
Annual Training Needs Evaluation For 2011 Firm Element Training Program

This document is intended to assist you in performing your needs analysis and creating a training plan or updating existing training plans to meet the standards for the Firm Element of the Securities Industry Continuing Education Program.

Any information furnished on this Needs Evaluation will remain confidential and will not be used for any other purpose by RegEd.

Firm Element Continuing Education Program

A. Firm Name _____

B. Main Office Location

Street _____ Suite _____

Telephone _____

City _____ State _____ Zip _____

C. Organizational Structure - Name and years registered

President _____

Chief Executive Officer _____

Chief Financial Officer _____

Chief Compliance Officer _____

Chief Marketing Officer _____

Chief Operations Officer _____

Continuing Education Principal _____

Who is responsible for your firm's in-house training? _____

D. Legal Status

- Corporation
- Partnership
- Sole Proprietorship
- Limited Liability Company
- Other (please specify) _____

E. Registration Status

- Fully Disclosed Introducing Broker-Dealer
 - Bank Owned Broker-Dealer _____ (owner)
 - Insurance Owned Brker-Dealer _____ (owner)
- Self-Clearing Brker-Dealer
 - Bank Owned Broker-Dealer _____ (owner)
 - Insurance Owned Broker-Dealer _____ (owner)
- Limited Broker-Dealer
 - Bank Owned Broker-Dealer _____ (owner)
 - Insurance Owned Broker-Dealer _____ (owner)
 - Retail
 - Wholesale Only
 - Mutual Fund Distributor

Your designated examining authority

- FINRA
- NYSE

How long has your firm been registered? _____ (years)

F. Registered Representatives - Indicate number of registrations for each category

S-3 _____	S-15 _____	S-39 _____	S-65 _____
S-4 _____	S-16 _____	S-42 _____	S-66 _____
S-6 _____	S-22 _____	S-52 _____	S-71 _____
S-7 _____	S-24 _____	S-53 _____	S-72 _____
S-8 _____	S-26 _____	S-55 _____	S-79 _____
S-9 _____			
S-10 _____			
S-11 _____	S-27 _____	S-62 _____	Other _____
S-14 _____	S-28 _____	S-63 _____	Other _____

Professional Designations - Indicate number of designations for each category

CFP _____	ChFC _____	CLU _____	LUTCF _____
CPA _____	CFA _____	CEP _____	CFS _____

Supervisory Structure (Indicate number of branches in each category)

Non-Registered Branches _____	Total Number of Registered Persons _____
Non-OSJ Registered Branches _____	Registered Supervisors _____
OSJ Branches _____	Registered Administrative Persons _____
Total Domestic Branches _____	Registered Sales Persons (non-supervisory) _____
Total International Branches _____	Total Number of Covered Persons _____

Firm Business Mix

Equities _____%	Municipal Bonds _____%
Penny Stocks _____%	Government Bonds _____%
Corp. Bonds _____%	Agency Bonds _____%
Mutual Funds _____%	Direct Investment Programs _____%
529 Plans _____%	Advisory Fees _____%
Variable Annuities _____%	Investment Banking _____%
Variable Life _____%	Private Placements _____%
Fixed Insurance _____%	Certificates of Deposit _____%
Options _____%	Security Futures _____%
Commodities _____%	Derivatives _____%
CMOs _____%	Hedge Funds _____%
Private Placements _____%	REITs _____%
Limited Partnerships _____%	Swaps _____%
OTC Options _____%	Asset-Backed Bonds _____%
Other _____%	Structured Finance _____%

