

**MEMO# 6672**

February 17, 1995

# **APRIL 11 CONFERENCE AND OTHER NEW INSTITUTE PROGRAMS TO ASSIST MEMBERS IN COMPLYING WITH CONTINUING EDUCATION REQUIREMENTS**

1See Memorandum to Bank Broker/Dealer Advisory Committee No. 5-95, Broker/Dealer Advisory Committee No. 4-95, Direct Marketing Committee No. 7-95, Human Resources and Training Working Group No. 3-95, Marketing Policy Committee No. 10-95, Members - One Per Complex No. 18-95, Operations Committee No. 7-95, Sales Force Marketing Committee No. 7-95, SEC Rules Committee No. 20-95, Shareholder Communications Committee No. 7-95, State Liaison Committee No. 8-95, Transfer Agent Advisory Committee No. 12-95, Unit Investment Trust Committee No. 16-95, dated February 10, 1995. February 17, 1995 TO: BANK BROKER/DEALER ADVISORY COMMITTEE No. 6-95 BROKER/DEALER ADVISORY COMMITTEE No. 6-95 DIRECT MARKETING COMMITTEE No. 9-95 HUMAN RESOURCES AND TRAINING WORKING GROUP No. 4-95 MARKETING POLICY COMMITTEE No. 13-95 MEMBERS - ONE PER COMPLEX No. 21-95 OPERATIONS COMMITTEE No. 9-95 SALES FORCE MARKETING COMMITTEE No. 9-95 SEC RULES COMMITTEE No. 25-95 SHAREHOLDER COMMUNICATIONS COMMITTEE No. 8-95 STATE LIAISON COMMITTEE No. 10-95 TRANSFER AGENT ADVISORY COMMITTEE No. 13-95 UNIT INVESTMENT TRUST COMMITTEE No. 17-95 RE: APRIL 11 CONFERENCE AND OTHER NEW INSTITUTE PROGRAMS TO ASSIST MEMBERS IN COMPLYING WITH CONTINUING EDUCATION REQUIREMENTS

As we previously advised you, the Securities and Exchange Commission ("SEC") recently adopted a proposal by the National Association of Securities Dealers, Inc. ("NASD") to require NASD members to participate in the Securities Industry Continuing Education Program<sup>1</sup>. The program will become effective in two phases, beginning July 1, 1995. As you know, the Securities Industry Continuing Education program requires NASD registrants, including those employed by mutual fund principal underwriters, to participate in one or both parts of a two-part continuing education program. The Regulatory Element will require NASD registrants who have been registered for ten years or less to complete a computer-based training session at specified intervals after their date of first registration. The Firm Element of the program applies to NASD registrants who have contact with customers and the immediate supervisors of those registrants. The Firm Element requires NASD-member firms to conduct an annual analysis of the training needs of these "covered persons"; develop a training plan based on the analysis; deliver the training described in the plan; and document the delivery of that training. The Institute is planning several new programs to

assist members in complying with these new requirements: \* The Institute will sponsor a one-day conference to explain the new continuing education requirements and offer ideas to help the industry comply with them. The conference, "The Securities Industry Continuing Education Program: The Mutual Fund Perspective," will be held on April 11, 1995 in Washington, DC. Speakers will include William R. Simmons, Chairman of the Securities Industry/Regulatory Council on Continuing Education (which developed the requirements), as well as other Council members, and representatives of the NASD, the New York Stock Exchange, Institute member firms, the Institute, and other experts. A preliminary agenda is attached. More information on the conference will be sent to you in the near future. To receive this information by fax, please call Alesha Helm-Bryant at 202/326-5866. \* The Institute is in the process of developing "drafting guidelines" to help fund groups, as well as broker-dealers that sell funds, conduct the training needs analysis and develop the training plan required by the Firm Element. These guidelines will be released and discussed in a presentation at the Institute's April 11 conference on the continuing education requirements. \* The Institute has a variety of training courses, videotapes, audiotapes, conferences, and seminars that may be used, as applicable, for Firm Element training. For a copy of the Institute's new Catalog of Training Materials for Financial Industry Professionals or a conference and seminar calendar, please call 202/326-5866 or 202/326-5868. \* On a periodic basis, the Institute will prepare and distribute a list of its memoranda that may be useful resources for members preparing Firm Element training programs and materials. We will keep you advised of further developments. Please call me at 202/326-5869 if you have any questions or comments. Stephanie Brown Director, Marketing & Training Attachment

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