



**M9A: LIFE INSURANCE AND INVESTMENT-LINKED POLICIES II (1ST EDITION, [V1.6]
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 9A 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 9A Study Guide (1st Edition, [V1.6] Reprinted in February 2013) as follows:

1. Chapter 4, Section 5.2, Page 81

By deleting the second sentence of paragraph 1 of Section 5.2 and substituting it with the following:

“Since then, it has been amended several times, most recently in August 2014, to cater to market developments and feedback from the fund management industry.”



**M9A: LIFE INSURANCE AND INVESTMENT-LINKED POLICIES II (1ST EDITION, [V1.6]
REPRINTED IN FEBRUARY 2013)**

Version 1.1

**Amendments already effected for examinations as from 29
September 2014 onwards.**

Amendments have been made to the Module 9A Study Guide (1st Edition, [V1.6] Reprinted in February 2013) as follows:

1. Table of Contents, Chapter 4, Page vi

By deleting the Section 5.2 header of Chapter 4 and substituting the following:

“ 5.2 Investment Guidelines For Retail Funds”

2. Chapter 3, Section 3.4, Pages 53-54

By deleting the second and third sentences of the last paragraph of Section 3.4 on page 53 and substituting them with 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.”

3. Chapter 3, Section 3.5, Page 57

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

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

4. Chapter 4, Section 5, Page 81, Footnote 5

By deleting the sentence of Footnote 5 and substituting it with the following:

“5 Paragraph 51 of Notice No: MAS 307 stipulates that an insurer should ensure that an ILP sub-fund complies with the requirements as contained in the relevant appendices of the CIS Code, as if the ILP sub-fund were a “fund”, “scheme” or “collective investment scheme” and product summary were a “prospectus”.”

5. Chapter 4, Section 5.2, Page 81

By deleting the second sentence of paragraph 1 of Section 5.2 and substituting it with the following:

“Since then, it has been amended several times, most recently in September 2011, to cater to market developments and feedback from the fund management industry.”

6. Chapter 4, Section 6.2, Pages 86-87

By deleting paragraph 1 of Section 6.2 on pages 86-87 and substituting the following:

“A policy document is issued after the investor has purchased a structured ILP. The policy owner is given 14 days to review the policy document and to decide if he wants to keep the policy or cancel it. Upon cancellation, the policy owner receives a full refund of the premium paid, adjusted for any downward market price movements in the Net asset value (per unit) of the ILP during the period.”

7. Chapter 4, Section 7.1, Page 90

By deleting paragraph 2 of Section 7.1 and substituting the following:

“Notice No: MAS 307 requires that the value of quoted investments of an ILP sub-fund should be based on:

- (a) the official closing price or the last known transacted price on the organised market on which the investment is quoted; or
- (b) the transacted price on the organised market on which the investment is quoted at a cut-off time specified in the product summary and applied consistently by the manager;

unless such price is not representative or not available to participants of the organised over-the-counter market. The manager of an ILP sub-fund should be responsible for determining, with due care and in good faith, whether the price should be considered representative.”

Note that with effect from 15 December 2011, the SCI no longer issues examination guides with the hard copy version of M9A study guide. Instead, the SCI has released an online e-mock examination for guidance purposes.