G. Indicate what services your firm provides to its clients:

- | | |
|---|---|
| <input type="checkbox"/> Retail Sales | <input type="checkbox"/> Institutional Equity Sales |
| <input type="checkbox"/> Equity Market Maker | <input type="checkbox"/> Institutional Fixed Income Sales |
| <input type="checkbox"/> Equity Underwriter | <input type="checkbox"/> Municipal Debt Dealer |
| <input type="checkbox"/> Corporate Debt Dealer | <input type="checkbox"/> Municipal Underwriter |
| <input type="checkbox"/> Corporate Debt Underwriter | <input type="checkbox"/> Government Debt Dealer |
| <input type="checkbox"/> Mutual Fund Underwriter | <input type="checkbox"/> Partnership Underwriter |
| <input type="checkbox"/> Investment Banking | <input type="checkbox"/> Wrap/Managed Accounts |
| <input type="checkbox"/> Investment Advisory Services | <input type="checkbox"/> Asset Securitization Services |
| <input type="checkbox"/> Syndication | <input type="checkbox"/> Prime Brokerage |
| <input type="checkbox"/> Block Trading | <input type="checkbox"/> Clearing |
| <input type="checkbox"/> Research Services | <input type="checkbox"/> Other _____ |

Does your firm have separate distribution channels or distinct business groups? If so, please provide details:

H. Client Demographics: If your firm has separate distribution channels or distinct business groups, answer for each channel/group separately. (Indicate name of group, otherwise state "Firm".)

Number of Retail Accounts _____

Number of Institutional Accounts _____

Number of Managed Accounts _____

Number of Margin Accounts _____

Number of Option Accounts _____

Number of Futures Accounts _____

Average Transactions per Day _____

Average Transaction Size _____

Equity Trade _____

Mutual Fund Trade _____

Corp Bond Trade _____

Muni Bond Trade _____

Gov Bond Trade _____

Variable Annuity Premium _____

Variable Life Premium _____

Direct Participation Program _____

For Retail Accounts:

Average Client Age _____

Average Client Income _____

Average Client Net Worth _____

Average Account Value (Retail) _____

Average Account Value (Managed) _____

I. Customer Communications:

Do your registered representatives utilize cold calling techniques to secure new clients? _____

Do your registered representatives use e-mail to communicate with retail clients? _____

Do your registered representatives use e-mail to communicate with institutional clients? _____

Do you permit your registered representatives to use instant messaging to communicate with clients? _____

Do you permit your registered representatives to use instant messaging to communicate with personnel outside the firm? _____

Do your registered representatives operate their own websites? _____

Do you permit your registered representatives to place their own advertising? _____

J. Current and Future Business Plans - Describe the firm's current business and discuss any new plans or business initiatives for the coming year, i.e., products, services, strategies, etc.

K. Firm Policies and Procedures - Review your Firm's policies and procedures. Indicate when your firm's policies were last revised in particular areas, when your representatives were last tested in those areas, and list the areas in which your representatives may need additional training.

Internal Procedures	Date Last Revised	Date Last Tested	Need Addtl. Training?		If Yes, Issues Requiring Addtl. Training
			Yes	No	
Supervisory Procedures			<input type="checkbox"/>	<input type="checkbox"/>	
Insider Trading			<input type="checkbox"/>	<input type="checkbox"/>	
Professional Ethics (Securities)			<input type="checkbox"/>	<input type="checkbox"/>	
Professional Ethics (Futures)			<input type="checkbox"/>	<input type="checkbox"/>	
Customer Communications			<input type="checkbox"/>	<input type="checkbox"/>	
Electronic Communications			<input type="checkbox"/>	<input type="checkbox"/>	
Advertising and Sales Literature			<input type="checkbox"/>	<input type="checkbox"/>	
General Sales Practices			<input type="checkbox"/>	<input type="checkbox"/>	
Non-cash Compensation			<input type="checkbox"/>	<input type="checkbox"/>	
Mutual Fund Sales Practices			<input type="checkbox"/>	<input type="checkbox"/>	
Breakpoints			<input type="checkbox"/>	<input type="checkbox"/>	
Disclosures			<input type="checkbox"/>	<input type="checkbox"/>	
Switching			<input type="checkbox"/>	<input type="checkbox"/>	
Variable Annuity Sales Practices			<input type="checkbox"/>	<input type="checkbox"/>	
Sales to Seniors			<input type="checkbox"/>	<input type="checkbox"/>	
Tax-Advantaged Accounts			<input type="checkbox"/>	<input type="checkbox"/>	
Exchanges			<input type="checkbox"/>	<input type="checkbox"/>	
Variable Life Sales Practices			<input type="checkbox"/>	<input type="checkbox"/>	
Non-registered Insurance Product Sales Practices			<input type="checkbox"/>	<input type="checkbox"/>	
529 Plans Sales Practices			<input type="checkbox"/>	<input type="checkbox"/>	
Privacy Disclosure			<input type="checkbox"/>	<input type="checkbox"/>	
Interagency Statement Disclosure			<input type="checkbox"/>	<input type="checkbox"/>	

