



Singapore College
of Insurance

GUIDE TO CPD ACCREDITATION

FINANCIAL ADVISORY INDUSTRY REVIEW (FAIR) COMMON ACCREDITATION CRITERIA FOR ETHICS AND RULES & REGULATIONS (PRESCRIBED FA-CPD COURSES) FOR FINANCIAL ADVISORY (FA) REPRESENTATIVES

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12 April 2018

1. OBJECTIVES

- 1.1 On 26 March 2012, MAS launched the Financial Advisory Industry Review (FAIR), which was aimed at raising the standards of practice in the financial advisory (FA) industry. One of the recommendations—to raise the level of competence of FA representatives— included implementing a minimum required number of hours of continuing professional development (CPD) training.
- 1.2 The requirement stipulates the following:
- a) All FA representatives are to undergo at least 30 hours of structured CPD training on an annual basis except for representatives who only advise on or arrange mortgage reducing term assurance policies and/or group term life insurance policies. For the latter group, they need only to undergo a minimum of 16 hours of structured CPD training annually; and
 - b) Out of the total number of CPD training hours, all FA representatives are required to undergo at least:
 - (i) Four hours of training in Ethics, and
 - (ii) Eight hours of training in Rules and Regulations.
- 1.3 On 11 April 2018, MAS has issued amendments to the Notice on Minimum Entry and Examination Requirements for Representatives of Licensed Financial Advisers and Exempt Financial Advisers [Notice No. FAA-N13]. Out of the core CPD hours, all FA representatives are now required to undergo at least 6 training hours in respect of Ethics or Rules and Regulations, or both, as the case may be.
- 1.4 For more details, please refer to MAS Notice FAA-N13.
- 1.5 The courses in Ethics, and Rules and Regulations (Prescribed FA-CPD courses) are to be accredited by the Institute of Banking and Finance (IBF) or the Singapore College of Insurance (SCI) before they can be counted towards the required training hours.

2. ACCREDITATION OF TRAINING PROVIDERS

Training Providers applying to be Accredited Providers of Prescribed FA-CPD Courses in Ethics and Rules and Regulations must:

2.1 Be a Legally Constituted Body

The organisation must be registered locally or overseas with the appropriate regulatory bodies unless specifically exempted.

Exemption from this requirement will only apply to the following entities:

- In-house training unit of MAS-regulated Financial Institutions (FIs); or
- Departments of tertiary institutions such as Polytechnics or Universities in Singapore.

Foreign training providers will also need to provide further evidence that they are legally registered and allowed to provide their training services, such as by having an agreement with a local training provider or FI licensed in Singapore.

2.2 Have Fit and Proper Key Personnel

Key personnel, including but not limited to Chairman/President/Chief Executive Officer and Directors, must be fit and proper. At least one Director who is empowered under the Articles or Memorandum of the company is required to sign off on the Fit and Proper Declaration Form provided by the SCI (**Annex 1**). Any delegation by the Director to another officer of the training provider for this purpose must be evidenced by a Board resolution. A new Fit and Proper declaration form is to be signed and submitted if there are any changes to the key personnel who has signed the Fit and Proper Declaration Form. This criterion is not applicable to in-house training units of MAS-regulated Financial Institutions (FIs).

2.3 Be Financially Viable As A Going Concern

The organisation should not have, be expected to have any adverse financial issues such as insolvency or bankruptcy, or have entered into any schemes or arrangements with creditors. The management of the organisation has the responsibility to demonstrate that there are no adverse financial or going-concern issues facing the organisation.

The organisation must first be accredited by the SCI before applying for accreditation of its Training Programmes (unless specifically exempted).

2.4 Have A Track Record In Conduct Of Training And Assessment

The organisation must have a proven track record of at least one year in conducting training that is relevant to the FA industry. This criterion is not applicable to in-house training bodies of MAS-regulated Financial Institutions (FIs).

