authorized provider. ¶

(2) 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 subsection (1)(b) 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; and ¶

(c) The continuing education content requires that its participants demonstrate proficiency in the subject matter of the educational materials. ¶

(3) Credits for continuing education completed by an investment adviser representative who was awarded and currently holds a credential that qualifies for an examination waiver under OAR 441-175-0120(6) comply with subsections (1)(a) and (1)(b) of this rule provided:¶

(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; and¶

(c) The continuing education content provided by the credentialing organization during the relevant reporting period is approved IAR continuing education content. ¶

(4) 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) An investment adviser representative who completes continuing education credits in excess of the amount required for the reporting period may not carry forward excess credits to a subsequent reporting period. ¶

(6) 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 calendar year following the "CE Inactive" renewal is not eligible for investment adviser representative registration or renewal of an investment adviser representative registration. ¶

(7) The director may waive any requirements of this rule upon finding undue hardship.¶

(8) An investment adviser representative licensed or required to be licensed in this state who is registered or licensed as an investment adviser representative in the IAR's home state is considered to be in compliance with this rule provided:¶

(a) The continuing education requirements in the IAR's home state are at least as stringent as the NASAA Model Rule on investment adviser representative education; and¶

(b) The investment adviser representative is in compliance with the IAR continuing education requirements of their home state state. ¶

(9) An investment adviser representative who was previously licensed in Oregon and became unlicensed must complete IAR continuing education for all reporting periods that occurred between the time that the investment adviser representative became unlicensed and when the person became licensed in this state again unless the investment adviser representative takes and passes the examination or receives an examination waiver under OAR 441-175-0120(6) in connection with the subsequent application for licensure.

Statutory/Other Authority: ORS 59.285
Statutes/Other Implemented: ORS 59.285