



## NOTICE OF ADOPTION OF

### RULE TPA-001 *GENERAL*

### AND

### RULE TPA-002 *FEES*

Under the *Financial Advisors and Financial Planners Title Protection Act*

#### **Introduction**

On June 26, 2025, the Financial and Consumer Services Commission of New Brunswick (**Commission**) approved the making of Rule TPA-001 *General* (**General Rule**) and Rule TPA-002 *Fees* (**Fee Rule** and together with the General Rule, the **Rules**).

#### **Background**

On January 11, 2024, the Commission published a notice of the proposed General Rule and Fee Rule for a 90-day comment period. The Commission received nine submissions during the comment period.

We have considered the submissions and thank all commenters for their input. A summary of the comments received, together with our responses, are contained in Annex A – Summary of Comments.

The Commission made some minor changes to the General Rule and determined that these changes were not material and a further comment period was not necessary.

#### **Substance and Purpose of the Rules**

The *Financial Advisors and Financial Planners Title Protection Act* (**Act**) is designed to ensure that individuals using the titles of financial advisor or financial planner attain minimum educational qualifications to be appropriately credentialed.

The *Act*'s framework will operate alongside the General Rule, which define the standards for approving credentialing entities and their qualifications and the Fee Rule, which sets out the fees payable to the Commission under this framework.

#### *Summary of changes to the General Rule*

- Added the requirement to pay fees under sections 5 and 6 for greater certainty and consistency with other Commission rules.

- Removed item (g) under section 8 relating to the “comprehensive financial and investment strategies” educational requirement for financial advisors.

The Rules will come into effect on January 1, 2026, subject to Ministerial approval and the proclamation of the Act.

**Contents of annex:**

Annex A: Summary of Comments of the Rules

**Questions**

If you have any questions, please refer them to:

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## Annex A Summary of Comments

### List of Commenters

1. Canadian Advocacy Council of CFA Societies Canada
2. Canadian Bankers Association
3. UNI Coopération financière
4. Canadian Life and Health Insurance Association
5. Primerica Financial Services (Canada) Ltd.
6. FAIR Canada
7. Canadian Institute of Financial Planning
8. Financial Planning Association of Canada
9. FP Canada

### Summary of Comments – General Rule

| Section   | Topic                                                             | Summarized Comments                                                                                                                                                                                                           | Commission's Response                                                                                                                                                                                                                                                                                                                                                                                           |
|-----------|-------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| General   | Harmonization                                                     |                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                 |
|           |                                                                   | Five commenters supported a harmonized approach across jurisdictions, with two also recommending standardized forms.                                                                                                          | <p>We thank commenters for their feedback and agree that a harmonized approach is important for the success of the framework.</p> <p>Using standardized forms across jurisdictions is not considered as each jurisdiction may have different criteria. However, efforts will be made to minimize duplication where possible.</p>                                                                                |
| 5 (1) (e) | Approval of a Credentialing Body – Bilingual Language Requirement |                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                 |
|           |                                                                   | A commenter requested clarification on whether the bilingual language requirement for the oversight of conduct is limited to that function only, or if it also applies to other areas, such as operations and communications. | <p>The requirement applies to the oversight function. A credentialing body (<b>CB</b>) must be able to conduct reviews and address complaints related to their credential holders in both English and French, based on an individual's selected language.</p> <p>We also encourage CBs to provide their credentials in both languages. Additional guidance and expectations will be provided in due course.</p> |
| 5 (3)     | Approval of a Credentialing Body – Approval Process               |                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                 |
|           |                                                                   | Two commenters supported a streamlined approval process for CBs approved in other jurisdictions.                                                                                                                              | Thank you for your comments.                                                                                                                                                                                                                                                                                                                                                                                    |

