



Monetary Authority of Singapore

**FINANCIAL ADVISERS ACT
(CAP. 110)**

**GUIDELINES ON LICENCE APPLICATIONS AND
PAYMENT OF FEES**

Guideline No : FAA-G03
Issue Date : 1 October 2002 (Last revised on 9 June 2009)

GUIDELINES ON LICENCE APPLICATIONS AND PAYMENT OF FEES

Purpose of the Guidelines on Licence Applications and Payment of Fees [“these Guidelines”]

1 These Guidelines are issued pursuant to section 64 of the Financial Advisers Act (Cap. 110) [“the Act”].

2 These Guidelines set out the administrative procedures for corporations and individuals who wish to apply for the following under the Act:

- (a) a new financial adviser’s licence or representative’s licence;
- (b) additional type(s) of financial advisory service under their existing licences;
- (c) additional type(s) of investment products in respect of which they are authorised to provide any financial advisory service; or
- (d) renewal of their licences.

[Amended on 22 December 2003]

[Amended on 1 July 2005]

They also provide detailed explanations on the computation of annual licence fees payable and the procedures for the payment of application and licence fees by applicants and licensees.

3 The Monetary Authority of Singapore [“the Authority”] expects all licensees to adhere to these Guidelines, where applicable, so as to ensure consistency and efficiency in the processing of licence applications.

4 These Guidelines should be read in conjunction with the provisions of the Act, subsidiary legislation made under the Act, as well as written directions, notices, codes and other guidelines that the Authority may issue from time to time.

[Amended on 1 July 2005]

Definitions

5 For the purposes of these Guidelines:

“financial adviser’s licence” has the same meaning as in section 2(1) of the Act;

[Amended on 1 July 2005]

“financial advisory service” has the same meaning as in section 2(1) of the Act;

[Amended on 1 July 2005]

“representative” has the same meaning as in section 2(1) of the Act; and

“representative’s licence” has the same meaning as in section 2(1) of the Act.

[Amended on 1 July 2005]

Procedures for application for a new licence

6 Section 6 of the Act requires a person who acts as a financial adviser in Singapore in respect of any financial advisory service to hold a financial adviser’s licence unless he is exempt under section 23 of the Act. With respect to the representatives of a licensed financial adviser, section 7 of the Act requires a person who acts as or holds himself out to be a representative of a licensed financial adviser to hold a representative’s licence that is related to that financial adviser. The types of financial advisory service regulated under the Act are as follows:

- (a) advising others, either directly or through publications or writings, and whether in electronic, print or other form, concerning the following investment products:
 - (i) securities (other than collective investment schemes);
 - (ii) collective investment schemes;
 - (iii) futures contracts;
 - (iv) contracts or arrangements for the purposes of foreign exchange trading;
 - (v) contracts or arrangements for the purposes of leveraged foreign exchange trading;

- (vi) life policies (other than a contract of reinsurance);
- (vii) structured deposits as defined in the Financial Advisers (Structured Deposits – Prescribed Investment Product and Exemption) Regulations 2004; and
- (viii) other investment products as may be prescribed by the Authority,
other than –
 - (A) in the manner specified in paragraph 6(b) of these Guidelines; or
 - (B) advising on corporate finance within the meaning of the Securities and Futures Act (Cap. 289);

[Amended on 22 December 2003]

[Amended on 1 July 2005]

- (b) advising others by issuing or promulgating research analyses or research reports, whether in electronic, print or other form, concerning the following investment products:
 - (i) securities (other than collective investment schemes);
 - (ii) collective investment schemes;
 - (iii) futures contracts;
 - (iv) contracts or arrangements for the purposes of foreign exchange trading;
 - (v) contracts or arrangements for the purposes of leveraged foreign exchange trading;
 - (vi) life policies (other than a contract of reinsurance);
 - (vii) structured deposits as defined in the Financial Advisers (Structured Deposits – Prescribed Investment Product and Exemption) Regulations 2004; and
 - (viii) other investment products as may be prescribed by the Authority;
- (c) marketing of collective investment schemes; and
- (d) arranging of contracts of insurance in respect of life policies, other than a contract of reinsurance.

[Amended on 22 December 2003]

[Amended on 1 July 2005]

7 Persons who intend to apply for a financial adviser’s licence or a representative’s licence to provide any of the financial advisory services specified in paragraph 6 should submit the following forms¹:

[Amended on 22 December 2003]

[Amended on 1 July 2005]

Application for a financial adviser’s licence	Form 1
Application for a representative’s licence	Form 6

8 All applications for a financial adviser’s licence and representative’s licence should be accompanied by the prescribed application fees in the manner as specified in the relevant application form. In the case of an application for a representative’s licence, where the financial adviser which has supported the representative’s licence application (referred to in these Guidelines as the “principal”) has an existing GIRO arrangement with the Authority for the payment of the applicable application fees and licence fees under the Act, the Authority will advise the representative’s principal of the fees to be paid by issuing a “Fee Advice (New Applications)” 2 weeks prior to the deduction date. (Please refer to Appendix 1 for the application fees in respect of the various types of licence applications and Appendix 2 for the Application Manual on how to complete Form 1).

[Amended on 1 July 2005]

[Amended on 1 September 2005]

[Amended on 8 May 2008]

9 Upon approval of the licence application, the Authority will advise the applicant, or in the case of representative’s licence applications, the representative’s principal on the amount of licence fees payable by issuing to the applicant or the representative’s principal, as the case may be:

- (a) For payment via GIRO – “Fee Advice (New Applications)”, which will be sent to the representative’s principal 2 weeks prior to the deduction date;
- (b) For payment via cheque – “Licence Fee Advice (New Applications)”, which will be issued to the licensed financial adviser or the representative’s principal, together with the licence issued.

¹ The forms referred to in the Financial Advisers Regulations (Rg 2) [“FAR”] are set out at the Authority’s Internet website at <http://www.mas.gov.sg> (under “Legislation and Notices”, “Financial Advisers”).