Internal Procedures	Date Last Revised	Date Last Tested	Need Addtl. Training?		If Yes, Issues Requiring Addtl. Training
			Yes	No	
Account Documentation			<input type="checkbox"/>	<input type="checkbox"/>	
Books and Records			<input type="checkbox"/>	<input type="checkbox"/>	
Online Trading			<input type="checkbox"/>	<input type="checkbox"/>	
Anti-Money Laundering (general)			<input type="checkbox"/>	<input type="checkbox"/>	
CIPs			<input type="checkbox"/>	<input type="checkbox"/>	
Private Banking Accounts			<input type="checkbox"/>	<input type="checkbox"/>	
Foreign Bank Accounts			<input type="checkbox"/>	<input type="checkbox"/>	
Correspondent Accounts			<input type="checkbox"/>	<input type="checkbox"/>	
Suspicious Activity Reporting			<input type="checkbox"/>	<input type="checkbox"/>	
CTR Filings			<input type="checkbox"/>	<input type="checkbox"/>	
Other Filings			<input type="checkbox"/>	<input type="checkbox"/>	
OFAC			<input type="checkbox"/>	<input type="checkbox"/>	
Market Conduct			<input type="checkbox"/>	<input type="checkbox"/>	
Private Securities Transactions			<input type="checkbox"/>	<input type="checkbox"/>	
Selling Away			<input type="checkbox"/>	<input type="checkbox"/>	
Product Suitability			<input type="checkbox"/>	<input type="checkbox"/>	
Fixed Income			<input type="checkbox"/>	<input type="checkbox"/>	
Options			<input type="checkbox"/>	<input type="checkbox"/>	
Equities			<input type="checkbox"/>	<input type="checkbox"/>	
Mutual Funds			<input type="checkbox"/>	<input type="checkbox"/>	
Variable Products			<input type="checkbox"/>	<input type="checkbox"/>	
Money Market/CDs			<input type="checkbox"/>	<input type="checkbox"/>	
Wrap Accounts			<input type="checkbox"/>	<input type="checkbox"/>	
Other (identify):			<input type="checkbox"/>	<input type="checkbox"/>	
Research Analyst Procedures			<input type="checkbox"/>	<input type="checkbox"/>	
Sarbanes-Oxley (Corporate Insiders)			<input type="checkbox"/>	<input type="checkbox"/>	
IPO Allocations			<input type="checkbox"/>	<input type="checkbox"/>	
Hedge Fund Sales Practices			<input type="checkbox"/>	<input type="checkbox"/>	
Personal Securities Accounts			<input type="checkbox"/>	<input type="checkbox"/>	
Employee Trading Policies			<input type="checkbox"/>	<input type="checkbox"/>	
Gifts			<input type="checkbox"/>	<input type="checkbox"/>	
Political Contributions			<input type="checkbox"/>	<input type="checkbox"/>	
Registration and Reporting			<input type="checkbox"/>	<input type="checkbox"/>	
Customer Complaints			<input type="checkbox"/>	<input type="checkbox"/>	
Account Transfers			<input type="checkbox"/>	<input type="checkbox"/>	
Trade Settlement			<input type="checkbox"/>	<input type="checkbox"/>	
Other:			<input type="checkbox"/>	<input type="checkbox"/>	

L. Firm Services - Review the services your firm is providing to clients. List the areas in which your covered persons may need additional training.

