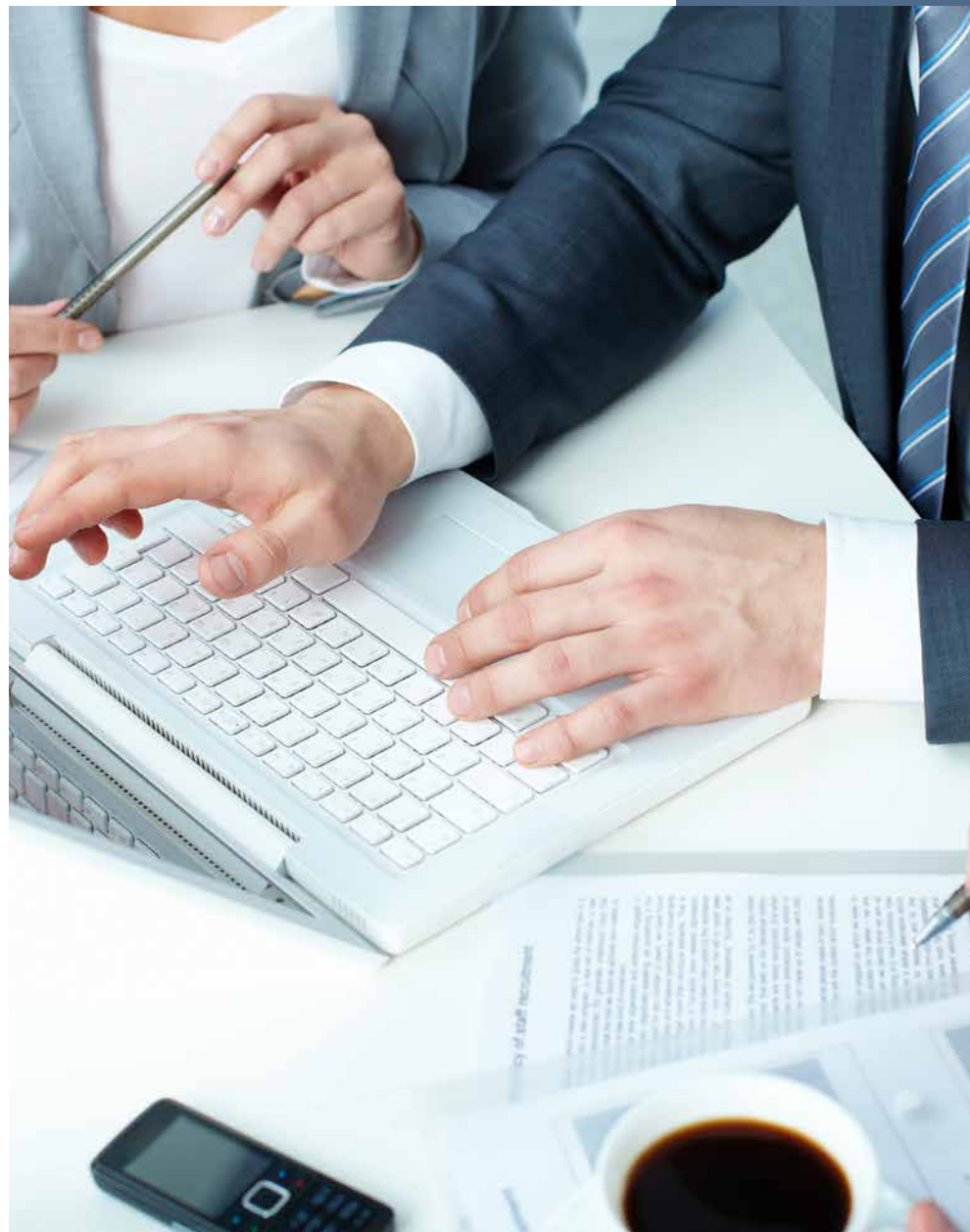


# ***‘Must-Know’*** **Facts about the IAR Continuing Education Model Rule**

Everything you need to know  
about NASAA’s Investment  
Adviser Representative continuing  
education model rule.