[Amended on 1 July 2005]

[Amended on 1 September 2005]

10 Licence fees for the financial adviser's licence will be collected from the licensed financial adviser. In the case of a representative's licence, the licence fees will be collected from the representative's principal, which will pay on behalf of its representatives.

11 Licence fees payable by a licensed financial adviser or the representative's principal are to be paid within 2 weeks from the date of the "Licence Fee Advice (New Applications)", failing which the Authority may, pursuant to regulation 6(2) of the Financial Advisers Regulations (Rg 2) ("FAR"), impose a late payment fee not exceeding \$100 for every day or part thereof that the payment is late, subject to a maximum of \$3,000.

[Amended on 1 September 2005]

12 For payment of application fees and licence fees via GIRO, a licensed financial adviser or the representative's principal, as the case may be, should ensure sufficient funds in its bank account for the GIRO deduction on the deduction date as stated on the "Fee Advice (New Applications)". For payment of licence fees via cheque, the licensed financial adviser or the representative's principal, as the case may be, should pay the licence fees within 2 weeks from the date of the "Licence Fee Advice (New Applications)". Failing which, the Authority may, pursuant to regulation 6(2) of the FAR, impose a late payment fee not exceeding \$100 for every day that the payment is late, subject to a maximum of \$3,000.

[Amended on 1 September 2005]

13 Please refer to paragraphs 33 and 34 for the computation of the first licence fees to be paid for new licence applications.

Procedures for renewal of licences

14 The financial adviser's licence and representative's licence are valid for a period of up to 3 years unless otherwise specified. Licensees should renew their licences at the end of the 3 years if they intend to continue providing financial advisory services authorised to be provided by their licences.

15 Under section 8 of the Act, an application for the renewal of a licence shall be made not later than one month before the expiry of the licence. Where an application for the renewal of a licence is made less than one month before the expiry of the licence, the Authority may pursuant to regulation 6(2) of the FAR, impose a late renewal fee not exceeding \$100 for every day or part thereof that the application for renewal is late, subject to a maximum of \$3,000.

[Amended on 1 September 2005]

16 All licence renewal applications should be made using the following forms:

Application for renewal of a financial adviser's licence	Form 3
Application for renewal of a representative's licence	Form 8

17 The licensed financial adviser and, in the case of representative's licence, the representative's principal should have an existing GIRO arrangement with the Authority for the payment of renewal application fees and licence fees under the Act. The non-refundable application fees will be deducted via GIRO from the bank account of the licensed financial adviser or the representative's principal, as the case may be, 2 weeks after the issuance of a "Fee Advice (New Applications)". (Please refer to Appendix 1 for the application fees in respect of the various types of licence applications).

[Amended on 1 July 2005]

[Amended on 1 September 2005]

18 Upon approval of the licence renewal applications, the Authority will issue a new financial adviser's licence to the licensed financial adviser or a new representative's licence to the representative. The new financial adviser's licence or representative's licence issued will be sent to the licensed financial adviser or the representative's principal respectively.

[Amended on 1 September 2005]

19 The Authority will advise the licensed financial adviser or the representative's principal on the amount of licence fees payable, by issuing a "Fee Advice (Existing Licences)" at least 2 weeks prior to the expiry date of the financial adviser's licence or representative's licence.

[Amended on 1 September 2005]

20 Licence fees for the financial adviser's licence will be collected from the licensed financial adviser. In the case of a representative's licence, the licence

fees will be collected from the representative's principal, which will pay on behalf of its representatives.

21 Licensed financial advisers and, in the case of representative's licence, the representative's principal should ensure sufficient funds in its bank account for the GIRO deduction on the deduction date as stated on the "Fee Advice (New Applications)". Failing which, the Authority may, pursuant to regulation 6(2) of the FAR, impose a late payment fee not exceeding \$100 for every day that the payment is late, subject to a maximum of \$3,000.

[Amended on 1 July 2005]

[Amended on 1 September 2005]

Procedures for applying to provide additional type(s) of financial advisory service or investment product

[Amended on 22 December 2003]

22 Licensees who intend to provide –

- (a) additional type(s) of financial advisory service under their existing licences; or
- (b) additional type(s) of investment products in respect of which they are authorised to provide financial advisory service,

should submit the following forms:

Application for variation of a financial adviser's licence	Form 2
Application for variation of a representative's licence	Form 7

[Amended on 22 December 2003]

23 The licensed financial adviser and, in the case of representative's licence, the representative's principal should have an existing GIRO arrangement with the Authority for the payment of application fees under the FAA. The non-refundable application fees will be deducted via GIRO from the bank account of the licensed financial adviser or the representative's principal, as the case may be, 2 weeks after the issuance of a "Fee Advice (New Applications)". The licensed financial adviser and, in the case of representative's licence, the representative's principal should ensure sufficient funds in its bank account for the GIRO deduction on the deduction date as stated on the "Fee Advice (New Applications)". (Please refer to Appendix 1 for the application fees in respect of the various types of licence applications and Appendix 2 for the Application Manual on how to complete Form 2).

[Amended on 1 September 2005]

[Amended on 8 May 2008]

24 Once the Authority has approved an application to provide additional type(s) of financial advisory service or investment product, the licensee should immediately return his licence to the Authority. Upon receipt of the licence, the Authority will issue a new licence reflecting the additional type(s) of financial advisory service or investment product approved to be provided under the licence. The new financial adviser's licence and representative's licence issued will be sent to the licensed financial adviser and the representative's principal respectively.

[Amended on 22 December 2003]

Annual licence fees

25 A financial adviser's licence and a representative's licence are valid for a period of up to 3 years unless otherwise specified. However, licence fees are collected annually. The annual licence fees payable for a financial adviser's licence and a representative's licence are set out in Appendix 1.

[Amended on 22 December 2003]

[Amended on 1 July 2005]

26 A holder of a financial adviser's licence and a representative's licence will pay a flat annual licence fee, regardless of the number or type of financial advisory services provided.

