



Monetary Authority of Singapore

FINANCIAL ADVISERS ACT (CAP. 110)

**NOTICE ON MINIMUM ENTRY AND EXAMINATION
REQUIREMENTS FOR REPRESENTATIVES OF LICENSED
FINANCIAL ADVISERS AND EXEMPT FINANCIAL ADVISERS**

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NOTICE ON MINIMUM ENTRY AND EXAMINATION REQUIREMENTS FOR REPRESENTATIVES OF LICENSED FINANCIAL ADVISERS AND EXEMPT FINANCIAL ADVISERS

1 This Notice is issued pursuant to section 58 of the Financial Advisers Act (Cap. 110) [“the Act”]. The earlier notice (FAA-N04) issued on 1 October 2002 on the same subject is cancelled.

2 Part I of this Notice shall apply to all licensed financial advisers and licensed representatives and Part II of this Notice shall apply to persons who are exempt from holding a financial adviser’s licence under section 23(1)(a), (b), (c), (d), or (e) of the Act and their representatives.

[FAA-N07 (Amendment) 2005]

2A This Notice shall not apply to –

- (a) persons specified in regulation 4 of the Financial Advisers (Prescribed Investment Products and Exemption) Regulations 2005 in relation to the provision of any financial advisory service relating to any structured deposit as defined in those Regulations; and
- (b) persons specified in regulation 3 of the Financial Advisers (Exemption from Section 25 to 29 and 36) Regulations 2004 in respect of the provision of any financial advisory service relating to the investment products referred to in regulation 3 of those Regulations.

[FAA-N07 (Amendment) 2005]

3 This Notice sets out the following:

- (a) minimum entry requirements for persons intending to provide financial advisory services under the Act;
- (b) application of the Capital Markets and Financial Advisory Services Examination (“CMFAS Exam”) requirements to persons intending to provide financial advisory services under the Act;

- (c) circumstances under which the CMFAS Exam requirements do not apply; and
- (d) continuing education requirements for representatives.

DEFINITIONS

4 For the purposes of this Notice:

“accident and health benefits” has the same meaning as in First Schedule of the Insurance Act (Cap. 142);

[FAA-N07 (Amendment) 2004]

“associated person”, for the purposes of paragraphs 15A(b) and 28A(b), has the same meaning as in the Rules and Regulations of the Singapore Commodity Exchange Ltd;

[FAA-N07 (Amendment) 2007]

“capital markets products” has the same meaning as in section 2(1) of the Securities and Futures Act (Cap. 289) (“SFA”);

[FAA-N07 (Amendment) 2005]

[FAA-N07 (Amendment) 2007]

“CMFAS Exam requirements” means the requirement to pass the applicable modules of the CMFAS Exam.

“CTA” means the Commodity Trading Act (Cap. 48A) in force immediately before 27 February 2008.

[FAA-N07 (Amendment) 2007]

“execution activities” means any or all of the following activities as defined in section 2(1) of the SFA:

- (a) dealing in securities (other than collective investment scheme) quoted on a securities exchange, overseas securities exchange or recognised market operator;
- (b) trading in futures contracts;

[FAA-N07 (Amendment) 2004]

[FAA-N07 (Amendment) 2005]

“execution-related advice” means advice provided by a person exempt from holding a financial adviser’s licence under section 23(1)(a), (b), (d), or (e) of the Act or any of its representatives which is solely incidental to the execution activities of such person and where no discrete fee is charged for the advice rendered;

[FAA-N07 (Amendment) 2004]

[FAA-N07 (Amendment) 2005]

“exempt financial adviser” means a person exempt from holding a financial adviser’s licence under section 23(1)(a), (b), (c), (d) or (e) of the Act;

[FAA-N07 (Amendment) 2005]

“financial adviser” means a licensed financial adviser or an exempt financial adviser;

“financial advisory service” has the same meaning as in section 2(1) of the Act;

[FAA-N07 (Amendment) 2005]

“investment product” has the same meaning as in section 2(1) of the Act;

“qualifying corporation” has the same meaning as under regulation 2 of the Securities and Futures (Provision for Persons and Matters Previously Regulated under Commodity Trading Act) Regulations 2007;

[FAA-N07 (Amendment) 2007]

“representative” has the same meaning as in section 2(1) of the Act.

APPLICATION OF CMFAS EXAM REQUIREMENTS

5 The CMFAS Exam, which commenced on 1 December 2002, comprises 9 modules, of which Modules 5 to 9 are applicable under the Act.

Module	CMFAS Exam
Rules & Regulations	
1A	Rules and Regulations for Dealing in Securities (SGX-ST Members)
1B	Rules and Regulations for Dealing in Securities (Non SGX-ST Members)
2	Rules and Regulations for Trading in Futures Contracts
3	Rules and Regulations for Fund Management
4A	Rules and Regulations for Advising on Corporate Finance
4B	Rules and Regulations for Advising on Corporate Finance (Solely Debt Securities)
5	Rules and Regulations for Financial Advisory Services
Product Knowledge & Analysis	
6	Securities Products and Analysis
7	Futures Products and Analysis
8	Collective Investment Schemes
9	Life Insurance and Investment-Linked Policies

6 Deleted by FAA-N07 (Amendment) 2005

7 The CMFAS Exam requirements apply to individuals who wish to provide any of the following types of financial advisory service:

- (a) advising others, either directly or through publications or writings, and whether in electronic, print or other form, concerning the following investment products:
 - (i) securities (other than collective investment schemes);
 - (ii) collective investment schemes;
 - (iii) futures contracts;
 - (iv) contracts or arrangements for the purposes of leveraged foreign exchange trading;
 - (v) life policies,

other than –

- (A) in the manner specified in paragraph 8(b) of this Notice; or
 - (B) advising on corporate finance within the meaning of the Securities and Futures Act (Cap. 289);
- (b) marketing of any collective investment scheme;
 - (c) arranging of any contract of insurance in respect of life policies, other than a contract of reinsurance.