	Need Additional Training?		Issues Requiring Training
	Yes	No	
Asset Allocation	<input type="checkbox"/>	<input type="checkbox"/>	
Retirement Plans	<input type="checkbox"/>	<input type="checkbox"/>	
College Planning	<input type="checkbox"/>	<input type="checkbox"/>	
Margin Accounts	<input type="checkbox"/>	<input type="checkbox"/>	
Estate Planning	<input type="checkbox"/>	<input type="checkbox"/>	
Financial Planning	<input type="checkbox"/>	<input type="checkbox"/>	
Institutional Sales	<input type="checkbox"/>	<input type="checkbox"/>	
Equity Trading	<input type="checkbox"/>	<input type="checkbox"/>	
Fixed Income Trading	<input type="checkbox"/>	<input type="checkbox"/>	
Asset Securitization	<input type="checkbox"/>	<input type="checkbox"/>	
Syndication	<input type="checkbox"/>	<input type="checkbox"/>	
Research	<input type="checkbox"/>	<input type="checkbox"/>	
Investment Banking	<input type="checkbox"/>	<input type="checkbox"/>	
Investment Advisory Services	<input type="checkbox"/>	<input type="checkbox"/>	
Prime Brokerage	<input type="checkbox"/>	<input type="checkbox"/>	
On-Line Trading	<input type="checkbox"/>	<input type="checkbox"/>	
Other:	<input type="checkbox"/>	<input type="checkbox"/>	

M. Supervisory Training Needs

According to the Securities Industry/Regulatory Council on Continuing Education, "Firms are required to specifically address training needs of supervisors in the annual Needs Analysis and training plan. Firm Element training for supervisors would typically include a review of the firm's internal supervisory policies, the effective use of internal monitoring or supervisory systems, and the sources of information or assistance to supervisors available within the firm."

Review the training that is being provided by the firm to its supervisors. List the areas in which your supervisors may need additional training.

	Need Additional Training?		Issues Requiring Training
	Yes	No	
Suitability	<input type="checkbox"/>	<input type="checkbox"/>	
General Securities Sales (Retail)	<input type="checkbox"/>	<input type="checkbox"/>	
Mutual Funds	<input type="checkbox"/>	<input type="checkbox"/>	
Variable Insurance Products	<input type="checkbox"/>	<input type="checkbox"/>	
Sales Branch Manager Training	<input type="checkbox"/>	<input type="checkbox"/>	
OSJ Branch Manager Training	<input type="checkbox"/>	<input type="checkbox"/>	
Remote Office Manager Training	<input type="checkbox"/>	<input type="checkbox"/>	
Supervision of:	<input type="checkbox"/>	<input type="checkbox"/>	
Independent Contractors	<input type="checkbox"/>	<input type="checkbox"/>	
Institutional Sales and Trading	<input type="checkbox"/>	<input type="checkbox"/>	
Insurance Agent/RRs	<input type="checkbox"/>	<input type="checkbox"/>	
Investment Advisers	<input type="checkbox"/>	<input type="checkbox"/>	
Research Analysts	<input type="checkbox"/>	<input type="checkbox"/>	
Investment Banking	<input type="checkbox"/>	<input type="checkbox"/>	
Other:	<input type="checkbox"/>	<input type="checkbox"/>	

Describe the training that the firm has provided to its supervisors within the last two years.