[Amended on 1 September 2005]

Anniversary date for collection of licence fee

27 To streamline the process for licence fees collection and renewal of licences, all new licences issued under the Act will have an expiry date that corresponds to one of the following standard dates (known as anniversary dates):

[Amended on 1 September 2005]

31 March

30 June

30 September

31 December

28 The anniversary date assigned to a licence will be based on the issue date of that licence. This anniversary date will be the last day of the quarter preceding the issue date of the licence.

29 A representative’s licence that is issued at the same time as the financial adviser’s licence of his principal will have the same anniversary date.

30 Annual licence fees (other than the first licence fees) are collected for a period from the date immediately after the preceding anniversary date to the next anniversary date of the licence.

31 The Authority will advise the licensed financial adviser and the representative’s principal on the amount of annual licence fees payable by sending a “Licence Fee Advice (Existing Licences)” 2 weeks prior to the anniversary date of the financial adviser’s licence and the representative’s licence.

[Amended on 1 September 2005]

32 The table below shows 2 different scenarios of a licence issued on 8 December 2002 and 2 January 2003 and their respective assigned anniversary dates and licence expiry dates.

Assignment of anniversary dates and licence expiry dates

	<i>Scenario 1</i>	<i>Scenario 2</i>
First Issue Date	8 December 2002	2 January 2003
First Anniversary Date	30 September 2003	31 December 2003
Second Anniversary Date	30 September 2004	31 December 2004
Expiry Date	30 September 2005	31 December 2005
Annual Licence Fees are Payable for the Periods	8 Dec 2002 to 30 Sep 2003 1 Oct 2003 to 30 Sep 2004 1 Oct 2004 to 30 Sep 2005	2 Jan 2003 to 31 Dec 2003 1 Jan 2004 to 31 Dec 2004 1 Jan 2005 to 31 Dec 2005

Pro-rated licence fee computation for new licences

33 For new licences issued, the first licence fee payable is computed based on the pro-rated amount of the annual licence fees for the period from the first issue date to the first anniversary date. Examples 1 and 2 below show the computation of the first licence fees payable for a financial adviser's licence and a representative's licence respectively.

[Amended on 1 September 2005]

Example 1 – Computation of the first licence fee payable for a financial adviser's licence

Licence fee details – Financial adviser's licence	
First Issue Date	8 December 2002
First Anniversary Date	30 September 2003
<i>Second Anniversary Date</i>	30 September 2004
Expiry Date	30 September 2005
Annual Licence Fee Payable	\$2,000
Pro-rated Fee – First Licence Fee Payment (8 December 2002 - 30 September 2003) = 297 days	\$1,627 (adjusted downwards to the nearest dollar)

Example 2 – Computation of the first licence fee payable for a representative's licence

Licence fee details – Representative's licence	
First Issue Date	<i>2 January 2003</i>
First Anniversary Date	31 December 2003
Second Anniversary Date	31 December 2004
Expiry Date	31 December 2005
Annual Licence Fee Payable	\$200
Pro-rated Fee – First Licence Fee Payment (2 January 2003 - 31 December 2003) = 364 days	\$199 (adjusted downwards to the nearest dollar)

34 For subsequent payment of annual licence fees at succeeding anniversary dates (including at the time of renewal), the full amount of annual licence fees (\$2,000 in the case of a financial adviser's licence and \$200 in the case of a representative's licence) will be collected.

Application Fees

Form No.	Type of Application	Amount (\$)
1	For every application for the grant of a financial adviser's licence	500
2	For every application to add to the type(s) of financial advisory service or investment product authorised under a financial adviser's licence	250
3	For every application for the renewal of a financial adviser's licence	250
6	For every application for the grant of a representative's licence	100
7	For every application to add to the type(s) of financial advisory service or investment product authorised under a representative's licence	50
8	For every application for the renewal of a representative's licence	50

[Amended on 22 December 2003]

Annual Licence Fees

Form No.	Type of Licence	Amount (\$)
1	Annual licence fee for a financial adviser's licence	2,000
6	Annual licence fee for a representative's licence	200

APPLICATION MANUAL

INTRODUCTION

This Application Manual is intended to provide guidance for firms applying for a financial adviser's ["FA"] licence or a variation of a FA licence under the Financial Advisers Act (Cap 110) ["FAA"].

The Application Manual comprises four parts:

- Part A explains what you need to do to apply for a FA licence or vary a FA licence. Part A also contains a flow chart which summarises the various stages of each application process;
- Part B helps you to answer the questions in the application form;
- Part C contains a checklist of the supporting documents which are to be submitted together with your application and another checklist for other things you must do;
- Part D is a sample completed Form 1.

This Application Manual should be read in conjunction with the provisions of the FAA, subsidiary legislation made under the FAA as well as written directions, notices, codes and guidelines that the Monetary Authority of Singapore ["MAS"] may issue from time to time. These instruments are generally available on the MAS website.

Who should use this Application Manual?

You should first ascertain that your proposed activities are financial advisory services [“FAS”] that are regulated under the FAA, for which a FA licence is required. If you do need a FA licence, you may use this Application Manual to assist you in completing the relevant MAS forms.

This Application Manual is only for corporate licence applications under the FAA. It is not for applications by individuals for representative’s licences. For such applications, individuals should approach the respective FA that they intend to act on behalf of with respect to the FAS.

Disclaimer: This Application Manual serves to provide guidance only and does not constitute legal advice. Please obtain legal advice if you are unsure whether you need a FA licence or whether the FAA applies to your specific situation. The illustrations and examples contained in this Application Manual are not intended to be exhaustive.

CONTENTS

Part A: Application process

A.1 Applying for a FA licence

Frequently Asked Questions

- What is the relevant application form and where can I get it?
- What is the information that I need to prepare for the application?
- Apart from Form 1, what else do I need to submit?
- Where should I send my application to?
- What can I expect after I submit my application?
- What can I expect after MAS has made a decision on my application?
- What should I do if my plans change during the application process?
- What is the estimated processing time?