[FAA-N07 (Amendment) 2005]

8 The CMFAS Exam requirements do not apply to individuals who intend to provide any of the following types of financial advisory service:

- (a) advising others, either directly or through publications or writings, and whether in electronic, print or other form, concerning the following investment products:
 - (i) contracts or arrangements for the purposes of foreign exchange trading;
 - (ii) structured deposits as defined in the Financial Advisers (Prescribed Investment Products and Exemption) Regulations 2005;
 - (iii) investment products referred to in the Financial Advisers (Exemption from Section 25 to 29 and 36) Regulations 2004,

other than –

- (A) in the manner specified in paragraph 8(b) of this Notice; or
 - (B) advising on corporate finance within the meaning of the Securities and Futures Act (Cap. 289);
- (b) advising others by issuing or promulgating research analyses or research reports, whether in electronic, print or other form, concerning the following investment products:
 - (i) securities (other than collective investment schemes);
 - (ii) collective investment schemes;

- (iii) futures contracts;
- (iv) contracts or arrangements for the purposes of foreign exchange trading;
- (v) contracts or arrangements for the purposes of leveraged foreign exchange trading;
- (vi) life policies;
- (vii) structured deposits as defined in the Financial Advisers (Prescribed Investment Product and Exemption) Regulations 2005;
- (viii) investment products referred to in the Financial Advisers (Exemption from Section 25 to 29 and 36) Regulations 2004.

[FAA-N07 (Amendment) 2005]

9 The following table sets out the applicable modules under the CMFAS Exam for each of the financial advisory services.

TYPES OF FINANCIAL ADVISORY SERVICE	MODULE				
	Rules & Regulations	Product Knowledge & Analysis			
	5	6	7	8	9
Advising others concerning securities (excluding collective investment schemes)	✓	✓			
Advising others concerning futures contracts	✓		✓		
Advising others concerning contracts or arrangements for the purposes of leveraged foreign exchange trading	✓	✓ (Either Module)			
Advising on and/or marketing of collective investment schemes	✓			✓	
Advising on and/or arranging life policies (whether or not including investment-linked life insurance policies)	✓				✓

[FAA-N07 (Amendment) 2005]

9A The Institute of Banking and Finance (“IBF”) administers Modules 6 and 7 while the Singapore College of Insurance (“SCI”) administers Modules 5, 8 and 9. Details of the syllabus and examination format of these modules may be obtained from IBF and SCI.

9B Any representative of a financial adviser who provides the financial advisory service specified in paragraph 7(a) concerning only contracts or arrangements for the purposes of leveraged foreign exchange trading shall pass Module 5 and either Module 6 or 7, unless he is not required to pass any of these modules of the CMFAS Exam under this Notice.

9C Any representative of a financial adviser who provides the financial advisory service specified in paragraph 7(a) concerning contracts or arrangements for the purposes of leveraged foreign exchange trading, in addition to the provision of such financial advisory service concerning securities (excluding collective investment schemes) or futures contracts, shall pass the modules that are relevant to the provision of such service.

9D Any representative of a financial adviser who, immediately before 1 July 2005, was providing the financial advisory service specified in paragraph 7(a) concerning contracts or arrangements for the purposes of leveraged foreign exchange trading, shall not be required to pass any of the modules of the CMFAS Exam if he continues to act in the same manner on or after 1 July 2005.

[FAA-N07 (Amendment) 2005]

10 MAS Notice 117 (Training and Competency Requirement: Health Insurance Module) issued under the Insurance Act (Cap. 142) shall apply to representatives of financial advisers who provide the financial advisory services specified in paragraph 7(a) and (c) of this Notice concerning any life policy with accident and health benefits but excluding such policy where accident and health benefits are paid out only –

- (a) in the event of an injury to, or disability of, the insured as a result of an accident;
- (b) in the event that the insured becomes total and permanently disabled;
- (c) on the death of the insured by accidental cause; or

- (d) on the occurrence of a combination of the events set out in (a) to (c).

MAS Notice 117 requires such representatives to obtain the requisite qualification in health insurance before they can provide any advice on or arrange such policies or both, unless the representatives fall within paragraph 6 or 7 of MAS Notice 117.

[FAA-N07 (Amendment) 2004]

<p>PART I – APPLICABLE TO ALL LICENSED FINANCIAL ADVISERS AND LICENSED REPRESENTATIVES</p>

MINIMUM ENTRY REQUIREMENTS

11 The Authority may refuse an application for the grant of a representative's licence if the applicant:

- (a) is not at least 21 years old;
- (b) has not satisfied the minimum academic qualification requirements set out under paragraph 12 of this Notice; or
- (c) has not complied with the examination requirements of this Notice.

MINIMUM ACADEMIC QUALIFICATION

12 For the purpose of paragraphs 11(b) and 13 of this Notice, the minimum academic qualification requirements are as follows:

- (a) in the case of an applicant who sat for GCE 'O' Level Examinations before or during the year 1980 –
 - (i) qualifications higher than or equal to at least 4 GCE 'O' Level credit passes; or
 - (ii) qualifications higher than or equal to at least 2 GCE 'O' Level credit passes and a pass in the Basic Competency Examination administered by the SCI; or
- (b) in any other case, qualifications higher than or equal to at least 4 GCE 'O' Level credit passes.

- 13 Notwithstanding paragraph 11(b), in deciding whether to approve an application for the grant of a representative's licence, the Authority shall not require an applicant to satisfy the minimum academic qualification requirements set out under paragraph 12 of this Notice if the applicant is applying to provide any financial advisory service, being an activity which he:
- (a) had been carrying out immediately before 1 October 2002 which would have amounted to the provision of a financial advisory service had the Act been in force at that time, and continued to do so -
 - A. from 1 October 2002, whether as a representative of a licensed financial adviser or of an exempt financial adviser; or
 - B. on 1 October 2002, whether as a representative of a licensed financial adviser or of an exempt financial adviser, but ceased to carry out such activity on a date after 1 October 2002, prior to making the application referred to in paragraph 11; or
 - (b) had been carrying out immediately before 1 October 2001 which would have amounted to the provision of a financial advisory service had the Act been in force at that time, but ceased to carry out such activity between 1 October 2001 and 30 September 2002 (both dates inclusive), prior to making the application referred to in paragraph 11.

APPLICATION OF CMFAS EXAM REQUIREMENTS

- 14 With effect from 1 December 2002, the Authority may refuse an application -
- (a) for the grant of a representative's licence;
 - (b) to add to the types of financial advisory service which may be provided by a representative under his licence;
 - (c) to add to the types of investment products in respect of which a representative is authorised under his licence to provide any financial advisory service; or
 - (d) to vary a condition imposed on a representative's licence,

for the purpose of providing any financial advisory service referred to in paragraph 7 of this Notice if the applicant has not complied with the CMFAS Exam requirements.

