



Monetary Authority of Singapore

**SECURITIES AND FUTURES ACT
(CAP. 289)**

**NOTICE ON MINIMUM ENTRY AND EXAMINATION
REQUIREMENTS FOR REPRESENTATIVES OF HOLDERS OF
CAPITAL MARKETS SERVICES LICENCE AND EXEMPT
FINANCIAL INSTITUTIONS**

Notice No : SFA 04-N09

Issue Date : 11 August 2010 [Last revised on 7 October 2015*]

NOTICE ON MINIMUM ENTRY AND EXAMINATION REQUIREMENTS FOR REPRESENTATIVES OF HOLDERS OF CAPITAL MARKETS SERVICES LICENCE AND EXEMPT FINANCIAL INSTITUTIONS

1 This Notice is issued pursuant to section 101 of the Securities and Futures Act (Cap. 289) (the “Act”) to the holders of a capital markets services (“CMS”) licence, exempt financial institutions (“exempt FIs”) and appointed representatives. The earlier Notice (SFA 04-N06) issued on 1 August 2008 on the same subject is cancelled.

[SFA 04-N09 (Amendment) 2010]

[SFA 04-N09 (Amendment) 2011]

2 This Notice sets out the following:

(a) minimum entry requirements for appointed representatives under the Act;

[SFA 04-N09 (Amendment) 2010]

(b) application of the Capital Markets and Financial Advisory Services Examination (the “CMFAS Exam”) requirements to individuals intending to conduct regulated activities as appointed representatives under the Act;

[SFA 04-N09 (Amendment) 2010]

(c) circumstances under which the CMFAS Exam requirements do not apply;

(d) obligations of CMS licence holders and exempt FIs; and

(e) continuing education requirements for appointed representatives.

[SFA 04-N09 (Amendment) 2010]

Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions

DEFINITIONS

3 For the purposes of this Notice:

“accredited investor” has the same meaning as in section 4A of the Act;
[SFA 04-N09 (Amendment) 2011]

“appointed representative” has the same meaning as section 2(1) of the Act;
[SFA 04-N09 (Amendment) 2010]

“associated person”, for the purposes of paragraph 25(b), has the same meaning as in the Rules and Regulations of the Singapore Commodity Exchange Ltd;

“CMFAS Exam requirement” means the requirement to pass the relevant modules of the CMFAS Exam;

“CTA” means the Commodity Trading Act (Cap. 48A, 1993 Ed.) in force immediately before 27 February 2008;

“Excluded Investment Products” has the same meaning as in paragraph 4 of the SFA Notice on the Sale of Investment Products (SFA 04-N12);
[SFA 04-N09 (Amendment) 2011]

“exempt FI” refers to a financial institution exempted from holding a CMS licence under section 99(1)(a), (b), (c) and (d) of the Act;

“institutional investor” has the same meaning as in section 4A of the Act;
[SFA 04-N09 (Amendment No. 3) 2012]

“principal” has the same meaning as under section 2(1) of the Act;
[SFA 04-N09 (Amendment) 2010]

“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;

“REIT management” means real estate investment trust management;

Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions

“specific representative” means an individual who is subject to CMFAS Exam requirements, namely:

- (a) a person proposed to be an appointed representative to carry out any of the regulated activities listed in sub-paragraphs (a), (b), (c), (d), (e) and (f) of paragraph 9 of this Notice on behalf of the holder of a CMS licence; and
- (b) a person proposed to be an appointed representative, whether employed by or acting for an exempt FI in respect of regulated activity listed in sub-paragraphs (a), (b), (c), (d), (e) and (f) of paragraph 9 of this Notice, where applicable;

[SFA 04-N09 (Amendment) 2010]

“Specified Investment Products” has the same meaning as in paragraph 4 of the SFA Notice on the Sale of Investment Products (SFA 04-N12).

[SFA 04-N09 (Amendment) 2011]

MINIMUM ENTRY REQUIREMENTS

4 *Deleted.*

[SFA 04-N09 (Amendment) 2010]

5 Any person who acts as or holds himself out to be an appointed representative must:

- (a) be at least 21 years old;
- (b) satisfy the minimum academic qualification requirements set out under paragraph 7 of this Notice; and
- (c) comply with the examination requirements of this Notice.

[SFA 04-N09 (Amendment) 2010]

Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions

6 In addition, the principal shall certify and ensure that its representatives meet the minimum entry requirements stipulated in paragraph 5 of this Notice.