Flowchart: Stages in applying for a FA licence

A.2 Applying for variation of a FA licence

Frequently Asked Questions

- When should I apply for a variation of a FA licence?
- What is the relevant application form and where can I get it?
- What is the information that I need to prepare for the application?
- Apart from Form 2, what else do I need to submit?
- Is there an application fee and how do I pay for it?
- Where should I send the application to?
- What can I expect after I submit my application?
- What can I expect after MAS has decided on my application?
- What should I do if my plans change during the application process?
- What is the estimated processing time?

Flowchart: Stages in applying for a variation of a FA licence

Part B: How to complete the application form for a FA licence (Form 1)

Part C: Application Checklists

- C.1 Supporting Documents
- C.2 Before submitting the application

Part D: Sample Completed Form 1

Part A: APPLICATION PROCESS

Part A contains frequently asked questions [“FAQs”] in respect of an application for a FA licence or for varying a FA licence.

A.1 Applying for a FA licence

Q1 What is the relevant application form and where can I get it?

The form you have to use to apply for a FA licence is Form 1 “Application for a financial adviser’s licence under section 8(1) of the FAA”. You can download it from the MAS website at <http://www.mas.gov.sg>.

Q2 What is the information that I need to prepare for the application?

First, you should be sure of your proposed activities and which FAS you need to apply for. You must then be able to support your application with the information or documents as specified in Form 1. To complete Form 1, you should have at hand the following information:

- Types of FAS that will be provided;
- Particulars of your legal status, incorporation record, track record and audit history;
- Particulars of your shareholders and group structure;
- Particulars and curriculum vitae of directors and key officers, including copies of relevant certificates;
- Your business plan;
- Key internal control procedures;
- Audited financial statements; and
- Adverse records for the past 10 years, if any.

Apart from taking guidance from this Application Manual, you may wish to consider seeking professional assistance in completing the application form.

Q3 Apart from Form 1, what else do I need to submit?

Apart from Form 1, you should also submit:

- an application for appointment of the CEO and directors (Form 11); and
- where the proposed FAS is in respect of securities (including collective investment schemes), the notice of the place at which your register of interests in securities will be kept (Form 13).

The application should be accompanied by a non-refundable application fee of \$500. Payment should be made by a Singapore dollar cheque or Singapore dollar bank draft made payable to “Monetary Authority of Singapore”.

Your application may be returned to you if you did not:

- make the application using Form 1 in the English language;
- submit all relevant annex and information as may be specified in Form 1; or
- pay the correct amount of non-refundable application fee.

Q4 Where should I send my application to?

Forms 1, 11 and 13 and the application fee should be submitted to:

Capital Markets Intermediaries Department
Monetary Authority of Singapore
10 Shenton Way
MAS Building
Singapore 079117

Q5 What can I expect after I submit my application?

MAS will send you a letter to acknowledge receipt of your application within 3 working days of receiving the application. The letter will also indicate the name and contact details of the MAS officer assigned to handle your application.

If you have not provided sufficient details in the application, MAS may:

- (a) ask you to provide more information or documents; and/or
- (b) request a meeting with your proposed management to seek clarification of the information submitted.

Q6 What can I expect after MAS has decided on my application?

If your application is successful, MAS will write to inform you of its decision and you will be given 3 months from the date of the letter to comply with the requirements therein. These requirements would normally include submission of documentary evidence that you meet the relevant minimum paid-up capital requirements² and have obtained a professional indemnity insurance policy³.

After you satisfy MAS that you meet the requirements stated in the letter, you will be granted the FA licence together with a “Licence Fee Advice (New Applications)” to inform you of the amount of licence fees payable.

You are required to pay the licence fees within 2 weeks from the date of the “Licence Fee Advice (New Applications)”, failing which MAS may impose a late payment fee not exceeding \$100 for every day that the payment is late, subject to a maximum of \$3,000.

Q7 What should I do if my plans change during the application process?

You must inform MAS in writing of any changes in the information submitted to MAS in the application form. The MAS officer assigned to handle your application may then contact you to request for more information. Please note that such changes may result in a delay in the processing of the application.

² The financial requirements are spelt out in regulation 15 of the Financial Advisers Regulations [“FAR”].

