

Appendix:

The Proposed Financial Planners and Financial Advisors Regulations

Table of Contents

PART 1

Preliminary Matters

1 Title

2 Interpretation

PART 2

Applications

3 Credentialing Bodies – Application

4 Credentials – Application

PART 3

Credentialing Bodies – Criteria and Duties

5 Credentialing Bodies – Criteria and Duties

PART 4

Credentialing Criteria

6 Credential Criteria – Financial Planning

7 Credential Criteria – Financial Advising

PART 5

Annual Return

8 Annual Return

PART 6

Transitional Matters

9 Transitional Matters

PART 1

Preliminary Matters

Title

1 These regulations may be cited as *The Financial Planners and Financial Advisors Regulations*.

Interpretation

2 In these regulations:

“Act” means *The Financial Planners and Financial Advisors Act*;

PART 2

Applications

Credentialing Bodies - Application

3 A person or entity who wishes to apply for approval as a credentialing body shall submit an application to the executive director that demonstrates compliance with the requirements of subsection 5(1).

Credentials – Application

4 (1) An approved credentialing body that wishes to apply for approval of a financial planning credential shall submit an application to the executive director that demonstrates compliance with the requirements of subsection 6(1).

(2) An approved credentialing body that wishes to apply for approval of a financial advising credential shall submit an application to the executive director that demonstrates compliance with the requirements of subsection 7(1).

PART 3

Credentialing Bodies – Criteria and Duties

Credentialing Bodies – Criteria and Duties

5 (1) An application by a person or entity for approval as a credentialing body must demonstrate that the applicant has:

- (a) an effective governance structure and administrative policies and procedures that serve the public interest;
 - (b) the necessary expertise, resources, policies, procedures and administrative practices to effectively administer and maintain a credentialing program;
 - (c) a code of ethics and professional standards for its officers, directors and employees that serve the public interest; and
 - (d) the necessary expertise, resources, policies, procedures and administrative practices to effectively oversee the conduct of individuals holding approved credentials it has issued.
- (2) An approved credentialing body shall regularly review its educational curriculum to ensure that it is up to date having regard to issues such as industry best practices, legal requirements and developments in the economy and the financial services sector.
- (3) An approved credentialing body shall maintain effective processes to:
- (a) respond to complaints from the public related to individuals holding approved credentials it has issued; and
 - (b) adjudicate complaints and enforce discipline in a transparent and impartial manner.
- (4) An approved credentialing body shall maintain and make public on its website:
- (a) a current list of individuals holding approved credentials it has issued, including the type of credential issued to each individual; and
 - (b) information with respect to disciplinary action taken against individuals who currently hold or previously held approved credentials it has issued.
- (5) An approved credentialing body shall provide to the executive director, within the time and in the form that the executive director specifies, the information described in paragraphs 5(4)(a) and 5(4)(b) and the executive director may publish or direct a third party to publish that information.
- (6) An approved credentialing body shall effectively monitor and enforce the requirements of subsections 6(3) and 7(3).
- (7) For the purposes of clause 10(3)(c) of the Act, “prescribed partners, officers, representatives and other related persons” shall include any partner, officer, representative or other related person that carries out a function or responsibility on behalf of a credentialing body in Saskatchewan.

PART 4

Credential Criteria

Credential Criteria – Financial Planning

6 (1) Any financial planning credential offered by an approved credentialing body shall be:

- (a) based on a program designed and administered to ensure that an individual using the credential will be required to:
 - (i) deal with the individual's clients competently, professionally, fairly, honestly and in good faith;
 - (ii) Address material conflicts of interest in the best interests of their clients; and
 - (iii) Put the clients' interests first when making a suitability determination; and
- (b) subject to such educational requirements related to financial planning and associated matters that provide the technical knowledge, professional skills and competencies that would reasonably be expected of an individual providing financial planning recommendations and preparing financial plans, including, without limitation, educational requirements related to:
 - (i) the Canadian financial services marketplace and regulatory environment;
 - (ii) estate planning, tax planning, retirement planning, investment planning, finance management and insurance and risk management;
 - (iii) ethical practices and professional conduct;
 - (iv) dealing with conflicts of interest;
 - (v) collecting personal and financial information;
 - (vi) identifying client objectives, needs and priorities;
 - (vii) providing suitable financial planning and investment recommendations to a client;
 - (viii) developing and presenting an integrated financial plan for a client.