CIRCUMSTANCES UNDER WHICH THE CMFAS EXAM REQUIREMENTS DO NOT APPLY

15 Notwithstanding paragraphs 11(c) and 14 of this Notice, in deciding whether to approve an application specified in paragraph 14, the Authority shall not require an applicant to pass the applicable modules of the CMFAS Exam if the applicant -

- (a) possesses qualifications or work experience specified in paragraph 16; or
- (b) as a representative, provides the types of financial advisory services specified in paragraph 17.

15A The Authority shall not require an applicant who meets the following criteria in respect of the provision of financial advisory service as specified in paragraph 7(a) concerning futures contracts to pass Module 5:

- (a) the applicant has at least 3 years of relevant and continuous working experience in Singapore in the provision of financial advisory services in respect of futures contracts at the same time that he is a licensed commodity futures broker's representative under section 13 of the CTA in relation to a qualifying corporation prior to 27 February 2008, without any break-in-service of more than 6 months between the person's last working experience in the provision of financial advisory services in respect of futures contracts and the date of his licence application or entry into the industry, as the case may be;
- (b) the applicant is a person who, prior to 27 February 2008 -
 - (i) has at least 3 years of relevant and continuous working experience in Singapore in the provision of financial advisory services in respect of futures contracts at the same time that he is an associated person in relation to a qualifying corporation and

registered with the Singapore Commodity Exchange Ltd; and

- (ii) does not hold a commodity futures broker's representative's licence under section 13 of the CTA in relation to that corporation,

and there is no break-in-service of more than 6 months between the person's last working experience in the provision of financial advisory services in respect of futures contracts and the date of his licence application or entry into the industry, as the case may be;

- (c) the applicant is a person who, prior to 27 February 2008, has at least 3 years of relevant and continuous working experience in Singapore in the provision of financial advisory services in respect of futures contracts at the same time that he is a licensed commodity futures broker's representative under section 13 of the CTA in relation to a corporation which prior to 27 February 2008, is the holder of a commodity futures broker's licence under the CTA and a capital markets services licence under the SFA, and there is no break-in-service of more than 6 months between the person's last working experience in the provision of financial advisory services in respect of futures contracts and the date of his licence application or entry into the industry, as the case may be; or

- (d) the applicant is a person who, prior to 27 February 2008, –
 - (i) is exempted from holding a commodity futures broker's representative licence under the CTA;
 - (ii) is employed by or acting for a bank licensed under the Banking Act (Cap. 19) or a merchant bank approved under the Monetary Authority of Singapore Act (Cap. 186) , and
 - (iii) has at least 3 years of relevant and continuous working experience in Singapore in the provision of financial advisory services in respect of futures contracts,

and there is no break-in-service of more than 6 months between the person's last working experience in the provision of financial advisory services in respect of futures

contracts and the date of his licence application or entry into the industry.

FAA-N07 (Amendment) 2007]

Specified Qualifications or Work Experience

16 For the purposes of paragraph 15(a), the specified qualifications or work experience applicable to Modules 6, 7, 8 and 9 are those listed in Annexes 1, 2, 3 and 4 respectively.

FAA-N07 (Amendment) 2007]

16A With effect from 1 July 2005, the Authority will only recognise the qualifications listed in Annexes 1, 2, 3 and 4 where the applicant has attained such qualifications through passing the specific respective examination(s)¹.

16B Paragraph 16A shall not apply to an applicant who –

- (a) has attained the qualification listed in Annex 1, 2, 3 or 4 before 1 July 2005 –
 - (i) by passing examination(s) which is(are) recognised by the tertiary institutions, institutes, boards, associations or other bodies listed in Annex 1, 2, 3 or 4, to be equivalent to passing the specific examination(s) for attainment of the respective qualifications listed in Annexes 1, 2, 3 and 4; or
 - (ii) by fulfilling such other criteria specified by the tertiary institutions, institutes, boards, associations or other bodies listed in Annex 1, 2, 3 or 4, as prerequisites for the attainment of the respective qualifications listed in Annexes 1, 2, 3 and 4; and
- (b) has been providing financial advisory services as a representative of an exempt financial adviser immediately before 1 July 2005 and continues to provide such financial advisory services, whether on behalf of the same exempt financial adviser or any other exempt financial adviser,

¹ Except for item 34 of Annex 1 and item 35 of Annex 3.

between 1 July 2005 and the time his application for a representative's licence to provide such financial advisory services is made to the Authority.

[FAA-N07 (Amendment) 2005]

Specified Types of Financial Advisory Services

17 For the purposes of paragraph 15(b), the specified types of financial advisory service are as follows:

- (a) the provision of financial advisory services in respect of:
 - (i) any capital markets product to an expert investor as defined in regulation 2(1) of the Financial Advisers Regulations (Rg 2) ["FAR"];
 - (ii) any investment product to:
 - (A) an accredited investor as defined in regulation 2(1) of the FAR;
 - (B) an institutional investor as defined in regulation 2(1) of the FAR;
 - (C) a related corporation of the licensed financial adviser for whom the representative acts;
 - (D) a person that is connected to the licensed financial adviser for whom the representative acts; or
 - (E) any person outside Singapore who is an individual and —
 - (EA) not a citizen of Singapore;
 - (EB) not a permanent resident of Singapore; and
 - (EC) not a person who is wholly or partly dependent on the person referred to in sub-paragraph (EA) or (EB); or
 - (F) any person outside Singapore, other than a person referred to in sub-paragraph (a)(ii)(E), with no commercial or physical presence in Singapore.

[FAA-N07 (Amendment) 2005]

- (iii) any Singapore Government Securities;
- (b) the carrying out of any introducing activity under regulation 31 of the FAR .