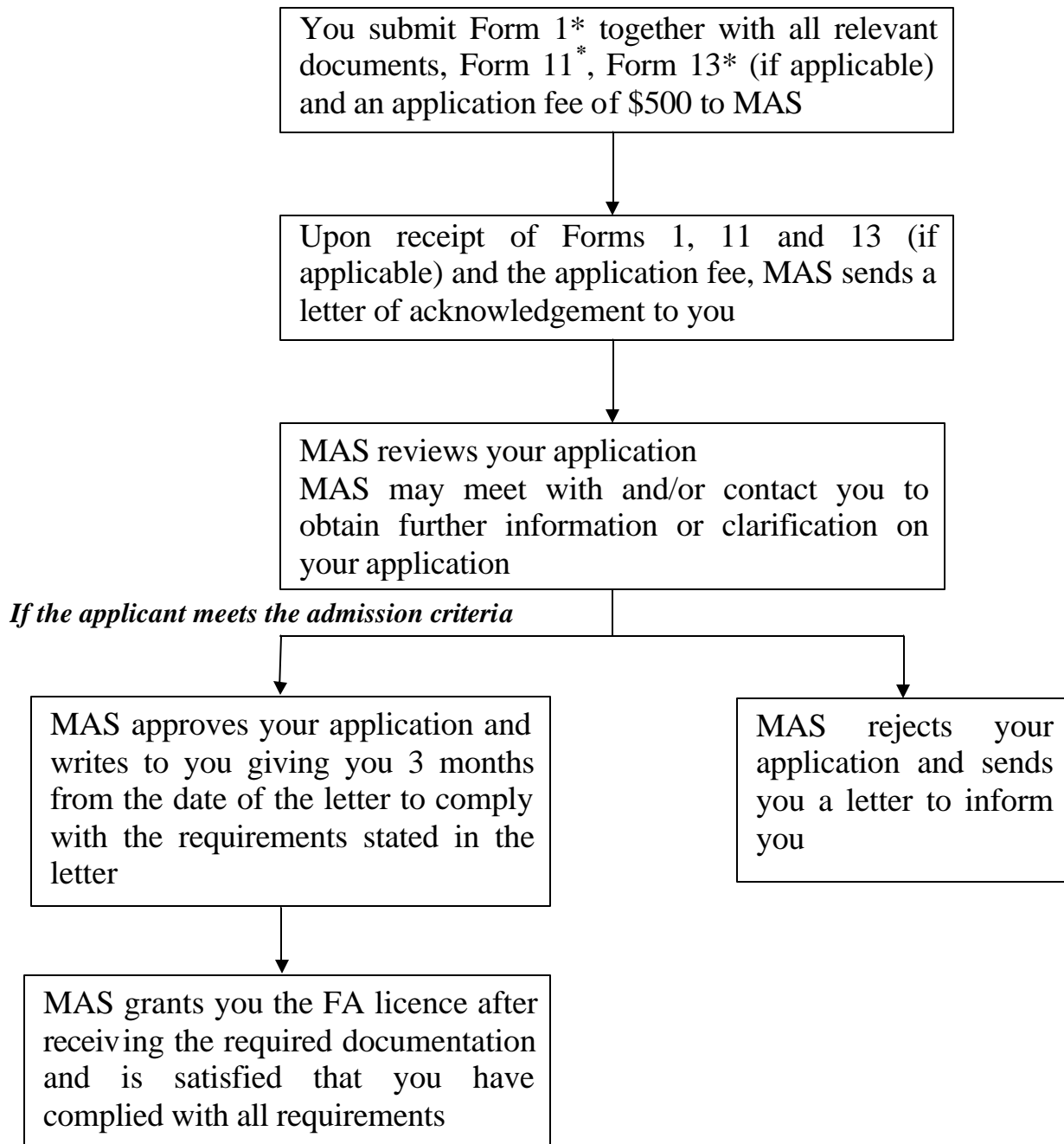
³ The requirements on professional indemnity insurance are stipulated in regulation 17 of the FAR.

Q8 What is the estimated processing time?

The estimated processing time for FA licence applications is 8 weeks upon receipt of complete information but it may vary depending on a number of factors including:

- (a) the type(s) of FAS to be provided and complexity of the business model;
- (b) whether the application and supporting documents contain sufficient information for MAS to make an assessment;
- (c) time taken for other regulatory bodies to respond to MAS' due diligence requests on you, where applicable; and
- (d) the time taken by you to respond to MAS' queries and request for information.

Stages in applying for a FA licence



- * Form 1 "Application for a financial adviser's licence under section 8(1) of the FAA"
Form 11 "Appointment of chief executive officer or director under section 56 of the FAA"
Form 13 "Notice of place at which register of interests in securities will be kept under section 39(1)"

A.2 Applying for variation of a FA licence

Q1 When should I apply for a variation of a FA licence?

You need to apply to vary a FA licence if you are an existing FA licensee and wish to vary the scope of FAS provided or add to the types of investment products offered.

Q2 What is the relevant application form and where can I get it?

The form you have to use to vary a FA licence is Form 2 “Application for variation of a financial adviser’s licence under section 16(1) of the FAA”. You can download it from the MAS website at <http://www.mas.gov.sg>.

Q3 What is the information that I need to prepare for the application?

To facilitate the completion of Form 2, you should have in hand the following information:

- Types of FAS and investment product(s) to be added;
- Your paid-up capital;
- Your business plan for the FAS and investment product(s) to be added;
- Your organisation chart and group structure;
- Particulars and curriculum vitae of key officers and substantial shareholders;
- Your financial soundness;
- Key internal control procedures; and
- Adverse records since the last application, if any.

Apart from taking guidance from this Application Manual, you may wish to consider seeking professional assistance in completing the application form.

Q4 Apart from Form 2, what else do I need to submit?

Your application should be accompanied by, in the case where the proposed FAS is in respect of securities (including collective investment schemes), the notice of place at which the applicant's register of interests in securities will be kept (Form 13).

Your application may be returned to you if you did not:

- make the application using Form 2 in the English language; and/or
- submit all relevant annex and information as may be specified in Form 2.

Q5 Is there an application fee and how do I pay for it?

Yes, there is a non-refundable application fee of \$250. As a FA licensee, you should already have a GIRO arrangement with MAS for the payment of application fees under the FAA. The application fee of \$250 will be deducted via GIRO from your bank account 2 weeks after you have been issued a "Fee Advice (New Applications)".

Q6 Where should I send my application to?

Forms 2 and 13 should be submitted to:

Capital Markets Intermediaries Department
Monetary Authority of Singapore
10 Shenton Way
MAS Building
Singapore 079117

Q7 What can I expect after I submit the application?

MAS will send you a letter to acknowledge receipt of your application within 3 working days of receiving the application. The letter will also indicate the name and contact details of the MAS officer assigned to handle your application.

If you did not provide sufficient details in the application, MAS may:

- (a) ask you to provide more information or documents; and/or
- (b) request a meeting with your proposed management to seek clarification of the information submitted .

Q8 What can I expect after MAS has decided on my application?

MAS will write to inform you of its decision. If your application is successful, you will be asked to return the FA licence to MAS. Upon receipt of the licence, MAS will issue you a new FA licence reflecting the additional type(s) of FAS or investment products approved. Please note that before you receive the new licence, you can only conduct the FAS you were authorised for by the original FA licence.

Q9 What should I do if my plans change during the application process?

