

MIKE BEEBE
GOVERNOR

A. HEATH ABSHURE
COMMISSIONER



HERITAGE WEST BUILDING, SUITE 300
201 EAST MARKHAM STREET
LITTLE ROCK, ARKANSAS 72201-1692
TELEPHONE: (501) 324-9260
FACSIMILE: (501) 324-9268

ARKANSAS SECURITIES DEPARTMENT

November 5, 2014

Thomas B. Harps, CCO
921 W. Monroe Ave.
PO Box 1515
Lowell, AR 72745-1515

RE: Request for No-Action Letter Regarding Arvest Asset Management Professional Designations
No-Action 14-NA-0002

Dear Mr. Harps:

The Arkansas Securities Department ("Department") has received your request regarding the use of certain professional designations by certain individual registrants with Arvest Asset Management ("AAM") in their communications with the public. The request seeks confirmation that the Staff of the Department ("Staff") will neither take nor recommend enforcement action regarding the use of listed professional designations by individuals registered with AAM. A copy of your request is attached to avoid reciting or summarizing the facts that you have presented. Based upon the representations set forth in your request, the Staff will not recommend enforcement action under Section 23-42-308 of the Act if the referenced designations are used by AAM registrants in conformity with Rule 308.01(w) and Rule 308.02(x) of the Rules of the Arkansas Securities Commissioner as set forth in your request.

Please note that the position of the Staff is based solely upon the representations made to us in your request and applies only to the facts set out therein. Different facts or circumstances might, and often would, require a different response. The Staff only expresses its position as to the recommendation of formal enforcement action and does not purport this position to be a legal opinion or formal conclusion.

If you should have any questions or need additional information, please contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "David H. Smith".

David H. Smith
Chief Counsel

Attachment



July 22, 2014

A. Heath Abshure
Arkansas Securities Commissioner
Heritage West Building, Suite 300
Little Rock, AR 72201-1692

Subject: No – Action Letter (RE: AR Securities Commissioner Rule 206.01)
Arvest Asset Management Professional Designation Interpretive Opinion Request

Dear Mr. Abshure,

Arvest Asset Management's (AAM) licensed associates currently have nineteen different professional designations.

Our Compliance Department has implemented written policies and procedures (enclosed for your review) and carefully reviews our licensed associates' designation requests to ensure conformity to regulatory guidance and firm policies. We feel that our current nineteen designation and our policies conform to the Arkansas Securities Commissioner Rules 308.01(w) (Broker Dealer or Agent) and 308.02 (x) (Investment Advisers and Representatives).

We have enclosed supporting documentation in regards to the designations that our licensed associates hold to include descriptions of those designations.

AAM requests that these designations be reviewed and approved for use in communications with the public to include business cards.

Should you have questions regarding this request, please contact me at (501) 379-7816.

Respectfully,

Thomas B Harps
Chief Compliance Officer

Enc.: AAM Written Policies and Procedures Section 3.13, Verified Designations Totals List, Current AAM Professional Designation Descriptions.

921 W. Monroe Ave.
P.O. Box 1515 • Lowell, AR 72745-1515
www.arvestam.com

Brokerage services provided by Arvest Asset Management, member FINRA/SIPC

Investments and Insurance Products are: Not a Deposit | Not Guaranteed By The Bank Or Its Affiliates
Not FDIC Insured | Not Insured By Any Federal Government Agency | May Go Down In Value

3.13 Certifications and Professional Designations *(Revised March 2014)*

AAM prohibits the use of a senior specific certification or designation by any registered representative in connection with the offer, sale or purchase of securities, either directly or indirectly or through publications or writings, that indicates or implies that the user has special certification or training in advising or servicing senior citizens or retirees, in such a way as to mislead any person, shall be a dishonest and unethical practice in the securities, investment or insurance business.

The following professional designations may be used by registered representatives on correspondence, business cards, seminars, and on other communications with the public: CPA, CFP, CFA, CTFA, CLU, ChFC, and JD.