[SFA 04-N09 (Amendment) 2010]

[SFA 04-N09 (Amendment) 2011]

7 For the purposes of paragraph 5(b) of this Notice, the minimum academic qualifications are:

- (aa) in the case of a representative in respect of providing credit rating services on or after 17 January 2012, a Bachelor's degree in a discipline that is relevant to him acting as a representative of his principal in respect of providing credit rating services, as determined by his principal;

[SFA 04-N09 (Amendment) 2012]

- (a) in the case of a representative who sat for GCE "O" Level Examinations before or in 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 at least 3 years of relevant and continuous working experience over the past 5 years in respect of the regulated activity as defined in section 2(1) of the Act;

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

[SFA 04-N09 (Amendment) 2010]

7A The requirement in sub-paragraph (aa) of paragraph 7 shall not apply to any individual who had been carrying out any activity immediately before 17 January 2012 which would have amounted to acting as a representative in respect of providing credit rating services and who continued to act as a representative in respect of providing credit rating services from that date.

[SFA 04-N09 (Amendment) 2012]

Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions

APPLICATION OF THE CMFAS EXAM REQUIREMENTS

8 The CMFAS Exam, which commenced on 1 December 2002, comprises 15 modules as follows:

Module	Examination
Rules & Regulations	
1A	Rules and Regulations for Dealing in Securities (for members of the Singapore Exchange Securities Trading Limited (“SGX-ST”))
1B	Rules and Regulations for Dealing in Securities (Non SGX-ST members)
2A	Rules and Regulations for Trading in Futures Contracts (for members of the Singapore Exchange Derivatives Trading Limited (“SGX-DT”))
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
10	Rules and Regulations for REIT Management, with Product Knowledge and Analysis
Product Knowledge & Analysis	
6	Securities Products and Analysis
6A	Securities and Futures Product Knowledge
7	Futures Products and Analysis [to be discontinued with effect from 1 January 2012]
8	Collective Investment Schemes
8A	Collective Investment Schemes II
9	Life Insurance and Investment-Linked Policies
9A	Life Insurance and Investment-Linked Policies II

[SFA 04-N09 (Amendment) 2011]
[SFA 04-N09 (Amendment) 2015]

Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions

9 The CMFAS Exam requirements apply to individuals who wish to conduct any of the following regulated activities as an appointed representative under the Act:

- (a) dealing in securities;
- (b) trading in futures contracts;
- (c) advising on corporate finance;
- (d) fund management;
- (e) REIT management;
- (f) leveraged foreign exchange trading.

[SFA 04-N09 (Amendment) 2010]

10 A specific representative is required to pass the relevant modules of the CMFAS Exam pertaining to the regulated activity that he intends to conduct. The applicable modules for each regulated activity are set out below:

REGULATED ACTIVITY	MODULE									
	Rules & Regulations							Product Knowledge & Analysis		
	1A	1B	2A	3	4A	4B	10	6	7 ¹	6A
Dealing in Securities - SGX-ST members	√							√		√
Dealing in Securities - Non SGX-ST members	√ (Either Module)							√		√
Trading in Futures Contracts - SGX-DT members			√						√	√

¹ To be discontinued with effect from 1 January 2012.

Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions

REGULATED ACTIVITY	MODULE									
	Rules & Regulations							Product Knowledge & Analysis		
	1A	1B	2A	3	4A	4B	10	6	7 ¹	6A
Trading in Futures Contracts - International Exchange Futures Singapore (“IFSG”)									√	√
Trading in Futures Contracts - Non SGX-DT and Non IFSG members			√						√	√
Fund Management				√				√		
REIT Management							√			
Advising on Corporate Finance					√					
Advising on Corporate Finance - Solely Debt Securities						√				
Leveraged Foreign Exchange Trading (prior to 1 January 2012)	√ (Any of these Modules)							√ (Either Module)		
Leverage Foreign Exchange Trading (with effect from 1 January 2012)	√ (Any of these Modules)									√

[SFA 04-N09 (Amendment) 2011]

[SFA 04-N09 (Amendment No. 3) 2012]

[SFA 04-N09 (Amendment) 2015]

10A Module 7 will be discontinued and replaced with Module 6A with effect from 1 January 2012. With effect from 1 January 2012, every specific representative who has been required to pass or otherwise exempted from Module 7 immediately before that date, is required to pass Module 6A in accordance with paragraph 39 of this Notice.

[SFA 04-N09 (Amendment) 2011]

Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions

11 A specific representative who conducts corporate finance activities is required to pass Module 4A or 4B depending on the scope of his corporate finance activities. Such representative is not required to pass Modules 1A, 1B, or 6 to conduct dealing in securities in connection with his corporate finance activities.

[SFA 04-N09 (Amendment) 2011]

12 In the case where a specific representative deals in securities for a principal in the principal's capacity as a member of the SGX-ST, such representative is required to pass Modules 1A and 6. In the case where a specific representative deals in securities for a principal who is not a member of the SGX-ST ("non SGX-ST Member"), such representative is required to pass either Modules 1A or 1B, and Module 6.

12A With effect from 1 January 2012, in addition to paragraph 12, in the case where a specific representative deals in securities that are Specified Investment Products, such representative is also required to pass Module 6A.