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|    |                                                          | A commenter expressed that a CB should not be approved just because it is approved elsewhere. They also stated that multiple CBs and credentials can confuse consumers, suggesting that a common exam would be more effective.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Each CB application requires review and is not automatically approved. A common exam is not within scope of the proposed rules.                                                                                                                     |
| 7. | Conflict of Interest and Putting Clients' Interest First |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                     |
|    |                                                          | <p>Two commenters supported the requirements to address material conflicts of interest in the best interest of the client and prioritize the client's interests when making suitability determinations. One of the commenters believes that these requirements may still be insufficient in certain situations.</p> <p>A commenter suggested that with proper oversight, these requirements are unnecessary as current professional and ethical conduct rules provide sufficient safeguards.</p>                                                                                                                                                                                                                               | We have considered the comments and will maintain the current requirements.                                                                                                                                                                         |
| 8. | Educational Requirements – Financial Advisors (FA)       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                     |
|    |                                                          | <p>There were varying opinions regarding the educational qualifications required for financial advisors in the context of "providing suitable recommendations to clients concerning comprehensive financial and investment strategies" (item 8(h) in the proposed version of Rule TPA-001 <i>General</i>).</p> <p>A commenter requested clarification on this requirement and noted that it might lead to confusion (with financial planners).</p> <p>A commenter supported increasing the minimum proficiency requirement for FAs but disagreed with the requirement to make suitable recommendations regarding comprehensive strategies, as this overlaps with the role of financial planners and may lead to confusion.</p> | We appreciate the various perspectives on this topic. While we have removed proposed requirement 8(h) in the final version of the General Rule, we will continue to evaluate increasing the minimum proficiency requirements for FAs in the future. |

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|         |                                | <p>Another commenter stated that it is important to find a balance when setting competency thresholds and suggested that the Commission consider a higher standard.</p> <p>Two commenters expressed concerns about this requirement, noting that it represents a higher standard compared to another jurisdiction and may result in a service gap for investors and fewer credentialing bodies in New Brunswick.</p> <p>A commenter stated that a framework with minimum proficiency standards establishes a low benchmark. They emphasized that educational requirements should be comprehensive and not based on products being sold.</p> <p>A commenter recommended recognizing the extensive training that life insurance agents receive and proposed updating the LLQP modules with additional content to qualify as a FA credential.</p> | <p>Thank you for the comment; however, this is outside the scope of the General Rule.</p> |
| 11.     | Transition                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                           |
|         |                                | <p>A commenter stated that the 2-year transition for financial advisors and 4-year transition for financial planners are too long.</p> <p>Another commenter suggested a 4-year transition period for both financial advisors and planners.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <p>We believe the proposed transition periods are reasonable.</p>                         |
| General | Request for Clarity / Guidance |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                           |
|         |                                | <p>Several commenters asked for clarification or guidance on:</p> <ul style="list-style-type: none"> <li>- Acceptable titles</li> <li>- Reasonably confusing titles</li> <li>- Failure of a credentialing body</li> <li>- Meaning of “using” a title / application to non-client facing roles</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <p>We agree and it is our intention to issue guidance.</p>                                |

## Summary of Comments – Fee Rule

| Section | Topic                       | Summarized Comments                                                                                                                                                                                                                                                                                                       | Commission's Response                                                                                                                                              |
|---------|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 7.      | Annual Fees                 |                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                    |
|         |                             | <p>Two commenters expressed support for the tiered annual fees. Additionally, two commenters stated that the fees are generally fair and reasonable.</p> <p>A commenter suggested that fees should apply to credential holders regardless of their use of protected titles, as they would benefit from the framework.</p> | <p>Thank you for the comments.</p> <p>Since this framework is voluntary, we do not plan to impose fees on individuals who opt not to use the protected titles.</p> |
| 8.      | Discretionary Fee Reduction |                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                    |
|         |                             | <p>A commenter disagreed with the discretionary fee reduction by the Director for annual fees, stating that it might disadvantage some entities while benefiting others.</p>                                                                                                                                              | <p>This provision allows the Director to reduce fees based on specific criteria, although it may not be frequently used.</p>                                       |