



**MODULE 8A : COLLECTIVE INVESTMENT SCHEMES II (1ST EDITION, [V1.5]
REPRINTED IN FEBRUARY 2013)**

Version 1.2

Issued On: 1 October 2015

Note: (1) This Version 1.2 of the amendments below shall apply to any candidate who sits for the Module 8A examination as **from 1 December 2015 onwards**.

(2) The next set of amendments, if any, will be issued on 1 April 2016.

Amendments have been made to the Module 8A Study Guide (1st Edition, [V1.5], Reprinted in February 2013) as follows:

1. Chapter 4, Section 2.2, Page 77

By deleting the last sentence in paragraph 1 and substituting it with the following:

“In the revised CIS Code most recently amended in August 2014, the MAS mentioned that, in the naming of a scheme, the term “fund-of-funds” must appear in the name of a FoF for greater transparency, e.g. XYZ Global Conservative Balanced Fund-of-Funds.”

2. Chapter 4, Section 2.3, Page 77

By deleting the last paragraph of Section 2.3 and substituting it with the following:

“Sociologist and financial journalist, Alfred Winslow Jones, founded one of the first modern hedge funds in 1949. Jones's fund used leverage and short selling to "hedge" its stock portfolio against drops in stock prices. Back then, Jones's model was immensely successful, earning 44 percent higher returns than the best-performing equity asset fund, even though he charged a 20% fee on the fund's gain.”

3. Chapter 4, Footnote 4, Page 77

By deleting Footnote 4 and substituting it with the following:

“Source: International Monetary Fund
<http://www.imf.org/external/pubs/ft/fandd/2006/06/basics.htm>”

4. Chapter 5, Section 2.1(b), Page 102

By deleting the first sentence in paragraph 3 of Section 2.1(b) and substituting it with the following:

“In the revised CIS Code most recently amended in August 2014, the MAS has subjected short selling to a number of regulations.”



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Version 1.1

**Amendments already effected for examinations as from 2
September 2013 onwards.**

Amendments have been made to the Module 8A Study Guide (1st Edition, [V1.5], Reprinted in February 2013) as follows:

1. Chapter 3, Section 3.4, Page 54-55

By deleting the second and third sentences of the last paragraph of Section 3.4 on page 54 and substituting the following:

“Investors write covered calls because they are bullish on the stock that they own and would like to keep the stock for returns in the long term, but they feel that the potential of the stock going up is not promising in the near term. Thus, they use options to generate some additional income at very little risk in the short term.”

2. Chapter 3, Section 3.5(a), Page 58

By deleting the second last sentence of paragraph 1 of Section 3.5 and substituting the following:

“However, if the stock runs a lot higher beyond S\$10, the maximum loss is capped at S\$100.”

3. Chapter 5, Section 2.5, Page 106

By deleting the first sentence of the seventh bullet point of Section 2.5 and substituting the following:

“Arbitrage on closed-end funds, like stock index arbitrage, involves the buying or selling of baskets of stocks, which replicate the holdings of closed-end mutual funds.”

Note that with effect from 20 December 2011, SCI no longer issues examination guides with the hard copy version of M8A study guide. Instead, SCI has released an online e-mock examination.