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# IAR CE Requirements & Guidelines

Investment Adviser Representatives (IARs) are required to complete continuing education if registered in a state or jurisdiction that has adopted NASAA's IAR CE model rule.

Each year, IARs must complete 12 total credits by December 31:

- 6 credits in Products & Practices
- 6 credits in Ethics & Professional Responsibility

Courses **cannot be repeated**—even in a different year—and each one-credit course concludes with a 10-question exam, requiring a 70% passing score to earn credit.





# Focusing on the ‘Why’

## *Why do IARs need continuing education?*

According to Lisa A. Hopkins, NASAA President and West Virginia Senior Deputy Securities Commissioner, “[The model rule] will help promote heightened regulatory compliance while also helping investment adviser representatives better serve their clients by remaining knowledgeable of current regulatory requirements and best practices.”

Similar to broker-dealer agents, insurance agents, certified financial planners, etc., IRAs play a pivotal role in the financial lives of their clients. One of the more notable differences between IARs and the aforementioned financial professionals was that IARs had no system in place to ensure that they were maintaining and expanding on their industry knowledge. The IAR CE model rule is intended to help create a level playing field across the industry while ensuring that all investors receive the **highest level of service and quality**.



# Taking Roll Call

## *Who needs to comply with the IAR CE model rule?*

The IAR CE model rule, applies to Investment Adviser Representatives registered in states that have enacted the requirement. IARs of **both state-registered and federal** covered investment advisers must complete CE if they are registered in a participating jurisdiction. As more states continue to adopt the rule, it's important to monitor where the requirement is active and ensure compliance based on each registration.



To see the list of states that have adopted the rule, [click here](#).





# Keeping Track of Credits

## *What are the requirements for continuing education under the model rule?*

To maintain registration under the IAR CE model rule, IARs must complete **12 continuing education credits annually**—split evenly between Products & Practices and Ethics & Professional Responsibility.

While approved CE providers report completions to FINRA's CRD system, IARs are ultimately responsible for tracking their progress through their [FinPro accounts](#).


These two focus areas are designed to keep IARs current on evolving industry standards and reinforce their professional and ethical responsibilities to clients.

# Course Selection Guidelines

## *Are IARs required to take specific CE courses?*

IARs can take **any course from a NASAA-approved provider** to meet their 12-credit annual requirement, there are no mandated or state-specific courses. This flexibility allows IARs to choose topics most relevant to their role and interests.

However, courses **cannot be repeated** in subsequent years, even if taken through a different provider. To remain compliant, IARs must select new content each year from the approved course catalog.

A black and white photograph of a woman with dark hair, wearing a sweater, with her hand on her chin in a thoughtful pose. A semi-transparent dark blue box is overlaid on the image, containing white text.

Linda Cena, Michigan Vice Chair, Investment Adviser Section – “IARs are free to select courses that appeal to their interests and their business models, so long as they meet the credit requirements and the courses are approved content for the IAR CE program.”

# Keeping Track of Credits

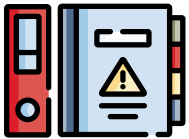
## ***Does NASAA accept additional or dual registrant credits?***

There may be circumstances where an IAR attains more than 12 credits during a given year. If this happens, the IAR **will not be able** to carry the additional credits forward to the subsequent year. However, the credits will still be reported on behalf of the IAR and recorded in his or her transcript.

For dually registered IARs who need to complete CE outside of the IAR CE requirements, NASAA may accept **CE earned towards other registrations/designations**, if specified conditions are met. *The following are some acceptable circumstances:*



**FINRA Regulatory Element:** NASAA will accept the securities industry CE Regulatory Element as an equivalent of the Products and Practices module so long as the FINRA CE content continues to meet certain baseline criteria as determined by NASAA.



**CFP Dual Credit to IAR CE:** In some cases, courses completed for other designations—such as the CFP®—may also qualify for IAR CE credit, and vice versa, provided the vendor (like Quest CE) is approved by both regulatory bodies.



