

FREQUENTLY-ASKED QUESTIONS

LICENSING HANDBOOK

(Issued: 14 April 2023)

1. Why did the SC revise the *Licensing Handbook*?

The *Licensing Handbook* was revised to introduce the multiple licensing framework which aims to facilitate the expansion of permitted regulated activities for dealer representatives. Under the multiple licensing framework, dealer representatives who meet certain key requirements may apply to be licensed or registered for investment advice, financial planning, dealing in unit trust (UT) products and/or dealing in private retirement scheme (PRS).

2. I have had a valid CMSRL for dealing in securities and derivatives for a total of 5 years. However, these years have not been consecutive i.e. there have been breaks in between the 5 years of validity of my CMSRL. Do I meet the eligibility requirements to be licensed or registered for one or more of the permitted activities?

No, you will not meet the eligibility requirements as you have not had a valid CMSRL for dealing in securities or derivatives for 5 consecutive years (i.e. no breaks in between).

3. Can a dealer representative combine their years dealing in securities and dealing in derivatives to meet the 5 years eligibility requirements to be licensed or registered for one or more of the permitted activities?

Yes, you can. Your years dealing in securities and dealing in derivatives can be combined to meet the eligibility requirement, subject to those years adding up to a minimum of 5 years. You also need to meet all other requirements including competency requirements for the relevant regulated activity.

4. If I meet all the requirements set out under the multiple licensing framework for dealing in UT or PRS, can I immediately apply to be registered as a UT or PRS agent?

In order to be registered as a UT or PRS agent, you must meet FIMM's registration process and requirements. Once you are registered with FIMM as a UT or PRS agent, you may carry on the additional activity of dealing in UT or PRS, subject to meeting all other relevant multiple license framework requirements.

5. If I breached any of the securities laws or SC's regulations while carrying on one activity, how will this affect my other licenses or eligibility to carry on other regulated activities?

If you are found to be in breach of any of the securities laws or SC's regulations, this might impact your overall fit and properness resulting in revocation of your licence (as a form of sanction or otherwise).

6. If a change in corporate structure of a principal or a sponsoring CMSL holder affects the activity for which I am licensed or registered for, would I still be able to carry on such activity?

No. As set out under paragraph 4.05(12)(a), you are only able to carry on the regulated activity ("said regulated activity") that is carried on by your principal or by a sponsoring CMSL holder. Any changes in the corporate structure which involve, for example, in your sponsoring CMSL holder ceasing undertaking the said regulated activity or be a related corporation of the principal CMSL holder, then you would not be able to carry on the said regulated activity.