Without accreditation, no Training Provider is allowed to offer CPD Training Courses for Ethics and Rules and Regulations to meet MAS stipulated requirements. Accredited Training Providers and Prescribed FA-CPD Courses will be listed on the SCI Website.

Evidence required for submission by Training Providers which are NOT exempted from the Accreditation Criteria of Training Providers:

- (a) Fit and Proper Declaration Form (duly completed) in respect of the Training Provider;
- (b) An up-to-date copy of the Certificate of Registration (e.g. from the Accounting and Corporate Regulatory Authority, Registry of Societies, Council for Private Education, Ministry of Education, etc.);
- (c) Evidence that the organisation is legally registered and allowed to provide training services in Singapore (applicable only to Foreign Training Providers);
- (d) Audited Financial Statements for the previous one year;
- (e) List of past Training Programmes relevant to the FA Industry over the past one year, with attendance registers to show actual occurrence of such Training Programmes.

3. ACCREDITATION CRITERIA OF PRESCRIBED FA-CPD COURSES

3.1 Format & Acceptable Mode Of Delivery For Prescribed FA-CPD Courses

- (a) The acceptable modes of delivery include, but are not limited to conferences, seminars, workshops and lectures.
- (b) The format of the Prescribed FA-CPD Courses for Rules & Regulations must be relevant to the laws and regulatory requirements of the FA industry in Singapore. The following examples, which are not exhaustive, are considered to be relevant courses:
 - (i) Annual Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) training; or
 - (ii) Updates on new rules and regulations from MAS in relation to the Financial Advisers Act and Financial Advisers Regulations.
- (c) E-learning is an acceptable mode of delivery. However, it must meet the following requirements:
 - (i) The training duration must be at least 30 minutes with an assessment component at the end to assess the participants' understanding;
 - (ii) There should be processes and procedures in place to authenticate and track that the specific representative is the one taking the e-learning course and assessment (e.g. individual login, administering the assessment in a controlled environment);
 - (iii) The system has sufficient checks to prevent abuse, and has penalties for illegal logins; and
 - (iv) The Training Provider must maintain an audit trail of logins and assessments.
- (d) The following examples, which are not exhaustive, are **NOT** considered to be acceptable:
 - (i) Academic Programmes;
 - (ii) Programmes with self-study component;
 - (iii) Compulsory regulatory programmes/preparatory courses for regulatory programmes;
 - (iv) Examinations required by law;
 - (v) Programmes that provide training on company-specific products and company-specific internal processes that are not related to Ethics, or Rules and Regulations; or
 - (vi) Programmes which are marketing in nature.
- (e) Should the course be conducted in a language other than English, information is required on how the equivalent learning outcomes will be assured if the course were to be offered in English instead. This may include the following:
 - (i) Course content is of equal standard and length to the English version;
 - (ii) Training materials are well translated and validated;

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- (iii) There must have been consultation with appropriately qualified language experts during the course development;
 - (iv) Teaching and delivery techniques are appropriate to ensure that the course achieves its learning objectives;
 - (v) The course is delivered and assessed by a trainer with the appropriate level of competence and proficiency.

3.2 Duration of Prescribed FA-CPD Courses

The course duration (which includes assessment time but excludes meals and networking breaks) and the number of CPD hours that the course aims to fulfil in Ethics, Rules and Regulations or both should also be set out. The total number of CPD hours that the course aims to fulfil should not exceed the course duration. In addition, the apportioned number of hours should be in multiples of 0.5 hours.

3.3 Clear Learning Objectives and Outcomes

Learning objectives and outcomes must be clearly stated, relevant and met by the learning activities. Objectives and outcomes should demonstrate the following:

- (i) Awareness of laws and regulations relevant to the FA Industry in Singapore;
- (ii) FA representatives are kept abreast of the trends and developments of the relevant laws and regulations relating to the FA business; or
- (iii) FA representatives are kept abreast of the ethical issues relating to the FA services.

Courses with any material changes to the learning objectives and outcomes must be re-submitted to the SCI for accreditation.