**Professional Designations:** The CE required to maintain certain professional designations may meet some or all of the CE requirements for IARs as long as the provider and course have been approved through Prometric for IAR CE purposes.



# Cross-State Compliance & Registration Changes



**If an IAR adds registration in another state that requires IAR CE, do they need to complete additional credits?**

No, if an IAR has an active registration in a state that requires IAR CE and adds another IAR CE state, the current IAR CE completion requirement will apply to the new state. The IAR will only need to complete 12 credits annually for both states.



**If an IAR drops their registration with a state that requires IAR CE, do they still need to complete the requirement?**

Yes, the IAR still needs to complete the full 12 credits for that year, even though they may have dropped their license. If/when that adviser is registered in a state that adopts IAR CE, the adviser will either go 'CE inactive' or 'Fail to Renew'.





# Meeting the Status Quo

## *What happens if an IAR doesn't complete 12 credits by December 31?*

### **"CE Inactive" Status - Year 1**

If an IAR does not complete all 12 CE credits by December 31, they may still renew their registration. However, they will be marked as **"CE Inactive"** in the Investment Adviser Public Disclosure (IAPD) system and on FINRA's BrokerCheck.

This status is not permanent. The IAR can **regain active status** by completing any outstanding CE credits from the previous year. Once completed, "CE Inactive" is removed, and the IAR can continue with their current year's CE.

### **Termination of Registration - Year 2**

If an IAR fails to complete their CE requirements by December 31st for two consecutive years, they will no longer be eligible to renew their registration. Their registration will be administratively terminated, and they must satisfy all outstanding CE credits before applying to re-register in any state that has adopted the IAR CE model rule.



## EXAMPLE:

Susan Fields is an Investment Adviser Representative who completes only 10 of the 12 required CE credits by the December 31 deadline. As a result, her registration is renewed with a “CE Inactive” status. While this allows her to continue conducting business, she must make up the missing credits to regain full compliance.

Susan, planning to retire soon, chooses not to complete the remaining credits. The following year, her registration remains in “CE Inactive” status. However, because she still hasn’t fulfilled the prior year’s CE requirements by the end of that second year, she becomes ineligible to renew her registration moving forward.





# Figuring Out Where to Go

## ***Where can IARs go to complete their annual CE requirements?***

With the IAR CE model rule now active in many states, registered IARs must complete their annual 12-credit requirement through a NASAA-approved training provider. All course content must be reviewed and approved by Prometric LLC, NASAA's official course management vendor (CMV), to ensure it meets content and delivery standards.

IARs can select courses based on firm recommendations, trusted vendors, or personal research. Many IARs find it helpful to choose a provider that offers flexible course formats, streamlined reporting, and topics relevant to their day-to-day roles. Those who are dually registered may also benefit from using the same provider for overlapping CE needs across multiple designations.

*\* Quest CE has received approval from NASAA to deliver IAR CE courses.*



# Tracking & Reporting Your IAR CE Credits

*To stay in good standing, IARs should understand how credits are reported, tracked, and verified throughout the year.*

## **Who Reports Credits?**

All IAR CE credits are reported by approved providers directly to FINRA's CRD system on behalf of the IAR.

## **What Information is Required for Reporting?**

To ensure credits are accurately rostered, IARs must use their full legal name, exactly as it appears in CRD, and provide their CRD number when enrolling in CE courses.

## **How Can Advisers Self Monitor?**

IARs are responsible for self-monitoring their credit completion through FINRA's FinPro system. It's important to regularly check your status and confirm that all completed courses have been properly reported.



# Conclusion

## *Where do we go from here?*

NASAA's IAR CE model rule is active in a growing number of states, with additional jurisdictions continuing to adopt the requirement each year. IARs should **stay informed** about their registration state's adoption status and ensure they're meeting the annual CE requirement if applicable.

As with any regulatory shift, adjusting to new requirements can take time. Fortunately, NASAA continues to release updated guidance and resources to support the industry. Accredited CE providers—like Quest CE—are also **here to help** IARs stay compliant by offering approved courses and user-friendly platforms that make completing CE both accessible and efficient.

[IAR CE Homepage](#)