[SFA 04-N09 (Amendment) 2011]

12B *Deleted.*

[SFA 04-N09 (Amendment No. 3) 2012]

13 In the case where a specific representative trades in futures contracts for a principal in the principal's capacity as a member of the SGX-DT, such representative is required to pass Modules 2A and 7. In the case where a specific representative trades in futures contract for a principal in the principal's capacity as a member of the IFSG, such representative is required to pass Module 7 and complete a non-examinable course administered by IFSG. In the case where a specific representative trades in futures contract for a principal in the principal's capacity as a member of the SGX-DT and a member of the IFSG, such representative is required to pass Modules 2A and 7, and complete a non-examinable course administered by IFSG. With effect from 1 January 2012, the specific representative is required to pass Module 6A in lieu of Module 7.

[SFA 04-N09 (Amendment) 2011]

[SFA 04-N09 (Amendment) 2015]

Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions

14 In the case where a specific representative trades in futures contracts for a principal who is neither a member of the SGX-DT nor a member of the IFSG, such representative is required to pass either Modules 2A and 7. With effect from 1 January 2012, such representative is required to pass Module 6A in lieu of Module 7.

[SFA 04-N09 (Amendment) 2011]

[SFA 04-N09 (Amendment) 2015]

15 A specific representative who deals in securities and trades in single stock futures contracts is required to pass Modules 1A and 6. With effect from 1 January 2012, such representative is also required to pass Module 6A.

[SFA 04-N09 (Amendment) 2011]

16 A specific representative who conducts only leveraged foreign exchange trading is required to pass Module 1A, 1B or 2A and Module 6 or 7. A specific representative who conducts leveraged foreign exchange trading in addition to dealing in securities or trading in futures contracts is required to pass the applicable rules and regulation modules relevant to dealing in securities or trading in futures contracts. With effect from 1 January 2012, such representative is required to pass Module 1A, 1B or 2A and Module 6A.

[SFA 04-N09 (Amendment) 2011]

[SFA 04-N09 (Amendment) 2015]

17 *Deleted.*

[SFA 04-N09 (Amendment) 2010]

CIRCUMSTANCES UNDER WHICH THE CMFAS EXAM REQUIREMENTS DO NOT APPLY

18 A specific representative who possesses specified qualifications and experience or who confines his regulated activities to a limited segment of the market is not required to pass certain modules of the CMFAS Exam. Details of the circumstances under which the CMFAS Exam requirements do not apply are set out in the following paragraphs.

Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions

SPECIFIED QUALIFICATIONS OR WORK EXPERIENCE

18A Prior to 19 October 2011, a specific representative who possesses any of the qualifications or work experience listed in Annexes 1 and 2 respectively is not required to pass Modules 6 and 7 respectively. With effect from 19 October 2011, a specific representative who possesses any of the qualifications, where such qualification was obtained by way of passing the required examination(s)², or work experience listed in Annexes 1A and 2A respectively, will not be required to pass Modules 6 and 7 respectively.

[SFA 04-N09 (Amendment) 2010]
[SFA 04-N09 (Amendment) 2011]

18B With effect from 19 October 2011, a specific representative who possesses any of the qualifications or work experience listed in Annexes 1 and 2 respectively is not required to pass Modules 6 and 7 respectively, if:

- (a) he has been conducting relevant regulated activities as a representative immediately before 19 October 2011 and continues to conduct such regulated activities on and after 19 October 2011;
- (b) his principal has lodged with the Authority documents under section 99H of the Act, in relation to his appointment as an appointed representative before 1 January 2012; or
- (c) there is no break in service of more than 6 months between his last working experience as a representative conducting relevant regulated activities and the date of his principal's lodgment with the Authority of documents under section 99H of the Act, in relation to his appointment as an appointed representative.

[SFA 04-N09 (Amendment) 2011]

18C A specific representative who possesses any of the following qualifications, is not required to pass Module 6A:

- (a) a degree or higher qualification in finance, financial engineering or computational finance; or

² Except for item 8 of Annex 1A.

Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions

- (b) Chartered Financial Analyst (CFA) by the CFA Institute, USA.
[SFA 04-N09 (Amendment) 2011]

19 With effect from 1 July 2005, the Authority will only recognise the qualifications listed in Annexes 1, 1A, 2 and 2A where such qualification was obtained by way of passing the required examination(s) for the award of such qualification.³

[SFA 04-N09 (Amendment) 2011]

20 Paragraph 19 shall not apply to a specific representative who –

- (a) has attained the qualification listed in Annex 1 or 2 before 1 July 2005 –
- (i) by passing any examination which is recognised by the respective tertiary institution, institute, board, association or other body listed in Annex 1 or 2, to be equivalent to passing the specific examination(s) for the attainment of the respective qualifications listed in Annexes 1 and 2; or
- (ii) by fulfilling such other criteria specified by the respective tertiary institution, institute, board, association or other body listed in Annex 1 or 2, as prerequisites for the attainment of the respective qualifications listed in Annexes 1 and 2; and
- (b) has been conducting regulated activity as a representative immediately before 1 July 2005 and continues to conduct such regulated activity after 1 July 2005 whether on behalf of the same holder of a CMS licence or exempt FI or any other holder of a CMS licence holder or exempt FI.