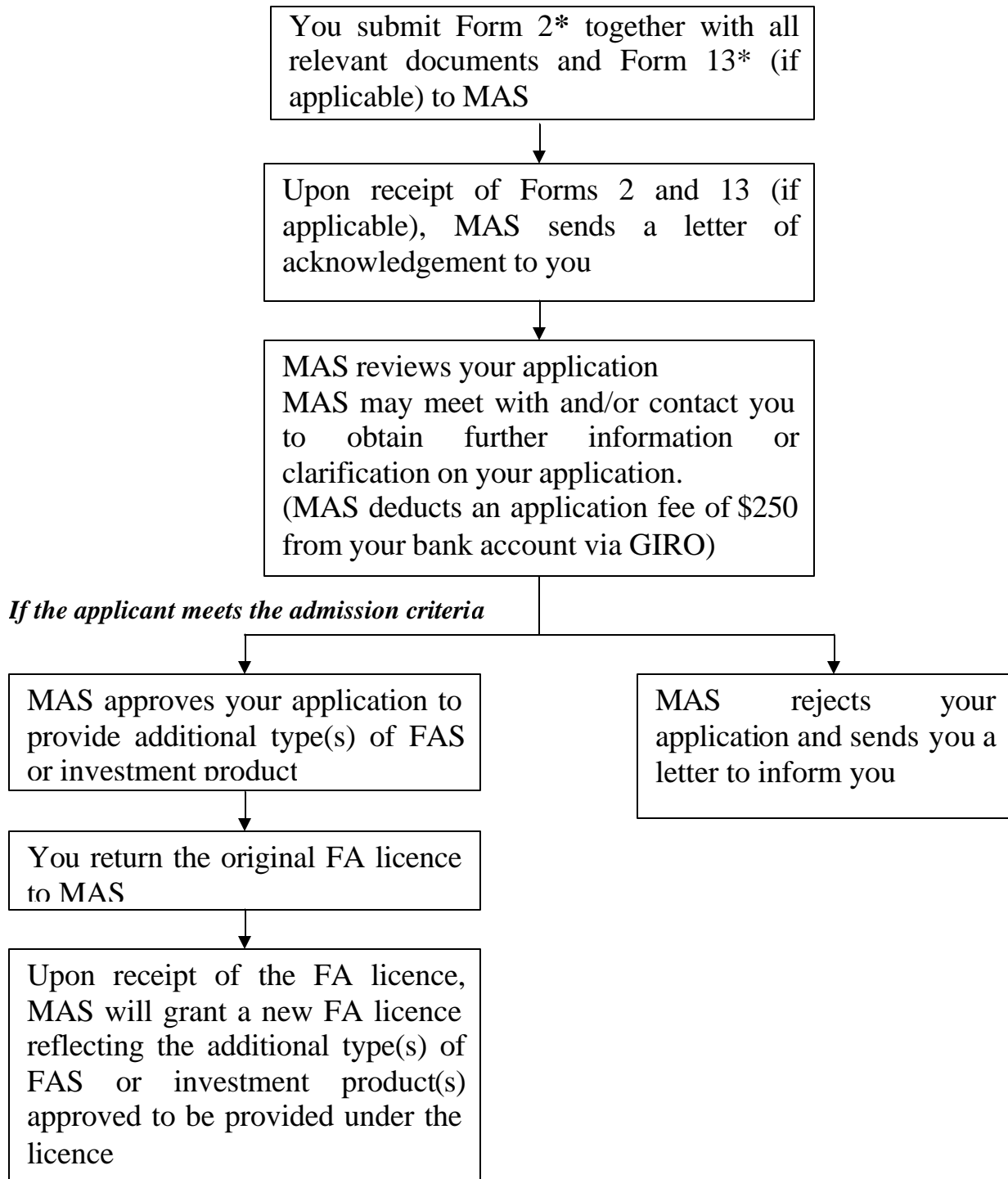
You must inform MAS in writing of any changes in the information submitted to MAS in the application form. The MAS officer assigned to handle your application may then contact you to request for more information. Please note that such changes may result in a delay in the processing of the application.

Q10 What is the estimated processing time?

The estimated processing time for FA licence applications is 8 weeks upon receipt of complete information but it may vary depending on a number of factors including:

- (a) the type(s) of additional FAS and/or investment product(s) to be provided and complexity of the business model;
- (b) whether the application and supporting documents contain sufficient information for MAS to make an assessment;
- (c) time taken for other regulatory bodies to respond to MAS due diligence requests on you, where applicable; and
- (d) the time taken by you to respond to MAS' queries and request for information.

Stages in applying for variation of a FA licence



* Form 2 “Application for variation of a financial adviser’s licence under section 16(1) of the FAA”

Form 13 “Notice of place at which register of interests in securities will be kept under section 39(1)”

Part B: How to complete the application form for a FA licence

B.1 Financial adviser's licence (Form 1)

Form 1 consists of the following:

- Section 1: Type(s) of the Financial Advisory Service which the Applicant is Applying to be Licensed in
- Section 2: Information on the Applicant
- Section 3: Information on the Applicant's Shareholders
- Section 4: Information on the Applicant's Proposed Business Plan
- Section 5: Information on Directors and Key Officers
- Section 6: Fit and Proper Criteria
- Section 7: Miscellaneous
- Section 8: Declaration
- Section 9: Contact
- Appendix A: Information on Individual Shareholder

Part B.1 will help you complete Form 1. There is an extract of Form 1 in the following pages. The extract reproduces sections 1 to 6 and 9. These sections have text boxes which contain instructions on how to complete the sections but the text boxes will not appear in the actual Form 1.

After you have read through the instructions in Part B, you may wish to refer to the sample of a completed Form 1 (in Part D). Please note that the answers in the sample are for illustrative purposes only. Having the instructions at hand as you look through the sample may help you decide on the answers appropriate to your specific objectives and circumstances.

All questions must be answered. Otherwise, the application will be treated as incomplete. Please note that references to "You" are references to the firm applying for the licence and not the person completing the form.

APPLICATION IS HEREBY MADE FOR A FINANCIAL ADVISER'S ("FA") LICENCE BY:

(Full name of applicant)

Write the name of the firm that will be carrying out the FAS and not the name of the individual who is submitting the licence application.