N. Anti-Money Laundering Training

Describe the training your firm provided its personnel on anti-money laundering (“AML”) in 2010:

Identify the personnel who received this training:

- | | |
|---|---|
| <input type="checkbox"/> Sales | <input type="checkbox"/> Sales Support |
| <input type="checkbox"/> Operations | <input type="checkbox"/> Administrative |
| <input type="checkbox"/> Legal/Compliance | <input type="checkbox"/> Internal Audit |
| <input type="checkbox"/> Supervisors | <input type="checkbox"/> Other |

If Other checked, please identify:

Has your firm adopted new procedures in 2011 connection with its AML compliance program? Yes No

If yes, have all relevant personnel been trained on the new procedures? Yes No

If the answer to this question is no, describe your plans for training on the new procedures in 2011:

Describe all other AML-related training you plan to provide your personnel in 2011:

Which personnel do you plan to provide AML training to in 2011:

- Sales
- Sales Support
- Supervisors
- Operations
- Administrative
- Legal/Compliance
- Internal Audit
- Other

If Other checked, please identify:

O. Additional Training Opportunities

List your firm's in-house training opportunities for the coming year. Check which of the following will occur, the date(s) on which they will occur, and the topics to be covered.

	Training Plan	Date	Topics to be Covered
<input type="checkbox"/>	Annual Compliance Meeting		
<input type="checkbox"/>	Quarterly Sales Meeting (Winter)		
<input type="checkbox"/>	Quarterly Sales Meeting (Spring)		
<input type="checkbox"/>	Quarterly Sales Meeting (Summer)		
<input type="checkbox"/>	Quarterly Sales Meeting (Fall)		
<input type="checkbox"/>	Sales Meetings (State Frequency)		
<input type="checkbox"/>	Operations Staff Training		
<input type="checkbox"/>	Trading Staff Training		
<input type="checkbox"/>	Marketing Staff Training		
<input type="checkbox"/>	Investment Banking Training		
<input type="checkbox"/>	Compliance Staff		
<input type="checkbox"/>	Other:		

Describe how you will track participation at these training sessions:

List your personnel's attendance at industry seminars, conferences, conventions and other professional meetings. Indicate expected topics and who will attend.

	Conference	Attendee	Topics to be Covered
<input type="checkbox"/>	FINRA Conferences		
<input type="checkbox"/>	SIA Conferences		
<input type="checkbox"/>	NSCP Conferences		
<input type="checkbox"/>	IABDF Conferences		
<input type="checkbox"/>	Other:		
<input type="checkbox"/>	Other:		
<input type="checkbox"/>	Other:		

Describe how you will track participation in these outside conferences:

In the preceding two calendar years, has the firm or any of its representatives or associated persons been subject to customer complaints alleging any of the following:

- | | |
|---|---|
| <input type="checkbox"/> Failure to follow instructions | <input type="checkbox"/> Misappropriation |
| <input type="checkbox"/> Excessive trading | <input type="checkbox"/> Unsuitable Investment Advice |
| <input type="checkbox"/> Inadequate supervision | <input type="checkbox"/> Unauthorized trading |
| <input type="checkbox"/> Misrepresentation | <input type="checkbox"/> Manipulation or Twisting |
| <input type="checkbox"/> Breach of fiduciary duty | <input type="checkbox"/> Insider Trading |
| <input type="checkbox"/> Market Manipulation | <input type="checkbox"/> Other _____ |

Give a brief description of each occurrence indicated above.

Do you have representatives subject to heightened supervision? Describe the nature of the heightened supervision and any additional training being provided.

Q. Economic and Market Conditions

After reviewing your Firm's business practices, procedures, and services, describe below the impact of any of the following factors on the products or services offered by your firm, and any concomitant training needs.

Market Performance _____

Market Price Changes _____

Technological Advances _____

Investor Psychology _____

Political Situations _____

New or Changed Regulations _____

Other Conditions _____

R. Legal and Regulatory Developments

Review recent federal and state law changes, FINRA, NYSE, SEC MSRB, U.S. Treasury, etc., regulation changes for their effect on the firm's business offerings, operations and procedures. Review the Securities Industry Continuing Education Program Firm Element Advisory for 2010.

Items Reviewed

- FINRA Notice to Members #
- FINRA Notice to Members #
- FINRA Notice to Members #
- SEC Rule Changes
- State Rule Changes
- Other: _____

Review recent firm regulatory audits. Do any disclose issues that require additional training of your covered persons.

Date of last FINRA/NYSE Audit: _____

Training Required: _____

Date of last SEC Audit: _____

Training Required: _____

Review recent firm audits.