[SFA 04-N09 (Amendment) 2010]

21 Paragraph 19 shall apply to an individual who would otherwise satisfy paragraph 20 if he ceases to be a representative of any holder of a CMS licence or exempt FI any time after 1 July 2005.

[SFA 04-N09 (Amendment) 2010]

³ Except for item 34 of Annex 1 and item 8 of Annex 1A.

Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions

22 Deleted.

[SFA 04-N09 (Amendment) 2010]

Modules for Dealing in Securities – Modules 1A, 1B, 6 and 6A

23 A specific representative who meets the following criteria in respect of dealing in securities is not required to pass Modules 1A, 1B, 6 and 6A:

- (a) a person who meets the conditions and restrictions specified in paragraph 2 of the Second Schedule to the Securities and Futures (Licensing and Conduct of Business) Regulations (the “SFR”);
- (b) a person who confines his dealing in securities to Singapore Government securities;
- (c) a person whose principal manages funds only for:
 - (i) accredited investors;
 - (ii) institutional investors but not including a collective investment scheme the units of which are offered to persons other than an accredited investor, expert investor or institutional investor; or
 - (iii) both;
- (d) a person who works in a specialised unit serving high net worth individuals exempted under section 100(2) of the Financial Advisers Act (Cap. 110) [the “FAA”].

[SFA 04-N09 (Amendment) 2011]

[SFA 04-N09 (Amendment No. 3) 2012]

23A A specific representative who trades in futures contracts and deals in securities is not required to pass Modules 1A, 1B and 6 if his dealing in securities is confined to the securities prescribed in regulation 3(1)(iv) of the Securities and Futures (Prescribed Securities) Regulations 2012.

[SFA 04-N09 (Amendment) (02) 2012]

23B A specific representative referred to in paragraph 23A who has not passed Module 1A or 1B, and who only deals in the securities prescribed in regulation 3(1)(iv) of the Securities and Futures (Prescribed Securities) Regulations 2012 that are listed for quotation or quoted on the SGX is required to pass the Qualifying Assessment for Dealing in Options on Equity Indices administered by the SGX.

[SFA 04-N09 (Amendment) (02) 2012]

Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions

Modules for Trading in Futures Contracts – Modules 2A, 6A and 7

24 A specific representative who meets the following criteria in respect of trading in futures contracts is not required to pass Modules 2A, 6A and 7, and is not required to complete the non-examinable course administered by IFSG:

- (a) a person whose trading in futures contracts is confined to the clearing of futures contracts;
- (b) a person who meets the conditions and restrictions specified in paragraph 3 of the Second Schedule to the SFR;
- (c) a person whose principal manages funds only for:
 - (i) accredited investors;
 - (ii) institutional investors but not including a collective investment scheme the units of which are offered to persons other than an accredited investor, expert investor or institutional investor; or
 - (iii) both;
- (d) a person who works in a specialised unit serving high net worth individuals exempted under section 100(2) of the FAA.

[SFA 04-N09 (Amendment) 2011]

[SFA 04-N09 (Amendment No. 3) 2012]

[SFA 04-N09 (Amendment) 2015]

25 A specific representative who meets the following criteria in respect of trading in futures contracts is not required to pass Module 2A:

- (a) a person who has at least 3 years of relevant and continuous working experience in Singapore in respect of trading in futures contracts as 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 trading in futures contracts and the date of his -
 - (i) lodgment of Form 2 under Regulation 7(1)(a) of the Securities and Futures (Provisions for Persons and Matters Previously Regulated under Commodity Trading Act) Regulations 2007;
 - (ii) licence application prior to 26 November 2010; -

Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions

- (iii) entry into the industry prior to 26 November 2010; or
- (iv) principal's lodgment with the Authority of documents under section 99H of the Act, in relation to his appointment as an appointed representative,

as the case may be;

(b) a person who, prior to 27 February 2008, -

- (i) has at least 3 years of relevant and continuous working experience in Singapore in respect of trading in futures contract as 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 trading in futures contracts and the date of his licence application prior to 26 November 2010, entry into the industry prior to 26 November 2010, or his principal's lodgment with the Authority of documents under section 99H of the Act in relation to his appointment as an appointed representative, as the case may be;

(c) a person who, prior to 27 February 2008, —

- (i) has at least 3 years of relevant and continuous working experience in Singapore in respect of trading in futures contracts as 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 CMS licence; and
- (ii) is not the holder of a representative's licence under section 87 of the Act, in force immediately before 27 February 2008;

Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions

and there is no break-in-service of more than 6 months between the person's last working experience in trading in futures contracts and the date of his –