SECTION 1: TYPE(S) OF FINANCIAL ADVISORY SERVICE ("FAS") WHICH THE APPLICANT IS APPLYING TO BE LICENSED IN

You must be clear about the type(s) of FAS that you wish to apply for and the specific investment product(s) you wish to provide. Your choice will determine the activity you can conduct under a FA licence and the business conduct requirements that you will have to comply with under the FAA. Do not apply for FAS just in case you might want it in the future. If your business changes, you can apply to vary your licence at that time. Part A.2 of the Application Manual explains how to apply for variation of a FA licence.

- Advising others, either directly or through publications or writings, and whether in electronic, print or other form, concerning the following investment product(s), other than advising others by issuing or promulgating research analyses or research reports or advising on corporate finance within the meaning of the Securities and Futures Act (Cap. 289) –
- Securities (other than collective investment schemes)
 - Collective investment schemes
 - Futures contracts
 - Contracts or arrangements for the purposes of foreign exchange trading
 - Contracts or arrangements for the purposes of leveraged foreign exchange trading
 - Life policies
 - Structured deposits
- Advising others by issuing or promulgating research analyses or research reports, whether in electronic, print or other form, concerning the following investment product(s) –
- Securities (other than collective investment schemes)
 - Collective investment schemes
 - Futures contracts
 - Contracts or arrangements for the purposes of foreign exchange trading

- Contracts or arrangements for the purposes of leveraged foreign exchange trading
- Life policies
- Structured deposits

- Marketing of collective investment schemes

- Arranging of contracts of insurance in respect of life policies, other than contracts of reinsurance

SECTION 2: INFORMATION ON THE APPLICANT

Section 2 is where your details are entered.

2.1 What is the business structure of the applicant?

- Singapore-incorporated company
 Singapore branch of a foreign company

At the application stage, you should at least be able to indicate the business structure under which you intend to provide FAS although you do not need to have set up an office. If you have not set up an office or have not finalised the business structure of the applicant corporation, you should answer questions 2.3 to 2.9 by writing “To be notified”.

2.2 Does the applicant have a track record of at least 3 years in the FAS which the applicant is applying to be licensed in?

- Yes. Please specify the number of years: _____

If the answer is “Yes”, please attach supporting documents of the applicant’s licensing or authorisation status to conduct FAS.

You must have a track record of at least 3 years in the FAS to answer “Yes”. If you meet the minimum track record (e.g. as a Singapore branch of a foreign company with the track record or as a Singapore-incorporated company operating as an exempt financial adviser under regulation 27(1)(d) of the FAR, for the past 3 years), please indicate “Yes” and attach supporting documents of the licensing or authorisation to conduct the FAS.

No

If the answer is "No", does the applicant's chief executive officer (CEO) hold not less than 20% of the applicant's shares and together with other executive directors with the relevant track record hold in the aggregate not less than 50% of the applicant's shares?

Yes No

If the answer is "No", please explain. _____

If you do not have a track record in the FAS, please indicate "No" and confirm whether the proposed CEO holds not less than 20% of the applicant's shares and together with other EDs have collectively not less than 50% shareholding. This should tally with the information provided in 3.1.

2.3 Provide the date and place of incorporation of the applicant.

Date: _____ (DD/MM/YY) Place: _____

2.4 Provide the address, telephone and fax number of the principal place at which the business of the applicant is/is to be* carried on. Please provide e-mail address and URL of the applicant's internet web page, where applicable.

Address: _____

Telephone no.: _____

Fax no.: _____

E-mail address: _____

URL: _____

2.5 Provide the address of the registered office of the applicant, if it is different from the above.

2.6 Provide any former name(s) of the applicant. _____

2.7 Provide the financial year end of the applicant. _____ (DD/MM)

It is important to give the correct financial year end date. If MAS approves the application, it will set the deadline for lodgement of your annual accounts to be within 5 months of your stated financial year end.

2.8 Provide the paid-up capital or net head office funds (for branch of a foreign company) of the applicant, including relevant details of shares issued or to be issued (e.g. type, number and issue price) in the format provided below. If the capital does not meet the minimum financial requirement under regulation 15 of the Regulations, please provide a written undertaking that the applicant's paid-up capital will be increased to satisfy the minimum financial requirement upon approval of the application by the Authority.

Type (e.g. Ordinary, Preference)	Number	Paid-up share capital

2.9 Is the applicant a company for which audited financial statements have been prepared?

Yes No

If the answer is "Yes", please attach:

- (i) a certified true copy of the most recent audited balance-sheet and profit and loss account certified by a director or the secretary of the applicant
- (ii) a report by the directors of the applicant verifying whether, during the period from the date of certification of the most recent audited balance-sheet and profit and loss account to a date not earlier than 14 days before the date of the application:
 - (a) the business of the applicant has, in their opinion, been satisfactorily maintained;
 - (b) there has, in their opinion, arisen any circumstances adversely affecting the applicant's trading or the value of its assets;
 - (c) the current assets appear in the books at values which are believed to be realisable in the ordinary course of business;
 - (d) there are any contingent liabilities by reason of any guarantees given by the applicant or any of its subsidiaries, or by any other reasons; and
 - (e) there are, since the previous annual report, any changes in published reserves or any unusual factors affecting the profit of the applicant and its subsidiaries.

SECTION 3: INFORMATION ON THE APPLICANT'S SHAREHOLDERS

Section 3 is where you provide information on your shareholders and the group you belong to. Generally, you are part of a group if related by control of common shareholding or control of the composition of common directors.

Where your shareholder is not an individual or a corporation but, say, a limited liability partnership, please provide information of the partner's voting rights and curriculum vitae to enable MAS to assess his track record.

- 3.1 Provide details of the shareholder(s) of the applicant, whether an individual or corporation, as follows:

Name of Shareholder	Percentage Shareholdings	Date of Acquisition

If you are a Singapore branch of a foreign company, you are to provide information on the shareholders of the foreign company.