(2) An approved credentialing body shall not issue an approved financial planning credential to an individual unless the individual has passed a documented examination

process that adequately tests all components of the educational curriculum established pursuant to clause (1)(b).

(3) An approved credentialing body shall require that any individual to whom it has issued an approved financial planning credential must comply with:

(a) a code of ethics and professional standards that includes the standard of care described in clause (1)(a); and

(b) continuing education requirements that reinforce the requirements described in clause (1)(b).

(4) For the purpose of section 4 of the Act, an individual's approved financial planning credential is in "good standing" if the individual continues to hold the credential that is not suspended or cancelled and has satisfied the on-going requirements of the approved credentialing body including, without limitation, the requirements established pursuant to subsection (3).

Credential Criteria – Financial Advising

7 (1) Any financial advising credential offered by an approved credentialing body shall be:

(a) based on a program designed and administered to ensure that an individual using the credential will be required to:

(i) deal with the individual's clients competently, professionally, fairly, honestly and in good faith; and

(ii) Address material conflicts of interest in the best interest of their clients; and

(iii) Put the clients' interests first when making a suitability determination; and

(b) subject to such educational requirements related to financial advising and associated matters that provide the technical knowledge, professional skills and competencies that would reasonably be expected of an individual providing financial advice, including, without limitation, educational requirements related to:

(i) the Canadian financial services marketplace and regulatory environment;

(ii) the products and services provided by the individual;

- (iii) ethical practices and professional conduct;
- (iv) dealing with conflicts of interest;
- (v) collecting personal and financial information;
- (vi) identifying client objectives, needs and priorities;
- (vii) providing suitable financial and investment recommendations to a client.

(2) An approved credentialing body shall not issue an approved financial advising credential to an individual unless the individual has passed a documented examination process that adequately tests all components of the educational curriculum established pursuant to clause (1)(b).

(3) An approved credentialing body shall require that any individual to whom it has issued an approved financial advising credential must comply with:

- (a) a code of ethics and professional standards that includes the standard of care described in clause (1)(a); and
- (b) continuing education requirements that reinforce the requirements described in clause (1)(b).

(4) For the purpose of section 5 of the Act, an individual's approved financial advising credential is in "good standing" if the individual continues to hold the credential that is not suspended or cancelled and has satisfied the on-going requirements of the approved credentialing body including, without limitation, the requirements established pursuant to subsection (3).

PART 5

Annual Return

Annual Return

8 For the purpose of section 21 of the Act, the credentialing body shall provide the annual return to the executive director within 90 days after the end of the financial year for which the return is prepared.

PART 6

Transitional Matters

Transitional Matters

9 (1) Subject to subsections (2) and (3), an individual who, immediately prior to July 3, 2020 and up to the date this regulation comes into force, used in Saskatchewan the title:

- (a) “Financial Planner” or “planificateur financier”, an abbreviation of that title, an equivalent in another language or a title that could reasonably be confused with that title; or
- (b) “Financial Advisor” or “conseiller financier”, an abbreviation of that title, an equivalent in another language or a title that could reasonably be confused with that title,

may continue to use that same title.

(2) Subject to section 36 or section 41 of the Act, an individual may continue to use a title pursuant to clause (1)(a) until the fourth anniversary of the date this regulation comes into force.

(3) Subject to section 36 or section 41 of the Act, an individual may continue to use a title pursuant to clause (1)(b) until the second anniversary of the date this regulation comes into force.