Do any internal branch office or unregistered office audits disclose any needs for additional training? _____

If yes, what training is needed? _____

Does your AML audit disclose a need for additional training? _____

If yes, what training is needed? _____

S. Ethics Review

The Securities Industry/Regulatory Council on Continuing Education (“CE Council”) has advised that firms should address ethical issues in their Firm Element Training programs. The CE Council also advised that a firm’s annual needs assessment should try to identify ethical dilemmas that employees face (or see their colleagues facing), as well as pressures that may keep employees from acting properly or reporting their ethical concerns.

Examples of ethics issues that may arise are: (a) conflicts of interest, such as personal trading, outside business, gifts/gratuities/entertainment, political contributions; (b) relationships with other employees, such as harassment and discrimination; (c) relationships with customers, such as ensuring the clients’ needs come first or handling improper requests from customers; and (d) representing the firm’s interests, such as use of firm property, keeping accurate records, responding to regulators.

Please identify any ethical issues faced by the personnel in your business units which might be addressed in your 2011 Firm Element training program?

T. Firm-Wide Needs Analysis

What is the date of your most recent firm-wide survey done in conjunction with your needs analysis?

If you conducted a new survey for this analysis, what were the results?

What are the topics in which your representatives have requested more information?

What topics have operations personnel identified as warranting additional training?

What topics have compliance legal and/or internal audit personnel identified as warranting additional training?

What services or products have your representatives targeted for increased activity or business growth?

U. Regulatory Element Performance

Did any of your personnel complete the Regulatory Element during 2010? Yes No

If the answer is yes, review the aggregate performance of your eligible representatives completing the Regulatory Element. (These scores may be obtained by contacting FINRA's Continuing Education group and providing the firm's CRD number.)

	Industry Average	Firm Score
Regulatory and Reporting Issues		
Communications with Public		
Suitability		
Handling Customer Complaints		
Business Conduct		
Customer Accounts (Trade and Settlement)		
New and Secondary Offerings		
Totals		

Explain any negative variations between industry average and firm scores. _____

If you were unable to obtain aggregate performance scores, check here:

V. Feedback Concerning the 2010 Firm Element Training

Review the feedback received from covered persons for your year 2010 Firm Element Training.

Method of testing _____

Course content _____

Did all covered persons complete the 2010 Firm Element? _____

If not, identify the action taken by the firm to ensure that all persons completed their requirements:

Representative

Action

_____	_____
_____	_____
_____	_____
_____	_____

What topics were covered for 2010? _____

W. 2011 Course Selection

Based on the needs identified in this evaluation and discussions with management, the following courses have been selected for the Firm's 2011 continuing education plan.

NOTE: Please refer to the 2011 RegEd Course Catalog for assistance in course selection. If you prefer, RegEd will be happy to assist you by recommending courses based upon the information provided in this Needs Evaluation.

X. Training Schedule

Include all training being provided by the firm, including Firm Element Continuing Education courses, to arrive at a composite training schedule. Note the date by which all Firm Element training is to be completed.

First Quarter 2011		
Continuing Education	Firm Meetings	Industry Meetings
Second Quarter 2011		
Third Quarter 2011		
Fourth Quarter 2011		

Notes: _____

What is final date for completion of CE Courses? _____

If different classifications of representatives have different courses, attach schedule indicating courses for each representative classification.

Y. Record Keeping and Reports

RegEd provides tracking reports advising your firm of the progress of individual representatives completing the Firm Element courses. A variety of reports are available either through hard copy or by downloading from www.RegEd.com.

Please indicate who at your firm is to receive CE Tracking Reports:

Name _____ Title _____
Address _____ City, State, Zip: _____
Telephone _____ Fax _____
E-mail _____

Z. Person responsible for Firm Element Plan:

Name _____ Title _____
Address _____ City, State, Zip: _____
Telephone _____ Fax _____
E-mail _____

Retain all documentation reviewed or received in preparing this Evaluation.