RE-TAKING OF MODULE 5

18 Subject to paragraph 18A, in deciding whether to approve an application for the grant of a representative's licence, the Authority shall require the following applicants to re -take and pass Module 5:

- (a) any applicant who passed Module 5 of the CMFAS Exam but did not apply for a representative's licence or commence the provision of any financial advisory service with an exempt financial adviser within 3 years from the date of passing that module;
- (b) any applicant who -
 - (i) passed Module 5 of the CMFAS Exam; or
 - (ii) was subject to the requirement of completing the non-examinable course on Module 5 by the stipulated deadline in cancelled Notice No. FAA-N04 (Notice on Minimum Entry and Examination Requirements for Representatives of Licensed Financial Advisers and Exempt Financial Advisers) issued on 1 October 2002 and cancelled on 16 January 2004, and had completed the non-examinable course on Module 5 by 30 November 2003,

as the case may be, but subsequently ceased providing financial advisory service for a licensed financial adviser or an exempt financial adviser without re-commencing the provision of financial advisory services for a licensed financial adviser or an exempt financial adviser within 3 years from the date of cessation;

- (c) any applicant who -

- (i) was subject to the requirement of completing the non-examinable course on Module 5 by the stipulated deadline in cancelled Notice No. FAA-N04 (Notice on Minimum Entry and Examination Requirements for Representatives of Licensed Financial Advisers and Exempt Financial Advisers) issued on 1 October 2002 and cancelled on 16 January 2004 and completed the non-examinable course on Module 5 by 30 November 2003 but only after he ceased to provide financial advisory services; and
- (ii) did not re-commence the provision of financial advisory services for a licensed financial adviser or an exempt financial adviser within 3 years from the date of completing the non-examinable course.

[FAA-N07 (Amendment) 2007]

18A. Paragraph 18 of this Notice shall not apply to any person who has satisfied paragraph 31 or 31A of this Notice and wishes to provide any type of financial advisory service unless such person has ceased the provision of execution-related advice for a licensed financial adviser or exempt financial adviser for a period exceeding 3 years.

[FAA-N07 (Amendment) 2007]

CONTINUING EDUCATION REQUIREMENTS FOR REPRESENTATIVES

19 MAS expects representatives engaged in the provision of financial advisory services to keep abreast of developments in the industry and acquire new skills and knowledge relevant to their activities. In this regard, representatives are expected to undergo continuing education. Continuing education undergone by representatives is a factor which the Authority will take into consideration in reviewing their applications for the renewal of their representative's licences.

20 In addition, representatives providing advice or arranging life policies or providing both types of financial advisory service are expected to observe the Guidelines on Company's Training and Competency Plan and Guidelines on Continuing Professional Development Requirement

for Life Insurance Advisors issued by the Life Insurance Association of Singapore.

21 MAS expects licensed financial advisers to ensure that their representatives adhere to the requirements stipulated in paragraphs 19 and 20 of this Notice.

**PART II – APPLICABLE TO PERSONS WHO ARE
EXEMPT FROM HOLDING A FINANCIAL ADVISER’S
LICENCE UNDER SECTION 23(1)(a) TO (e) OF THE
ACT AND THEIR REPRESENTATIVES**

MINIMUM ENTRY REQUIREMENTS

22 Any person who acts as or holds himself out to be a representative of an exempt financial adviser must:

- (a) be at least 21 years old;
- (b) satisfy the minimum academic qualification requirements set out under paragraph 24 of this Notice; and
- (c) *deleted by FAA-N07 (Amendment) 2007*
- (d) comply with the examination requirements of this Notice.

[FAA-N07 (Amendment) 2007]

23 In addition, an exempt financial adviser shall ensure that its representatives meet the minimum entry requirements stipulated in paragraph 22 of this Notice.

MINIMUM ACADEMIC QUALIFICATION

24 For the purpose of paragraphs 22(b) and 25 of this Notice, the minimum academic qualification requirements are as follows:

- (a) in the case of a representative who sat for GCE ‘O’ Level Examinations before or during the year 1980 –
 - (i) qualifications higher than or equal to at least 4 GCE ‘O’ Level credit passes; or

(ii) qualifications higher than or equal to at least 2 GCE 'O' Level credit passes and a pass in the Basic Competency Examination administered by the SCI; or

(b) in any other case, qualifications higher than or equal to at least 4 GCE 'O' Level credit passes.

25 The requirement in paragraph 22(b) shall not apply to any individual who -

(a) had been carrying out any activity immediately before 1 October 2002 which would have amounted to the provision of a financial advisory service had the Act been in force at that time, and continued to do so -

(i) from 1 October 2002, whether as a representative of a licensed financial adviser or of an exempt financial adviser; or

(ii) on 1 October 2002, whether as a representative of a licensed financial adviser or of an exempt financial adviser, but ceased to carry out such activity on a date after 1 October 2002, prior to his re-commencement of carrying out such activity as a representative of an exempt financial adviser; or

(b) had been carrying out any activity immediately before 1 October 2001 which would have amounted to the provision of a financial advisory service had the Act been in force at that time, but ceased to carry out such activity between 1 October 2001 and 30 September 2002 (both dates inclusive), prior to his re-commencement of carrying out such activity as a representative of an exempt financial adviser.

APPLICATION OF CMFAS EXAM REQUIREMENTS

26 With effect from 1 December 2002, representatives who intend to provide any financial advisory service referred to in paragraph 7 of this Notice shall comply with the CMFAS Exam requirements.

27 An exempt financial adviser shall, prior to allowing its representatives to commence the provision of financial advisory services on its behalf, ensure that the representatives comply with the CMFAS Exam requirements, unless they need not comply with the requirements.

CIRCUMSTANCES UNDER WHICH THE CMFAS EXAM REQUIREMENTS DO NOT APPLY

28 The requirements in paragraphs 22(d) and 26 of this Notice shall not apply to the following persons:

- (a) individuals who possess the qualifications or work experience specified in paragraph 29; or
- (b) individuals who, as representatives, provide the types of financial advisory service specified in paragraph 30.