3.4 Contents of Courses (including the assessment component)

(a) The contents of the courses should meet the following:

- (i) Be applicable to the FA Industry in Singapore;
- (ii) Meet learning objectives and outcomes;
- (iii) Be kept updated; and
- (iv) Be prepared by personnel with relevant expertise and experience.

It is also the sole responsibility of the Training Provider to ensure the accuracy of the course training materials. The Training Provider must have a validation process to ensure that the learning materials remain relevant and up to date.

(b) Assessment Component

Assessments are compulsory in every course and can take the form of summative or formative assessments. There should be a formal structure of assessment to demonstrate that the learning objectives and outcomes of the course are met. Passing marks should be appropriately determined by the Training Provider. Representatives must pass the assessment in order for the course to be counted towards the fulfilment of the compulsory CPD hours.

3.5 Qualifications of Trainers/Assessors

- (a) Trainers/Assessors must meet the following requirements:
 - (i) Possess academic and/or professional qualifications relevant to Ethics, and Rules and Regulations; or
 - (ii) Have at least three (3) years of relevant industry experience in the FA Industry¹; and
 - (iii) Are fit and proper and are required to sign off on the Fit and Proper Declaration Form provided by the SCI.
- (b) A new Fit and Proper Declaration Form (**Annex 2**) is to be signed and submitted to the SCI if there are any changes in the Trainers/Assessors.

Required evidence to submit for items 3.1 to 3.5 include:

- (a) Completion of the SCI's Application form for Accreditation of Training Programme;
- (b) Declaration by the Training Provider that the contents of the training and assessment materials meet the requirements as set out in the CPD Accreditation Criteria, before submission;
- (c) Curricula Vitae (CVs) of the Trainers/Assessors; and
- (d) Fit and Proper Declaration Forms duly completed and signed.

3.6 Ongoing Review

- (a) There is a validation process to ensure that learning materials remain relevant.
- (b) There is a process in place to ensure that feedback from participants is reviewed and followed up on.
- (c) The SCI reserves the right to observe any sessions of the training programme.

3.7 Record Keeping

- (a) Training Providers are to have a system in place as evidence of participation in the Prescribed FA-CPD courses and successful completion of the assessments by the participants.
- (b) Records of attendance, assessment results, training materials, assessment materials, and evaluation forms must be retained for a period of at least three (3) years. These records can be retained in either hard-copy or soft-copy format.

Required evidence to submit for items 3.6 to 3.7 include:

- (a) Description of validation process for review;
- (b) Sample copy of Post Prescribed FA-CPD courses Evaluation Form; and
- (c) Sample Attendance Register.

¹ Should the trainer or assessor have less than three (3) years of relevant industry experience, the Training Provider should demonstrate how the quality and effectiveness of the Prescribed FA-CPD courses will be maintained.

4. ACCREDITATION FREQUENCY

- 4.1 Accreditation status for the Training Provider and the Prescribed FA-CPD courses will be valid for two (2) years, unless there are changes such as :
- (a) Changes in the Training Provider's key personnel;
 - (b) Changes in the trainer/assessor;
 - (c) Material changes in the contents of the Prescribed FA-CPD Courses;
 - (d) Adverse information (such as bankruptcy) about the Training Provider that has come to light; or
 - (e) Any other information that may be deemed by the SCI to materially impact the accreditation status.
- 4.2 The SCI reserves the right to withdraw the accreditation status at any time if the training programme is found not to be in compliance with the accreditation requirements.
- 4.3 The two (2) years' validity period of the accreditation status for the Training Provider and the Prescribed FA-CPD Courses will start from the date of accreditation by the SCI.

5. ACCREDITATION FEES

- 5.1 Accreditation fees are set at:
- (a) S\$214 (inclusive of 7% GST) per programme for initial accreditation; and
 - (b) S\$107 (inclusive of 7% GST) for bi-annual re-accreditation of similar programme.
- 5.2 The accreditation fees as stated in **Section 5.1** above include the accreditation of a Training Provider.
- 5.3 All accreditation fees will be non-refundable and non-transferrable. The Training Provider must thoroughly read through the latest set of CPD Accreditation Criteria and prepare all the required evidence before submitting an application. Any applications with incomplete information will automatically be rejected.
- 5.4 Fee payment does not necessarily indicate eligibility for CPD accreditation which is subject to assessment and evaluation according to the Accreditation Criteria.