- (i) lodgment of Form 2 under Regulation 8(i) of the Securities and Futures (Provisions for Persons and Matters Previously Regulated under Commodity Trading Act) Regulations 2007;
- (ii) licence application prior to 26 November 2010;
- (iii) entry into the industry prior to 26 November 2010; or
- (iv) principal's lodgment with the Authority of documents under section 99H of the Act, in relation to his appointment as an appointed representative,

as the case may be; 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 respect of trading in futures contracts,

and there is no break-in-service of more than 6 months between the person's last working experience in trading in futures contracts and the date of his licence application prior to 26 November 2010, entry into the industry prior to 26 November 2010, or his principal's lodgment with the Authority of documents under section 99H of the Act in relation to his appointment as an appointed representative, as the case may be.

[SFA 04-N09 (Amendment) 2010]

Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions

26 A person who is:

- (a) an appointed representative in respect of dealing in securities; and
- (b) exempt from section 99B(1) of the Act when acting as a representative in respect of the regulated activity of trading in extended settlement contracts under regulation 3(1) of the Securities and Futures (Exemption from Section 99B) Regulations 2010,

is not required to pass Modules 2A and 7, and is not required to complete the non-examinable course administered by the IFSG, provided that he has passed an examination administered by the SGX-ST on the relevant rules and regulations applicable to trading in extended settlement contracts. With effect from 1 January 2012, such a specific representative is required to pass Module 6A.

[SFA 04-N09 (Amendment) 2010]
[SFA 04-N09 (Amendment) 2011]
[SFA 04-N09 (Amendment) 2015]

27 *Deleted.*

[SFA 04-N09 (Amendment) 2015]

Modules for Leveraged Foreign Exchange Trading – Modules 1A, 1B, 2A, 6A and 7

27A A specific representative who as at 15 April 2005 already conducts the regulated activity of leveraged foreign exchange trading for a holder of a CMS licence or an exempt FI and continues to conduct such regulated activity after 15 April 2005 is not required to pass any of the modules of the CMFAS Exam. With effect from 1 January 2012, such representative is required to pass Module 6A in accordance with paragraph 39 of this Notice.

[SFA 04-N09 (Amendment) 2010]
[SFA 04-N09 (Amendment) 2011]
[SFA 04-N09 (Amendment) 2015]

Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions

Modules for Fund Management – Modules 3 and 6

28 A specific representative who meets the following criteria in respect of fund management is not required to pass Modules 3 and 6:

- (a) a person who conducts venture capital fund management;
- (b) a person who manages funds only for:
 - (i) accredited investors;
 - (ii) institutional investors but not including a collective investment scheme the units of which are offered to persons other than an accredited investor, expert investor or institutional investor; or
 - (iii) both;
- (c) a person who works in a specialised unit serving high net worth individuals exempted under section 100(2) of the FAA.

[SFA 04-N09 (Amendment) 2011]

[SFA 04-N09 (Amendment No. 3) 2012]

Modules for Advising on Corporate Finance – Modules 4A and 4B

29 A specific representative who advises solely on matters concerning raising funds and other corporate finance projects where such projects are in countries other than Singapore is not required to pass Modules 4A or 4B.

30 As at 1 July 2005, a specific representative who advises on matters concerning raising funds and other corporate finance projects, whether such projects are in Singapore or elsewhere, is not required to pass Modules 4A or 4B, provided that, prior to 30 June 2005, such person –

- (a) has at least 3 years of relevant and continuous working experience, whether in Singapore or elsewhere, in providing advice on matters in relation to corporate finance which does not require a CMS licence or a representative's licence under the Act immediately in force prior to 26 November 2010 ("relevant advice"), without any break-in-service of more than 6 months between such person's last working experience in providing such relevant advice and the date

Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions

of his licence application prior to 26 November 2010, entry into the industry prior to 26 November 2010, or his principal's lodgment with the Authority of documents under section 99H of the Act in relation to his appointment as an appointed representative, as the case may be; and

- (b) has completed a non-examinable course, conducted by the Institute of Banking and Finance (the "IBF") or an in-house non-examinable course conducted by a qualified person, on the rules and regulations for advising on corporate finance. Such in-house non-examinable course must cover at least the contents of the study guides of Module 4A and/or Module 4B issued by the IBF. A qualified person refers to a person who has at least passed Module 4A and/or Module 4B administered by the IBF or otherwise possesses the relevant expertise and experience in relation to the course.

[SFA 04-N09 (Amendment) 2010]

31 With effect from 1 July 2005, there is no option of a non-examinable course for modules 4A and 4B.

[SFA 04-N09 (Amendment) 2010]

Module for REIT Management – Module 10

32 A specific representative who has been conducting REIT management as at 1 August 2008 is not required to pass Module 10. However, he is required to:

- (a) complete a non-examinable course on the relevant rules and regulations applicable to REIT management, within six months from 1 August 2008. The course is available at IBF; or
- (b) attend an in-house course conducted by their principals which meet the following conditions:
 - (i) each course must be based on the contents of the IBF study guides/textbooks for the relevant rules and regulations; and

Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions

- (ii) the person conducting the training course must be proficient in the subject-matter i.e. he must have passed the examination of Module 10 administered by IBF, or otherwise possesses the relevant expertise and experience in relation to REIT management.