28A The Authority shall not require a person who meets the following criteria in respect of the provision of financial advisory service as specified in paragraph 7(a) concerning futures contracts to pass Module 5:

- (a) a person who has at least 3 years of relevant and continuous working experience in Singapore in the provision of financial advisory services in respect of futures contracts at the same time that he is a licensed commodity futures broker's representative under section 13 of the CTA in relation to a qualifying corporation prior to 27 February 2008, without any break-in-service of more than 6 months between the person's last working experience in the provision of financial advisory services in respect of futures contracts and the date of his entry into the industry;
- (b) a person who, prior to 27 February 2008 -
 - (i) has at least 3 years of relevant and continuous working experience in Singapore in the provision of financial advisory services in respect of futures contracts at the same time that he is an associated person in relation to a qualifying corporation and registered with the Singapore Commodity Exchange Ltd; and

- (ii) does not hold a commodity futures broker's representative's licence under section 13 of the CTA in relation to that corporation;

and there is no break-in-service of more than 6 months between the person's last working experience in the provision of financial advisory services in respect of futures contracts and the date of his entry into the industry;

- (c) a person who, prior to 27 February 2008, has at least 3 years of relevant and continuous working experience in Singapore in the provision of financial advisory services in respect of futures contracts at the same time that he is a licensed commodity futures broker's representative under section 13 of the CTA in relation to a corporation which prior to 27 February 2008, is the holder of a commodity futures broker's licence under the CTA and a capital markets services licence under the SFA, and there is no break-in-service of more than 6 months between the person's last working experience in the provision of financial advisory services in respect of futures contracts and the date of his entry into the industry; or

- (d) a person who, prior to 27 February 2008, –
 - (i) is exempted from holding a commodity futures broker's representative licence under the CTA;
 - (ii) is employed by or acting for a bank licensed under the Banking Act (Cap. 19) or a merchant bank approved under the Monetary Authority of Singapore Act (Cap. 186); and
 - (iii) has at least 3 years of relevant and continuous working experience in Singapore in the provision of the financial advisory services in respect of futures contracts,

and there is no break-in-service of more than 6 months between the person's last working experience in the provision of financial advisory services in respect of futures contracts and the date of his entry into the industry.

Specified Qualifications or Work Experience

29 For the purposes of paragraph 28(a), the specified qualifications and work experience applicable to Modules 6, 7, 8 and 9 are those listed in Annexes 1, 2, 3 and 4 respectively.

FAA-N07 (Amendment) 2007]

29A With effect from 1 July 2005, the Authority will only recognise the qualifications listed in Annexes 1, 2, 3 and 4 where the individual has attained such qualifications through passing the specific respective examination(s)².

29B Subject to paragraph 29C, paragraph 29A shall not apply to an individual who –

- (a) has attained the qualification listed in Annex 1, 2, 3 or 4 before 1 July 2005 –
 - (i) by passing examination(s) which is(are) recognised by the tertiary institutions, institutes, boards, associations or other bodies listed in Annex 1, 2, 3 or 4, to be equivalent to passing the specific examination(s) for attainment of the respective qualifications listed in Annexes 1, 2, 3 and 4; or
 - (ii) by fulfilling such other criteria specified by the tertiary institutions, institutes, boards, associations or other bodies listed in Annex 1, 2, 3 or 4, as prerequisites for the attainment of the respective qualifications listed in Annexes 1, 2, 3 and 4; and
- (b) has been providing financial advisory services as a representative of a financial adviser immediately before 1 July 2005 and continues to provide such financial advisory services after 1 July 2005, whether on behalf of the same financial adviser or any other financial adviser.

²

Except for item 34 of Annex 1 and item 35 of Annex 3.

29C Paragraph 29A shall apply to an individual who would otherwise satisfy paragraph 29B if he ceases to act as a representative of any financial adviser at any time after 1 July 2005.

[FAA-N07 (Amendment) 2005]

Specified Types of Financial Advisory Service

30 For the purposes of paragraph 28(b), the specified types of financial advisory service are as follows:

- (a) the provision of financial advisory services in respect of -
 - (i) any capital markets product to an expert investor as defined in regulation 2(1) of the FAR;
 - (ii) any investment product to:
 - (A) an accredited investor as defined in regulation 2(1) of the FAR;
 - (B) an institutional investor as defined in regulation 2(1) of the FAR;
 - (C) a related corporation of the exempt financial adviser for whom the representative acts;
 - (D) a person that is connected to the exempt financial adviser for whom the representative acts; or
 - (E) any person outside Singapore who is an individual and—
 - (EA) not a citizen of Singapore;
 - (EB) not a permanent resident of Singapore; and
 - (EC) not a person who is wholly or partly dependent on the person referred to in sub-paragraph (EA) or (EB); or
 - (F) any person outside Singapore, other than a person referred to in sub-paragraph (a)(ii)(E), with no commercial or physical presence in Singapore.]

[FAA-N07 (Amendment) 2005]

- (iii) any Singapore Government Securities;
- (b) the carrying out of any introducing activity under regulation 31 of the FAR.

Transitional Arrangements For Representatives Who Provide Execution-Related Advice

31 Representatives of persons exempt from holding a financial adviser's licence under section 23(1)(a), (b), (d) or (e) of the Act who are providing execution-related advice on 18 February 2004 shall complete a non-examinable course on Module 5 in lieu of passing Module 5 by 17 Aug 2004.

31A Representatives of persons exempt from holding a financial adviser's licence under section 23(1)(a), (b), (d) or (e) of the Act who commence the provision of execution-related advice within 12 months from 18 February 2004 shall complete a non-examinable course on Module 5 in lieu of passing Module 5 within 6 months from the date of the commencement of the activity

31B The representatives referred to in paragraphs 31 and 31A may attend an in-house course conducted by the financial advisers for which they act or by trainers appointed by their financial advisers. The in-house courses conducted or the trainers appointed must meet the requirements stipulated in cancelled Notice No. FAA-N04 (Notice on Minimum Entry and Examination Requirements for Representatives of Licensed Financial Advisers and Exempt Financial Advisers) issued on 1 October 2002 and cancelled on 16 January 2004.