6. APPEALS PROCESS

An appeals process will be put in place to allow providers to challenge accreditation decisions. Appeals will be assessed on a case-by-case basis.

7. HOW TO APPLY AND PAY FOR ACCREDITATION

Application and payment must be made online via the SCI Website at:
<https://www.scicollege.org.sg/cpd>

8. CONTACT DETAILS

Contact Persons: Simon Lee / Robert Lim

Tel No: 6221 2336

E-mail: cpd@scidomain.org.sg

Fit and Proper Declaration Form for Training Providers

Please provide all relevant information to demonstrate that the key personnel are considered to be a fit and proper person. Only one key personnel is required to submit this Fit and Proper Declaration.

During the past 10 years before the date of signing this Form,

	Yes	No
(i) Have you been convicted of any criminal offence under any law in Singapore or elsewhere; or	<input type="checkbox"/>	<input type="checkbox"/>
(ii) Have you been the subject of any adverse findings in civil proceedings, particularly those associated with fraud, misrepresentation or dishonesty, under any law in Singapore or elsewhere; or	<input type="checkbox"/>	<input type="checkbox"/>
(iii) Have you been an undischarged bankrupt or have you made a composition or arrangement with your creditors; or	<input type="checkbox"/>	<input type="checkbox"/>
(iv) Have you been a director or person concerned in management of a business that has entered into liquidation, or been the subject of a winding-up order, or had a receiver appointed in relation to the business, or entered into a composition or scheme or arrangement with its creditors while you were involved with that business or within one (1) year of that involvement; or	<input type="checkbox"/>	<input type="checkbox"/>
(v) Have you been suspended or disbarred by a professional or any other regulatory body in Singapore or elsewhere; or	<input type="checkbox"/>	<input type="checkbox"/>
(vi) Have you been dismissed or asked to resign from acting as a director or in any managerial capacity, whether in Singapore or elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>

Declaration: I have read the Fit and Proper Criteria mentioned above and in submitting this form, I declare that all information given in this application and in the attached annexes (if any) is true and correct.

Submitted By:

Signature

Name

Organisation Stamp

Designation

Date

Fit and Proper Declaration Form for Trainers/Assessors

Please provide all relevant information to demonstrate that all trainers and assessors are considered to be fit and proper persons. All trainers and assessors are required to submit this Fit and Proper Declaration individually.

During the past 10 years before the date of signing this Form,

	Yes	No
(i) Have you been convicted of any criminal offence under any law in Singapore or elsewhere; or	<input type="checkbox"/>	<input type="checkbox"/>
(ii) Have you been the subject of any adverse findings in civil proceedings, particularly those associated with fraud, misrepresentation or dishonesty, under any law in Singapore or elsewhere; or	<input type="checkbox"/>	<input type="checkbox"/>
(iii) Have you been an undischarged bankrupt or have you made a composition or arrangement with your creditors; or	<input type="checkbox"/>	<input type="checkbox"/>
(iv) Have you been suspended or disbarred by a professional or any other regulatory body in Singapore or elsewhere;	<input type="checkbox"/>	<input type="checkbox"/>
(v) Do you have at least 3 years of relevant industry experience in the financial advisory industry; or	<input type="checkbox"/>	<input type="checkbox"/>
(vi) Do you have the relevant academic qualification or knowledge and experience relating to the contents of the training programme?	<input type="checkbox"/>	<input type="checkbox"/>

Declaration: I have read the Fit and Proper Criteria mentioned above and in submitting this form, I declare that all information given in this application and in the attached annexes (if any) is true and correct.

Submitted By:

Signature

Name

Organisation Stamp

Designation

Date