Additional certifications and professional designations must be approved prior to use by the registered representative's Designated Principal and the Compliance Department, and must be obtained from an approved organization that:

- A. Is not primarily engaged in the business of instruction in sales;
- B. Has reasonable standards for assuring the competency of its certificants;
- C. Has reasonable standards for monitoring and disciplining its certificants for improper or unethical conduct; or
- D. Has a reasonable continuing education requirement for its certificants in order to maintain the designation or certificate.

Prior to obtaining a certification or designation referred to in paragraph 3.13, the registered representative shall complete a Certification Request Form, and submit to their Designated Principal and the Compliance Department for review and approval.

REFERENCE: FINRA Regulatory Notice 11-52

Current AAM Designation Descriptions

Accredited Investment Fiduciary®

AIF® – The Accredited Investment Fiduciary designation is issued by the Center for Fiduciary Studies. Education requirements are completion of a web based study program, a business plan and case study presentation, and passing a final closed book certification exam. Continuing education requirements are 6 hours of CE each year.

Accredited Estate Planner®

AEP® – The Accredited Estate Planner designation is issued by the National Association of Estate Planners & Councils. A minimum of five years of experience engaged in estate planning and estate planning activities within one or more of enumerated disciplines is required to apply for the designation. Educational program requirements include successful completion of one required course and one elective course from the AEP® curriculum. A passing grade on a “Challenge Exam”, which is the equivalent of the course final exam, serves as an alternative to the courses. AEP® designates are required to complete 30 hours of continuing education (15 of which in Estate Planning) during a twenty-four period.

CERTIFIED FINANCIAL PLANNER™

CFP® – The Certified Financial Planner™ designation is issued by the Certified Financial Planner™ Board of Standards. Prerequisites are a bachelor’s degree (or higher) from an accredited college or university and 3 years of full-time personal financial planning experience. Education program requirements are course work in seven planning areas and a final CFP® Certification Examination. CFP®’s are required to complete 30 hours of continuing education every 2 years to maintain their designation.

Chartered Mutual Fund CounselorSM

CMFC® – the Chartered Mutual Fund Counselor designation is issued by the College for Financial Planning. Each person must successfully complete a self study course of 9 modules requiring 72-90 hours of study and pass a final designation exam on-line, which is closed book and proctored. 16 hours of continuing education must be completed every 2 years in order to maintain this designation.

Certified Trust and Financial Advisor

CTFA – The Certified Trust and Financial Advisor designation is issued by the Institute of Certified Bankers, the professional development division of the American Bankers Association.

Candidate must meet one of the following requirements:

- 3 years of personal trust experience plus ICB-approved training program , or
- 5 years of personal trust experience and a bachelor's degree, or
- 10 years of personal trust experience,

Candidates must pass a final certification examination. CTFA’s must complete 45 hours of continuing education every three years with a minimum of 6 hours in each of 4 knowledge areas, to maintain their designation.

Certified Wealth Strategist®

CWS®—The Certified Wealth Strategist designation is issued by Cannon Financial Institute. Prerequisites are 3 years experience in the financial services industry that must include direct interaction with clients. Candidates must complete 2 weeks of instructor led training sessions, 4 modules of directed study, a business plan and case study, and pass 4 online examinations. Each person is required to complete 33 hours of continuing education every 2 years to maintain their designation.

Chartered Financial Analyst

CFA – The Chartered Financial Analyst designation is issued by the CFA Institute.

Candidates must meet one of the following requirements:

- Undergraduate degree and 4 years of professional experience involving investment decision-making, or
- 4 years qualified work experience (full time, but not necessarily investment related),

Candidates must also complete 250 hours of self study for each of the 3 levels and pass exams for each level.

Chartered Financial Consultant®

ChFC® – The Chartered Financial Consultant® is issued by the American College for financial education. Prerequisites are 3 years of full-time business experience within the five years preceding the awarding of the designation. Education requirements are completion of 6 core and 2 elective courses and passing a proctored exam for each course. Continuing education requirements are 30 CE credits every 2 years to maintain this designation.

