



# MANDATORY CONTINUING PROFESSIONAL DEVELOPMENT POLICY

Section 4.1 of the Institute's By-laws states that a Member, or Registered Student who has passed the Membership Qualification Examination, shall undertake continuing education and professional development activities in accordance with the standards and policies established by the Board of Directors ("Continuing Professional Development").

Section 4.2 of the Institute's By-laws states that the Board of Directors shall:

- A. Appoint a Continuing Professional Development Committee to determine and recommend guidelines and requirements for Continuing Professional Development and to monitor performance of Continuing Professional Development, and;
- B. Establish from time to time the following:
  - i. The activities qualifying as Continuing Professional Development;
  - ii. The minimum hours of Continuing Professional Development expected on an annual basis;
  - iii. The manner by which Continuing Professional Development activities shall be reported to the Institute;
  - iv. A review of compliance with reporting requirements; and
  - v. The Members, Registered Students or the classes of Members who may be exempted from the requirements of Continuing Professional Development from time to time.

In this regard, the Board of Directors has established the following policy. For the purposes of this policy, Registered Students refers to those who have Continuing Professional Development requirements because they have passed the Membership Qualification Examination but have not yet obtained the CBV designation.

## **OBJECTIVE**

To ensure that Members and Registered Students maintain and advance their professional competence, in order to be able to provide the highest quality professional services, thereby strengthening the public trust in the business valuation profession. Ongoing continuous professional development enables Members and Registered Students to maintain and improve the skills the public expects from them as CBVs.

## **ACTIVITIES QUALIFYING AS CONTINUING PROFESSIONAL DEVELOPMENT**

The capabilities and competencies to be gained during Continuing Professional Development evolve with the Member's/Registered Student's experience and the nature of their professional activities. As such, the Continuing Professional Development that a Member/Registered Student undertakes should reflect the Member's/Registered Student's experience and the nature of his/her professional activities. Therefore, the depth and breadth of knowledge and skills learned, as well as the nature of the Continuing Professional Development, will differ amongst Members/Registered Students.

Continuing Professional Development applies to all Members/Registered Students, unless specifically exempted, regardless of the nature of their professional activities, as all Members/Registered Students have an obligation of competence and due care as long as they continue to hold the "CBV" designation or while associated with the Institute.

Continuing Professional Development must be relevant and appropriate to the Member's/Registered Student's professional responsibilities.

Activities that qualify as Continuing Professional Development must either be technical or practice-related in nature, in areas in which the Member/Registered Student is generally active, and may encompass education or professional development dealing with the following:

1. business or securities valuation;
2. financial litigation support;
3. quantification of economic losses;
4. investment advisory or management;
5. pricing, negotiation, or structuring of transactions;

6. matters related to the industry in which the Member/Registered Student operates and that enhance the Member/Registered Student's professional capabilities in their capacity as a CBV Member or Registered Student;
7. matters related to the industry in which the Member's/Registered Student's clients operate and that enhance the Member/Registered Student's professional capabilities in their capacity as a CBV Member or Registered Student; and
8. practice management, ethics and standards, and personal skills that enhance the Member's/Registered Student's professional capabilities in their capacity as a CBV Member or Registered Student.

## **CLASSIFICATION OF CONTINUING PROFESSIONAL DEVELOPMENT ACTIVITIES**

As stated above, Continuing Professional Development is to be undertaken at an appropriate level of technical, practical and/or intellectual subject matter, having regard to the experience of the Member or Registered Student.

Continuing Professional Development consists of learning opportunities for the Member/Registered Student, classified as either verifiable or unverifiable activities, defined as follows:

### **Verifiable Activities**

Verifiable activities are those which can be confirmed with evidence, such as:

1. Courses, seminars or conferences, as attendee, lecturer or presenter (delivery time plus a reasonable amount of preparatory time if presenting)
2. Advanced or post-secondary education courses (in the areas noted above)
3. Self-study programs, where there is evidence of completion and time spent, such as a certificate or transcript
4. Involvement in the CICBV education and accreditation programs
5. Serving on professional boards or committees (businesses or professional organizations)

## Unverifiable Activities

Unverifiable activities are those that cannot be confirmed with evidence, and are generally done on an independent basis, yet still measurable in terms of the time spent on that activity, such as:

1. Reading, study and technical research (in the areas noted above)
2. Preparation and writing time for professional or business related articles
3. Providing formal professional development support as a mentor or coach
4. Receiving formal professional development support from a mentor or coach

## MINIMUM HOURS OF CONTINUING PROFESSIONAL DEVELOPMENT

1. All Members and Registered Students, unless exempted or excluded, are required to complete a minimum of:
  - a. 10 hours in any given calendar year; and
  - b. a total of 60 hours measured over a consecutive three years period.
2. At least one half of the minimum Continuing Professional Development hours (both annually and over the three year period) shall consist of verifiable activities. As such, a minimum of 5 hours annually and 30 hours over a consecutive three year period shall be verifiable.

## COMPLIANCE REPORTING

1. All Members and Registered Students (as defined in this policy) are required to file an annual Continuing Professional Development Compliance Report by March 1st of each year.
2. Members and Registered Students must maintain detailed records in support of their reported Continuing Professional Development activities for a minimum period of 5 years and must provide such records to the Institute for audit when requested. The records maintained should evidence:
  - a. attendance/participation;
  - b. the nature of the CPD activity and its relevance to the member as a CBV; and
  - c. the number of CPD hours earned.

## REVIEW OF NON-COMPLIANCE

1. Members and Registered Students who have not completed the required Continuing Professional Development for the prior year or have failed to comply with the reporting requirements shall be sent a notice of proposed suspension. Further notices of termination and of proposed termination shall follow, in accordance with the requirements of Section 6.2 of the Institute's By-laws.
2. A Member or Registered Student who is suspended for reason of having failed to complete satisfactory Continuing Professional Development or have failed to comply with the reporting requirements shall be entitled to have his/her suspension discharged upon paying the prescribed re-instatement fee and reporting such compliance in the appropriate manner at any time prior to the giving of Notice of Termination.

## EXEMPTIONS

Exemption from the Mandatory Continuing Professional Development requirements in a given year, including reporting thereon, is granted to:

- A. A Member who has Retired Member status with the Institute.
- B. A Member who has disability status with the Institute and whose ability to carry out their employment or professional responsibilities or to earn income is limited by that disability.
- C. A Member or Registered Student in the year they pass the Membership Qualification Examination.

Partial Exemptions for the minimum required hours will be granted to a Member or Registered Student who has Parental/Family Care status with the Institute, on pro-rated basis, to a maximum of two years' requirements. Such Members or Registered Students are still required to complete the annual compliance reporting.

Exemption from the Mandatory Continuing Professional Development requirements in a given year may, at the discretion of the Institute, be granted for other extenuating circumstances.

Board of Directors  
**December 1, 2016**