[FAA-N07 (Amendment) 2004]

RE-TAKING OF MODULE 5

32 Subject to paragraph 32A, the following categories of individuals shall re-take and pass Module 5 of the CMFAS Exam before providing any financial advisory service referred to in paragraph 7 of this Notice as a representative:

- (a) any individual who passed Module 5 of the CMFAS Exam but did not apply for a representative's licence or commence the provision of any financial advisory service with an exempt financial adviser within 3 years from the date of passing that module;
- (b) any individual who –
 - (i) passed Module 5 of the CMFAS Exam; or
 - (ii) was subject to the requirement of completing the non-examinable course on Module 5 by the stipulated deadline in cancelled Notice No. FAA-N04 (Notice on Minimum Entry and Examination Requirements for Representatives of Licensed Financial Advisers and Exempt Financial Advisers) issued on 1 October 2002 and cancelled on 16 January 2004 and had completed the non-examinable course on Module 5 by 30 November 2003,

as the case may be, but subsequently ceased providing financial advisory service for a licensed financial adviser or an exempt financial adviser without re-commencing the provision of financial advisory services for a licensed financial adviser or an exempt financial adviser within 3 years from the date of cessation;

- (d) (c) any individual who -
 - (i) was subject to the requirement of completing the non-examinable course on Module 5 by the stipulated deadline in cancelled Notice No. FAA-N04 (Notice on Minimum Entry and Examination Requirements for Representatives of Licensed Financial Advisers and Exempt Financial Advisers) issued on 1 October 2002

and cancelled on 16 January 2004 and completed the non-examinable course on Module 5 by 30 November 2003 but only after he ceased to provide financial advisory services; and

- (ii) did not re-commence the provision of financial advisory services for a licensed financial adviser or an exempt financial adviser within 3 years from the date of completing the non-examinable course.

[FAA-N07 (Amendment) 2007]

32A. Paragraph 32 of this Notice shall not apply to any person who has satisfied paragraph 31 or 31A of this Notice and wishes to provide any type of financial advisory service unless such person has ceased the provision of execution-related advice for a licensed financial adviser or exempt financial adviser for a period exceeding 3 years.

[FAA-N07 (Amendment) 2007]

CONTINUING EDUCATION REQUIREMENTS FOR REPRESENTATIVES

33 MAS expects representatives engaged in the provision of financial advisory services to keep abreast of developments in the industry and acquire new skills and knowledge relevant to their activities. In this regard, representatives are expected to undergo continuing education.

34 In addition, representatives providing advice on or arranging life policies or providing both types of financial advisory service are expected to observe the Guidelines on Company's Training and Competency Plan and Guidelines on Continuing Professional Development Requirement for Life Insurance Advisors issued by the Life Insurance Association of Singapore.

35 MAS expects exempt financial advisers to ensure that their representatives adhere to the requirements stipulated in paragraphs 33 and 34 of this Notice.

Note:

Under section 58(5) of the Act, any person who contravenes any requirement specified in a written direction issued by the Authority (which would include this Notice), shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$25,000 and, in the case of a continuing offence, to a further fine not exceeding \$2,500 for every day or part thereof during which the offence continues after conviction.

* Notes on History of Amendments

1. FAA-N07 (Amendment) 2004 with effect from 18 February 2004
2. FAA-N07 (Amendment) 2005 with effect from 1 July 2005
3. FAA-N07 (Amendment) 2007 with effect from 27 August 2007
4. FAA-N07 (Amendment No 2) 2007 with effect from 1 January 2008

ANNEX 1

Persons possessing any of the following qualifications (which must be attained through passing the specific respective examination(s)) or work experience are not required to pass Module 6

1. Degree or higher qualification, with emphasis on accountancy, actuarial science, business/business administration/business management/business studies, capital markets, commerce, economics, finance, financial engineering and financial planning, and computational finance;
2. Trading Representatives' Examination Paper II [previously conducted by the Institute of Banking and Finance ("IBF")];
3. Investment Representatives' Examination Paper II (previously conducted by IBF);
4. Diploma in Investment (previously conducted by IBF);
5. Diploma in Investment Analysis (previously conducted by the Singapore Securities Research Institute);
6. Diploma in Investment conducted by The Singapore Human Resources Institute ("SHRI");
7. Diploma in Banking and Finance (previously conducted by IBF);
8. Diploma in Banking and Finance from SHRI;
9. Diploma in Financial Planning from IBF/Singapore College of Insurance ("SCI");
10. Diploma in Financial Planning from the Financial Planning Association of Australia;
11. Diploma in banking, finance, accountancy, business or business administration from all polytechnics in Singapore;
12. Diploma in Business Administration from the University of Singapore;

13. Graduate Diploma in Financial Management from Singapore Institute of Management (“SIM”);
14. Royal Melbourne Institute of Technology’s Diploma of Financial Services conducted by SIM;
15. Banking or Financial Studies Diploma from the Chartered Institute of Bankers, UK;
16. Skills Certificate – Investment (previously awarded by IBF);
17. Skills Certificate – Investment awarded by SHRI;
18. Certificate in Private Banking awarded by The Wealth Management Institute Pte Ltd, Singapore;
19. Certificate in Financial Needs Analysis & Plan Construction awarded by Singapore College of Insurance, Singapore
[FAA-N07 (Amendment No. 2) 2007]
20. Chartered Financial Analyst Level 1 Examination conducted by the CFA Institute, USA;
[FAA-N07 (Amendment No. 2) 2007]
21. Associate Financial Consultant awarded by Insurance and Financial Practitioners Association of Singapore (previously known as Life Underwriters Association of Singapore);
[FAA-N07 (Amendment No. 2) 2007]
22. Associate Financial Planner or Associate Wealth Planner awarded by the Financial Planning Association of Singapore;
[FAA-N07 (Amendment No. 2) 2007]
23. Series 6 or Series 7 of the National Association of Securities Dealers, USA;
[FAA-N07 (Amendment No. 2) 2007]
24. Investment Management Certificate of the UK Society of Investment Professionals (previously known as UK Institute of Investment Management & Research Examinations);
[FAA-N07 (Amendment No. 2) 2007]

25. Chartered Life Underwriter by American College, USA; or Chartered Life Underwriter Singapore by SCI;
[FAA-N07 (Amendment No. 2) 2007]
26. Chartered Financial Consultant by the American College, USA; or Chartered Financial Consultant Singapore by SCI;
[FAA-N07 (Amendment No. 2) 2007]
27. Certified Financial Planner by the Financial Planning Standards Board or the Certified Financial Planners Board of Standards;
[FAA-N07 (Amendment No. 2) 2007]
28. Certificate in Securities, Derivatives or Securities and Financial Derivatives by the Securities & Investment Institute, recognised by the UK Financial Services Skills Council and Financial Services Authority (formerly known as the Registered Persons Examination by the Financial Services Authority, UK)³;
[FAA-N07 (Amendment No. 2) 2007]
29. The Association of Chartered Certified Accountants (ACCA) Qualifications;
[FAA-N07 (Amendment No. 2) 2007]
30. The Chartered Accountant (ACA) Qualifications;
[FAA-N07 (Amendment No. 2) 2007]
31. Associate/Fellow of the Institute of Actuaries, England;
[FAA-N07 (Amendment No. 2) 2007]
32. Associate/Fellow of the Faculty of Actuaries, Scotland;
[FAA-N07 (Amendment No. 2) 2007]
33. Associate/Fellow of the Society of Actuaries, USA;
[FAA-N07 (Amendment No. 2) 2007]
34. Associate/Fellow of the Institute of Actuaries of Australia;
[FAA-N07 (Amendment No. 2) 2007]