Chartered Life Underwriter®

CLU®- The Chartered Life Underwriter® designation is issued by The American College of Bryn Mawr, PA. Prerequisites are three years of full-time business experience within the five years preceding the awarding of the designation. Candidates must complete five core and three elective courses and successfully pass a proctored exam for each course. Completion of the course averages 400 hours of study time. Each person is required to complete 30 hours every 2 years of continuing education to maintain their designation.

Chartered Retirement Planning CounselorSM

CRPC® –The Chartered Retirement Planning CounselorSM designation is issued by the College for Financial Planning. Each person must successfully complete a self study course of 11 modules requiring 90-100 hours of study and pass a final examination. Each person is required to complete 16 hours of continuing education every 2 years in order to maintain their designation.

CHARTERED RETIREMENT PLANS SPECIALISTSM

CRPS® – The Chartered Retirement Plans SpecialistSM designation is issued by the College for Financial Planning. Each person must complete a self study course, requiring 90-100 hours of study and pass a final examination. Each person is required to complete 16 hours of continuing education every 2 years in order to maintain their designation.

Qualified Plan Financial Consultant

QFPC – The Qualified Plan Financial Consultant designation is issued by the American Society of Pension Professionals & Actuaries (ASPPA). Prerequisites include Series 7 and 65 securities licenses and two years of retirement plan related experience. Educational requirements include completion of ASPPA exams on Retirement Plan Fundamentals (RPF) and Plan Financial Consulting (PFC). RPF exams are open book and non proctored and PFC exams are proctored. Continuing education requirements are 40 credits every 2 years.

Certified Portfolio Manager™

CPM® - The Certified Portfolio Manager™ designation is issued by the Academy of Certified Portfolio Managers (ACPM) and Columbia University in New York. Eligibility requirements for candidates are 5 years minimum experience, Series 7 securities license, at least \$10 million in assets under management in a discretionary asset management program, and certification by a supervising compliance officer that the candidate has a clean compliance record.

It is anticipated that each candidate, spending an average of 6 hours per week, could complete the course work over a 7 to 8 month period. After completing all modules and passing the exams, the candidate must attend a cohesive and intense week-long workshop at Columbia University which culminates with a final exam on all taught subjects in order to receive their designation. Each successful candidate must then complete 20 hours of continuing education every 2 years in order to maintain their designation.

Certified Retirement Services Professional

CRSP – The Certified Retirement Services Professional designation is issued by the ABA Institute of Certified Bankers. Each person must have a minimum of 3 years experience in ERISA and IRS Code/Regulations, completion of the ICB approved training program and pass a final examination which is a multiple choice, closed book, proctored exam. Each person is required to complete 30 hours of continuing education every 3 years in order to maintain their designation.

Accredited Asset Management SpecialistSM

AAMS® - The Accredited Asset Management SpecialistSM designation is issued by the College for Financial Planning. Each person must complete a self study course of 12 modules requiring 100-120 hours of study and pass a final closed-book, proctored examination. Each designation holder is required to complete 16 hours of continuing education every two years to maintain their designation.

Registered ParaplannerSM

RP® - Individuals who hold the RP® designation have completed a course of study encompassing the financial planning process, the five disciplines of financial planning and general financial planning concepts, terminology and product categories. Individuals also complete a three-month long internship. Additionally, individuals must pass an end-of-course examination that tests their ability to synthesize complex concepts and apply theoretical concepts to real-life situations. Each person must be required to complete 16 hours every 2 years of continuing education to maintain their designation.

Certified Fund Raising Executive®

CFRE® - The CFRE® program, which is executed through CFRE International, was granted accreditation by the National Commission for Certifying Agencies (NCCA) in 2009. Applicants are required to have attained minimum criteria in four categories (Education, Professional Practice, Professional Performance, and Volunteer Service) in regards to professional fundraising. Additionally they must pass a comprehensive examination intended to assess mastery of the body of knowledge required to perform fundraising tasks. CFRE® designates must recertify every three years. The recertification process includes documentation of continued activities in the original four categories to include Continuing Education in the Education category.

Juris Doctor

JD

Certified Public Accountant

CPA