Experience Requirements

To be eligible to be admitted as a Member of the Institute, the By-Laws require that an individual must have a minimum of 1,500 hours of suitable experience.

Such experience must have been obtained within a five year period which includes the date on which the Membership Qualification Examination (MQE) was passed; however, an individual cannot be admitted into membership if more than 3 years have elapsed since the MQE was passed. A grandfathering provision in the By-Laws allows an individual who was a Registered Student on September 19, 2012 to obtain the experience within a period of five years that precedes the date that the MQE was first written.

This policy sets out what constitutes suitable experience required to become a Member.

POLICY

The required minimum 1,500 hours of suitable experience includes experience comprised of:

1. A minimum of 750 hours of Core Valuation Experience. Such experience involves activities in connection with business valuation, corporate finance, private investments, and litigation support, where a conclusion as to the value related to a business, or where a conclusion of economic loss is reached.

   Such experience may include (but is not limited to) the following:

   a. Activities which are involved in the conclusion or assessment of value
   b. Activities which are involved in the conclusion or assessment of economic loss
   c. Activities in an investment capacity including, but not limited to, the preparation of investment studies and analyses (and related internal presentations or memos), the development of investment term sheets and/or binding or non-binding acquisition offers
   d. Activities relating to the analysis of debt or credit capacity, when such debt or credit capacity is based on a measure of business value, such as enterprise value
   e. Impairment tests and purchase price allocations for financial reporting purposes
   f. Activities involved in value-creation strategies, when impact on value is determined
   g. Corporate finance or deal advisory activities related to pricing, negotiation, financing, or deal/transaction structuring

3 For greater clarity, “value related to a business” may include the value of shares, assets, liabilities, or an interest in a business, but would generally exclude the value of tangible property on a stand-alone basis.
2. A maximum of 750 hours of **Non-Core Valuation Experience**. Such experience involves activities related to business valuation, corporate finance, private investments, and litigation support, in which a conclusion of value related to a business, or a conclusion of economic loss is not reached.

    Such experience may include (but is not limited to) the following:
    
    a. Financial modelling (i.e., creation or review of models)
    b. Quantitative and qualitative research
    c. Due diligence
    d. Transfer pricing
    e. Forensic and investigative accounting
    f. Financial ratio or trend analysis
    g. Risk analysis (e.g., investment or portfolio risk management)
    h. Teaching or research in the field of business valuation, corporate finance, private investments, and litigation support

    Board of Directors
    June 14, 2017