³ Persons who possess the qualification of the Registered Persons Examination by the Financial Services Authority, UK, by no later than 1 December 2001, shall be deemed to possess the qualification of the Certificate in Securities, Derivatives or Securities and Financial Derivatives by the Securities & Investment Institute, recognised by the UK Financial Services Skills Council and Financial Services Authority for the purposes of Annex 1 of this Notice.

35. Associate/Fellow of the Casualty Actuarial Society, USA;
[FAA-N07 (Amendment No. 2) 2007]
36. Associate Member of CPA Australia⁴
[FAA-N07 (Amendment No. 2) 2007]
37. Module 1 of the Investor Contact Competency Examination (ICCE Module 1); administered by the Securities and Exchange Commission, Thailand^{4A}
[FAA-N07 (Amendment No. 2) 2007]
38. Three years of relevant and continuous working experience in respect of the financial advisory service to be provided with no break in service of more than 3 years between the individual's last working experience and the date of his application for a representative's licence or of commencement of the provision of financial advisory services, as the case may be.
[FAA-N07 (Amendment) 2005]
[FAA-N07 (Amendment) 2007]
[FAA-N07 (Amendment No. 2) 2007]

⁴ Qualification attained by membership is recognised.

^{4A} Person has to be licensed by the Securities and Exchange Commission of Thailand and needs to submit documentary evidence to his proposed principal certifying his licence or authorization status in Thailand.

[FAA-N07 (Amendment No. 2) 2007]

ANNEX 2

Persons possessing any of the following qualifications (which must be attained through passing the specific respective examination(s)) or work experience are not required to pass Module 7

1. Degree in finance-related disciplines with at least 50% coverage on futures and derivatives products;
2. Futures Trading Test (previously conducted by IBF);
3. Futures Examination Paper II (previously conducted by the IBF between January 1994 to December 1996);
4. Futures Examination Paper III (previously conducted by IBF between January 1997 to 30 November 2002);
5. Series 3 of the National Association of Securities Dealers, USA;
6. Futures and Options Representative's Examination conducted by the Securities & Futures Authority Ltd, UK;
7. Certificate in Derivatives by the Securities & Investment Institute, recognised by the UK Financial Services Skills Council and Financial Services Authority⁵;
8. Diploma in Investment (previously conducted by IBF between October 1998 and December 2001);
9. Diploma In Investment conducted by SHRI;
10. Certified Financial Planner by the Financial Planning Standards Board or the Certified Financial Planners Board of Standards;
11. Chartered Financial Analyst Level 1 Examination conducted by the CFA Institute, USA;

⁵ Persons who possess the qualification of a Level 3 Certificate in Investments (Derivatives) by the Securities & Investment Institute, recognised by the UK Financial Services Skills Council and Financial Services Authority, by no later than 1 November 2004, shall be deemed to possess the qualification of a Certificate in Derivatives by the Securities & Investment Institute, recognised by the UK Financial Services Skills Council and Financial Services Authority, for the purposes of Annex 2 of this Notice.

[FAA-N07 (Amendment No. 2) 2007]

12. Chartered Financial Consultant by the American College, USA; or Chartered Financial Consultant Singapore by SCI;
13. Advanced Certification in Investment conducted by the Nanyang Polytechnic;
14. Three years of relevant and continuous working experience in respect of the financial advisory service to be provided with no break in service of more than 3 years between the individual's last working experience and the date of his application for a representative's licence or commencement of the provision of financial advisory services, as the case may be.

[FAA-N07 (Amendment) 2005]

[FAA-N07 (Amendment) 2007]

ANNEX 3

Persons possessing any of the following qualifications (which must be attained through passing the specific respective examination(s) or work experience are not required to pass Module 8

1. Degree or higher qualification, with emphasis on accountancy, actuarial science, business/business administration/business management/business studies, capital markets, commerce, economics, finance, financial engineering and financial planning and computational finance;
2. Trading Representatives' Examination Paper II [previously conducted by the Institute of Banking and Finance ("IBF")];
3. Investment Representatives' Examination Paper II (previously conducted by IBF);
4. Diploma in Investment (previously conducted by IBF);
5. Diploma in Investment Analysis (previously conducted by the Singapore Securities Research Institute);
6. Diploma in Investment conducted by The Singapore Human Resources Institute ("SHRI");
7. Diploma in Banking and Finance (previously conducted by IBF);
8. Diploma in Banking and Finance from SHRI;
9. Diploma in Financial Planning from IBF/Singapore College of Insurance ("SCI");
10. Diploma in Financial Planning from the Financial Planning Association of Australia;
11. Diploma in banking, finance, accountancy, business or business administration from all polytechnics in Singapore;
12. Diploma in Business Administration from the University of Singapore;

13. Graduate Diploma in Financial Management from Singapore Institute of Management (“SIM”);
14. Royal Melbourne Institute of Technology’s Diploma of Financial Services conducted by SIM;
15. Banking or Financial Studies Diploma from the Chartered Institute of Bankers, UK;
16. Skills Certificate – Investment (previously awarded by IBF);
17. Skills Certificate – Investment awarded by SHRI;
18. Certificate in Private Banking awarded by The Wealth Management Institute Pte Ltd, Singapore;
19. Financial Planning Certificate awarded by UK Chartered Insurance Institute (“UKCII”);
20. Certificate in Financial Planning awarded by UKCII;
21. Certificate in Financial Needs Analysis & Plan Construction awarded by Singapore College of Insurance, Singapore
[FAA-N07 (Amendment No. 2) 2007]
22. Advanced Financial Planning Certificate awarded by UKCII;
[FAA-N07 (Amendment No. 2) 2007]
23. Diploma in Financial Planning awarded by UKCII;
[FAA-N07 (Amendment No. 2) 2007]
24. Advanced Diploma in Financial Planning awarded by UKCII;
[FAA-N07 (Amendment No. 2) 2007]
25. Chartered Financial Analyst Level 1 Examination conducted by the CFA Institute, USA;
[FAA-N07 (Amendment No. 2) 2007]
26. Associate Financial Consultant awarded by Insurance and Financial Practitioners Association of Singapore (previously known as Life Underwriters Association of Singapore) (“IFPAS”);