RE-TAKING OF RULES AND REGULATIONS MODULES

33 The following individuals are required to re-take the applicable modules on rules and regulations if they wish to carry out the relevant regulated activity:

- (a) a person who has passed the applicable rules and regulations of the CMFAS Exam but did not commence that regulated activity with a holder of a CMS licence or an exempt FI within 3 years of the date of passing that module;
- (b) a person who was subject to the requirement of completing the applicable non-examinable course by the stipulated deadlines in this Notice or cancelled Notice No: SFA 04-N01 (Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions) issued on 1 October 2002 and cancelled on 16 January 2004, and had completed the relevant non-examinable course after he has ceased carrying out the applicable regulated activity he was previously licensed to carry out, but did not re-commence that regulated activity with a holder of a CMS licence or an exempt FI within 3 years from the date of completion of the relevant non-examinable course; or
- (c) a person who has ceased carrying out any regulated activity with a holder of a CMS licence or an exempt FI subsequent to his passing of the relevant rules and regulations of the CMFAS Exam or completion of the relevant non-examinable course by the stipulated deadlines in this Notice or cancelled Notice No. SFA 04-N01 (Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions) issued on 1 October 2002 and

Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions

cancelled on 16 January 2004, and wish to act as an appointed representative with a holder of a CMS licence or an exempt FI for that regulated activity 3 years after his cessation of that regulated activity.

[SFA 04-N09 (Amendment) 2010]

OBLIGATIONS OF HOLDERS OF A CMS LICENCE AND EXEMPT FIs

34 A holder of a CMS licence or an exempt FI is required to maintain a register stating whether its representative is subject to the CMFAS Exam requirements or the non-examinable course(s), where applicable, relevant to the regulated activities of the representative. A holder of a CMS licence or exempt financial institution shall enter in the register the type of regulated activities conducted by its representative, the date on which its representative completed the examinations or non-examinable course(s), where applicable, and in respect of such representative who is not required to pass certain modules of the CMFAS Exam under this Notice, to state the details thereof, if any.

[SFA 04-N09 (Amendment) 2010]

35 In addition, a holder of a CMS licence or exempt FI shall ensure that its specific representatives comply with the examination requirements of this Notice. A holder of a CMS licence or exempt FI shall not allow its specific representatives who are subject to the examination requirements to commence any regulated activity unless they have passed the applicable modules of the CMFAS Exam or completed the relevant non-examinable course, where applicable.

ADMINISTRATION OF CMFAS EXAM

36 The Institute of Banking and Finance (“IBF”) administers Modules 1A, 1B, 2A, 3, 4A, 4B, 6, 6A, 7 and 10. Details of the syllabus, examination format and duration of these modules can be obtained from the IBF.

[SFA 04-N09 (Amendment) 2011]

[SFA 04-N09 (Amendment) 2015]

Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions

CONTINUING EDUCATION REQUIREMENTS FOR APPOINTED REPRESENTATIVES OF CMS LICENCE HOLDERS AND EXEMPT FIs

37 As set out in the Guidelines on Fit and Proper Criteria (Guideline No. FSG-G01), competence and capability is a criterion which the Authority will take into account in considering whether a person is fit and proper. The Authority expects representatives of CMS licence holders and exempt FIs to undergo continuing education so as to keep abreast of developments in the industry and update skills and knowledge relevant to the activities they conduct. In this regard, principals should review and follow up on their appointed representatives' continuing education needs on an annual basis, and document this assessment and attendance at any training in a Continuing Education Register. Principals should include continuing education undertaken by appointed representatives in its assessment and that its appointed representatives remain fit and proper in the conduct of the relevant regulated activities, for the purposes of certification to the Authority⁴.

[SFA 04-N09 (Amendment) 2010]

37A A holder of a CMS licence or an exempt FI is expected to ensure that its representatives have undergone adequate relevant training in the new Specified Investment Products, prior to their acting as a representatives in respect of such products.

[SFA 04-N09 (Amendment) 2011]

38 A holder of a CMS licence or an exempt FI is expected to ensure that its representatives observe the requirements stipulated in paragraph 37 of this Notice.

[SFA 04-N09 (Amendment) 2010]

4

Under regulations 14A(1)(b) and 14A(2)(a)(ii) of the Securities and Futures (Licensing and Conduct of Business) Regulations (Rg. 10), holders of CMS licence and exempt FIs are respectively required to ensure that their representatives are fit and proper persons in relation to the carrying out of regulated activities as representatives. Pursuant to section 99M of the Act, the Authority may revoke or suspend an appointed representative if he or his principal fails to satisfy the Authority that he remains a fit and proper person to be such a representative.

TRANSITIONAL ARRANGEMENTS FOR IMPLEMENTATION OF MODULE 6A OF THE CMFAS EXAM REQUIREMENTS

Existing Representatives

39 Subject to paragraph 18C, a specific representative who is conducting any of the following regulated activities in respect of a Specified Investment Product on 1 January 2012 and continue to conduct such regulated activities after that date, is required to pass Module 6A by 30 June 2013:

- (a) dealing in securities;
- (b) trading in futures contracts; or
- (c) leveraged foreign exchange trading.

[SFA 04-N09 (Amendment) 2011]

Outstanding Notifications with the Authority on 1 January 2012

40 Subject to paragraph 18C, a specific representative whose notification to act as an appointed representative has been lodged with the Authority by his principal on or before 1 January 2012 to conduct any of the following regulated activities in respect of a Specified Investment Product is required to pass Module 6A by 30 June 2013:

- (a) dealing in securities;
- (b) trading in futures contracts; or
- (c) leveraged foreign exchange trading.

[SFA 04-N09 (Amendment) 2011]

Notifications Submitted after 1 January 2012

41 Subject to paragraph 18C, a specific representative whose notification to act as an appointed representative is lodged with the Authority by his principal after 1 January 2012 to conduct any of the following regulated activities in respect of a Specified Investment Product for any customer:

- (a) dealing in securities;
- (b) trading in futures contracts; or

Notice on Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions

(c) leveraged foreign exchange trading,

must have passed the relevant CMFAS exams applicable to the specific representative concerned prior to lodgment of the notification by his principal.

[SFA 04-N09 (Amendment) 2011]

Representatives referred to in the Securities and Futures (Prescribed Securities)(Exemption) Regulations

42 A specific representative referred to in paragraph 39 or 40 in respect of the regulated activity of trading in futures contracts and whose notification to act as an appointed representative to conduct dealing in securities will be lodged to the Authority in accordance with regulation 5 or 6, as the case may be, of the Securities and Futures (Prescribed Securities)(Exemption) Regulations 2012, is required to pass Module 6A by 30 June 2013.

[SFA 04-N09 (Amendment) (02) 2012]

Note:

Under section 101(3) of the Act, any person who contravenes any requirement specified in a direction issued by the Authority shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 and, in the case of a continuing offence, to a further fine of \$5,000 for every day or part thereof during which the offence continues after conviction.

*Note on History of Amendment

1. SFA 04-N09 (Amendment) 2010 with effect from 26 November 2010.
2. SFA 04-N09 (Amendment) 2011 with effect from 19 October 2011.
3. SFA 04-N09 (Amendment) 2012 with effect from 17 January 2012.
4. SFA 04-N09 (Amendment) (02) 2012 with effect from 4 June 2012.
5. SFA 04-N09 (Amendment No.3) 2012 with effect from 7 August 2012.
6. SFA 04-N09 (Amendment) 2014 with effect from 10 June 2014.
7. SFA 04-N09 (Amendment) 2014 with effect from 7 October 2015.

ANNEX 1

Persons possessing any of the following qualifications (which must be attained through passing the specific respective examination(s)) or working 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, financial planning or computational finance;
2. Trading Representatives' Examination Paper II (previously conducted by 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 conducted by 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 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 ifs School of Finance (previously known as 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 Wealth Management Institute Pte Ltd, Singapore;
19. Certificate in Financial Needs Analysis & Plan Construction awarded by Singapore College of Insurance;
20. Chartered Financial Analyst Level 1 Examination conducted by the CFA Institute, USA;
21. Associate Financial Consultant awarded by Insurance and Financial Practitioners Association of Singapore (previously known as Life Underwriters Association of Singapore);
22. Associate Financial Planner or Associate Wealth Planner awarded by the Financial Planning Association of Singapore;
23. Series 6 or Series 7 of the National Association of Securities Dealers, USA;
24. Investment Management Certificate of the UK Society of Investment Professionals (previously known as UK Institute of Investment Management & Research Examinations);
25. Chartered Life Underwriter by the American College, USA; or Chartered Life Underwriter Singapore by the SCI;

26. Chartered Financial Consultant by the American College, USA; or Chartered Financial Consultant Singapore by SCI;
27. Certified Financial Planner by the Certified Financial Planners Board of Standards;
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 (previously known as the Registered Persons Examination by the Financial Services Authority, UK)⁵;
29. The Association of Chartered Certified Accountants (ACCA) Qualifications;
30. The Chartered Accountant (ACA) Qualifications;
31. Associate/Fellow of the Institute of Actuaries, England;
32. Associate/Fellow of the Faculty of Actuaries, Scotland;
33. Associate/Fellow of the Society of Actuaries, USA;
34. Associate/Fellow of the Institute of Actuaries of Australia;
35. Associate/Fellow of the Casualty Actuarial Society, USA;
36. Associate Member of CPA Australia⁶;
37. Module 1 of the Investor Contact Competency Examination (ICCE Module 1) administered by the Securities and Exchange Commission, Thailand⁷;

⁵ 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.