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- [FAA-N07 (Amendment No. 2) 2007]
27. Fellow Chartered Financial Practitioner (Modular) awarded by IFPAS;
[FAA-N07 (Amendment No. 2) 2007]
28. Associate Financial Planner or Associate Wealth Planner awarded by the Financial Planning Association of Singapore;
[FAA-N07 (Amendment No. 2) 2007]
29. Series 6 or Series 7 of the National Association of Securities Dealers, USA;
[FAA-N07 (Amendment No. 2) 2007]
30. Investment Management Certificate of the UK Society of Investment Professionals (previously known as UK Institute of Investment Management & Research Examinations);
[FAA-N07 (Amendment No. 2) 2007]
31. Chartered Life Underwriter by American College, USA; or Chartered Life Underwriter Singapore by SCI;
[FAA-N07 (Amendment No. 2) 2007]
32. Chartered Financial Consultant by the American College, USA; or Chartered Financial Consultant Singapore by SCI;
[FAA-N07 (Amendment No. 2) 2007]
33. Certified Financial Planner by the Financial Planning Standards Board or the Certified Financial Planner Board of Standards;
[FAA-N07 (Amendment No. 2) 2007]
34. Certificate in Securities, Derivatives or Securities and Financial Derivatives by the Securities & Investment Institute, recognised by the UK Financial Services Skills Council and Financial Services Authority (formerly known as the Registered Persons Examination by the Financial Services Authority, UK)⁶;
[FAA-N07 (Amendment No. 2) 2007]

⁶ Persons who possess the qualification of the Registered Persons Examination by the Financial Services Authority, UK, by no later than 1 December 2001, shall be deemed to possess the qualification of the Certificate in Securities, Derivatives or Securities and Financial Derivatives by the Securities & Investment Institute, recognised by the UK Financial Services Skills Council and Financial Services Authority for the purposes of Annex 3 of this Notice.

35. The Association of Chartered Certified Accountants (ACCA) Qualifications;
[FAA-N07 (Amendment No. 2) 2007]
36. The Chartered Accountant (ACA) Qualifications;
[FAA-N07 (Amendment No. 2) 2007]
37. Associate/Fellow of the Institute of Actuaries, England;
[FAA-N07 (Amendment No. 2) 2007]
38. Associate/Fellow of the Faculty of Actuaries, Scotland;
[FAA-N07 (Amendment No. 2) 2007]
39. Associate/Fellow of the Society of Actuaries, USA;
[FAA-N07 (Amendment No. 2) 2007]
40. Associate/Fellow of the Institute of Actuaries of Australia;
[FAA-N07 (Amendment No. 2) 2007]
41. Associate/Fellow of the Casualty Actuarial Society, USA;
[FAA-N07 (Amendment No. 2) 2007]
42. Associate Member of CPA Australia⁷;
[FAA-N07 (Amendment No. 2) 2007]
43. Module 1 of the Investor Contact Competency Examination (ICCE Module 1); administered by the Securities and Exchange Commission, Thailand^{8A}; and
[FAA-N07 (Amendment No. 2) 2007]
44. Three years of relevant and continuous working experience in respect of the financial advisory service to be provided with no break in service of more than 3 years between the individual's last working experience and the date of his application for a

⁷ Qualification attained by membership is recognised.

^{8A} Person has to be licensed by the Securities and Exchange Commission of Thailand and needs to submit documentary evidence to his proposed principal certifying his licence or authorisation status in Thailand.

representative's licence or of commencement of the provision of financial advisory services, as the case may be.

[FAA-N07 (Amendment) 2005]

[FAA-N07 (Amendment) 2007]

[FAA-N07 (Amendment No. 2) 2007]

ANNEX 4

Persons possessing any of the following qualifications (which must be attained through passing the specific respective examination(s)) or work experience are not required to pass Module 9

1. Degree in actuarial science or insurance;
2. Chartered Life Underwriter* (“CLU”) by the American College, USA; or Chartered Life Underwriter Singapore* (“CLU/S”) by SCI;
3. Chartered Financial Consultant* (“CHFC”) by the American College, USA; or Chartered Financial Consultant Singapore* (“CHFC/S”) by SCI;
4. Certified Financial Planner by the Financial Planning Standards Board or the Certified Financial Planners Board of Standards;
5. Associate/Fellow of the Institute of Actuaries, England;
6. Associate/Fellow of the Faculty of Actuaries, Scotland;
7. Associate/Fellow of the Society of Actuaries, USA;
8. Associate/Fellow of the Institute of Actuaries of Australia;
9. Associate/Fellow of the Casualty Actuarial Society, USA;
10. Certificate in Life Insurance (Investment-Linked Life Insurance Policies) by SCI and any of the following:
 - (a) Life Insurance Agents Certificate/Pre-contract Examination/Certificate in Life Insurance/Diploma in Life Insurance awarded by SCI;
 - (b) Associate/Fellow of the Chartered Insurance Institute (Life), UK;
 - (c) Senior Associate/Fellow of the Australian & New Zealand Institute of Insurance and Finance (Life);
 - (d) Fellow of Life Management Institute, USA;

11. Three years of relevant and continuous working experience in respect of the financial advisory service to be provided with no break in service of more than 3 years between the individual's last working experience and the date of his application for a representative's licence or of commencement of the provision of financial advisory services, as the case may be. The working experience may be from UK, USA, Canada or Australia.

* The applicant must have covered, under CLU (or CLU/S) and CHFC (or CHFC/S), the following two specific subjects -

- (i) Fundamentals of financial planning or Insurance and financial planning; and
- (ii) Investments.

[FAA-N07 (Amendment) 2005]