⁶ Qualification attained by membership is recognised.

38. Three years' relevant and continuous working experience in respect of the regulated activity to be conducted provided there is no break-in-service of more than three years between the specific representative's last working experience in the regulated activity and the date of his licence application prior to 26 November 2010, or entry into the industry prior to 26 November 2010, or his principal's lodgment with the Authority of documents under section 99H of the Act in relation to his appointment as an appointed representative, as the case may be. However, this does not apply to persons who fall within paragraph 7(a)(ii) of this Notice.

[SFA 04-N09 (Amendment) 2011]

⁷ Person has to be licensed by the Securities and Exchange Commission of Thailand. His/her principal company in Singapore shall maintain proper records of documentary evidence certifying his licensing or authorisation status in Thailand.

Persons possessing any of the following qualifications (which must be attained through passing the specific respective examination(s)) or working 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, financial planning, or computational finance;
2. Chartered Financial Analyst (CFA) by the CFA Institute, USA;
3. The Association of Chartered Certified Accountants (ACCA) Qualifications;
4. Associate Chartered Accountant (ACA) of the Institute of Chartered Accountants in England and Wales⁸;
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. Associate/Fellow of CPA Australia⁹;
11. Investment Company Products/Variable Contracts Limited Representative Examination (Series 6) or General Securities Representative Examination (Series 7) administered by the Financial Industry Regulatory Authority (FINRA), USA;

⁸ Qualification attained by membership is recognised.

⁹ Qualification attained by membership is recognised.

12. Module 1 of the Investor Contact Competency Examination (ICCE Module 1) administered by the Securities and Exchange Commission, Thailand¹⁰;
13. Three years' relevant and continuous working experience in respect of the regulated activity to be conducted provided there is no break-in-service of more than three years between the specific representative's last working experience in the regulated activity and the date of his licence application prior to 26 November 2010, or entry into the industry prior to 26 November 2010, or his principal's lodgment with the Authority of documents under section 99H of the Act in relation to his appointment as an appointed representative, as the case may be. However, this does not apply to persons who fall within paragraph 7(a)(ii) of this Notice ;
[SFA 04-N09 (Amendment) 2011]
14. Investment Advice Diploma (where candidate holds 3 modules including the securities module) administered by the Chartered Institute for Securities and Investment (CISI);
[SFA 04-N09 (Amendment) 2014]
15. Investment Advice Diploma (where candidate holds 3 modules including the derivatives module) administered by the Chartered Institute for Securities and Investment (CISI);
[SFA 04-N09 (Amendment) 2014]
16. Masters in Wealth Management (Post 2010 examination standards) administered by the Chartered Institute for Securities and Investment (CISI).
[SFA 04-N09 (Amendment) 2014]

¹⁰ Person has to be licensed by the Securities and Exchange Commission of Thailand. His/her principal company in Singapore shall maintain proper records of documentary evidence certifying his licensing or authorisation status in Thailand.

Persons possessing any of the following qualifications (which must be attained through passing the specific respective examination(s)) or working 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 IBF);
4. Futures Examination Paper III (previously conducted by IBF);
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 Authority¹¹;
8. Diploma in Investment (previously conducted by IBF);
9. Diploma in Investment conducted by SHRI;
10. Certified Financial Planner by the Certified Financial Planners Board of Standards, USA;
11. Chartered Financial Analyst Level 1 Examination conducted by the CFA Institute, USA;

¹¹ 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.

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' relevant and continuous working experience in respect of the regulated activity to be conducted provided there is no break-in-service of more than three years between the specific representative's last working experience in the regulated activity and the date of his licence application prior to 26 November 2010, or entry into the industry prior to 26 November 2010, or his principal's lodgment with the Authority of documents under section 99H of the Act in relation to his appointment as an appointed representative, as the case may be. However, this does not apply to persons who fall within paragraph 7(a)(ii) of this Notice.

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

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, financial planning or computational finance;
2. Chartered Financial Analyst (CFA) by the CFA Institute, USA;
3. National Commodity Futures Examination (Series 3) administered by the Financial Industry Regulatory Authority (FINRA), USA;
4. Three years' relevant and continuous working experience in respect of the regulated activity to be conducted provided there is no break-in-service of more than three years between the specific representative's last working experience in the regulated activity and the date of his licence application prior to 26 November 2010, or entry into the industry prior to 26 November 2010, or his principal's lodgment with the Authority of documents under section 99H of the Act in relation to his appointment as an appointed representative, as the case may be.

[SFA 04-N09 (Amendment) 2011]