Information on Individual Shareholders

- 3.2 Provide in Appendix A information on each individual shareholder listed above (other than the CEO or directors of the applicant or a person who has submitted an application for a representative's licence) holding 5% or more of the total number of voting shares.

If a person has 5% or more shareholding in a company, he is a substantial shareholder of the company and would have to provide the information in Appendix A. However, a substantial shareholder who is a CEO or director would be required to provide information on his shareholding in Form 11 "Appointment of chief executive officer or director under section 56 of the FAA" while one who is a representative would be required to provide information on his shareholding in Form 6 "Application for a representative's licence under section 8(1) of the FAA".

- 3.3 If applicable, provide the details requested below of the individual, other than the CEO, directors or shareholders of the applicant, who has ultimate controlling interest in the applicant, or who directly or indirectly exercises or has the power to exercise controlling influence over the management and policies of the applicant.

Name	Nationality	Identity card no./ unique identification no./ passport no.	Occupation	Executive directorship in any corporation

Information on Corporate Shareholders

3.4 Provide the following details on the applicant's head office, immediate and ultimate holding company (where applicable):

- (a) name _____
- (b) date and place of incorporation _____
- (c) address and telephone number of the principal place at which the business of the head office/holding/ultimate holding company is carried on.

- (d) brief history of the head office/holding/ultimate holding company, including any major acquisitions of, and mergers or amalgamations with, other companies. Include any former name(s) of the head office/holding/ultimate holding company.

- (e) brief description of the principal activity(*ies*) of the head office/holding/ultimate holding company.

- (f) names of the chairman and other members of the board of directors of the head office/holding/ultimate holding company.

- (g) names and identification numbers of individual shareholders, or names and address of corporate shareholders, holding 10% or more of the total number of voting shares in the head office/holding/ultimate holding company. State the percentage shareholding interest of each of such shareholders, grouping together related shareholders, where possible.

Name	Percentage Shareholdings	Identification no. of individuals / Address of corporates

- (h) where the shares of the head office/holding/ultimate holding company are listed, the name(s) of the exchange(s) on which the shares are listed.

3.5 Provide the following where it applies to the applicant's head office/holding/ultimate holding company:

- (a) regulatory status (attach certified true copies of relevant licences or authorisations), including the name of the regulatory agency with relevant oversight.

- (b) date of first issue of licence or authorisation for regulated activity.

MAS expects that, if you are a branch of, or controlled by a foreign company, your head office or holding company of the group should possess the requisite track record and be subject to proper supervision by home regulatory authorities in respect of the FAS applied for.

You should indicate the date at which the regulatory status was obtained. If the licence or authorization is in a language other than the English language, you should attach a translation in the English language.

- 3.6 Provide a certified true copy of the most recent 3 years' audited balance-sheets and profit and loss accounts of the head office/holding/ultimate holding company (including consolidated accounts), together with the directors' report.

Information on Group Structure (where applicable)

- 3.7 Provide information on the group structure (including its international network of holding companies, branches, subsidiaries, representative offices and joint ventures), giving the percentage of equity interests held in the principal operating companies in the group and the country of incorporation of these companies.
- 3.8 Provide information on the business activities of the principal operating companies in the group including the areas of specialisation. Please indicate whether the principal operating companies are regulated and if so, the regulatory agency responsible for regulating them.
-

SECTION 4: INFORMATION ON THE APPLICANT'S PROPOSED BUSINESS PLAN

Section 4 is where you will be asked about your proposed business operations so that MAS can understand how your business will work and the relevance of the type of FAS applied for in section 1. We recommend that you spend some time to prepare the answers to the questions in section 4. You must demonstrate that you have adequate internal compliance systems and procedures.

MAS expects you to have developed a business plan before submitting the licence application. However, we do not expect detailed answers to the questions in section 4, as these may be worked out only when you commence business as a FA. Other than the Yes/No questions, you may select more than one option if it is applicable.

Business Plan

- 4.1 Provide a brief description of the manner in which the applicant proposes to conduct business with respect to each type of FAS applied for.
-

You may want to describe your proposed process in terms of a flow or walkthrough of transactions.

If you have different systems and processes for each FAS or investment product(s) applied for, you should attach a separate description for each of them.

- 4.2 Who are the clients to whom the applicant proposes to provide FAS?
In the brackets, provide an estimate breakdown of the percentage of each type of client.
- Retail investors (__%)
 - Accredited investors (__%)
 - Institutional investors (__%)
 - Expert investors (__%)
 - Others, please specify _____ (__%)

The terms “accredited investors”, “institutional investors” and “expert investors” are defined in regulation 2 of the FAR.

Please note that the percentage breakdown by type of clients should add up to 100%.

4.3 Specify the geographical coverage of the applicant's proposed business in providing FAS.

Singapore

Overseas, please specify _____

4.4 Specify the sources of revenue for the applicant's proposed business in providing FAS.

Fees from clients

Sales commission from product providers (i.e. depends on volume of investment products sold)

Recovery on a cost-plus basis

Others, please specify _____

4.5 Provide the names of the product providers of the investment product(s).

State whether the applicant is associated with, or connected to, any of the product providers stated above.

Yes No

If the answer is "Yes", please answer the question on conflicts of interest in 4.12.

4.6 In respect of the provision of FAS:

(a) Specify the manner in which the FAS will be provided to clients of the applicant.

Face-to-face

Through the internet

Others (e.g. telephone, e-mail etc), please specify _____

(b) Specify whether the applicant will be conducting needs-based advice^d.

^d **Advice which takes into account the client's specific investment objectives, financial situation and particular needs**

Yes No

If the answer is "Yes", please describe.

(c) Specify whether introducers will be employed in the course of the applicant's business in providing FAS.

Yes No

If the answer is "Yes", please indicate whether the introducers are in-house staff or external parties.

In-house staff

External parties (other financial institutions)

External parties (non-financial institutions)

Accounting/law/consulting

Call centres

Members of the public

Others, please specify _____

- 4.7 Describe the remuneration structure for representatives of the applicant.
- Representatives are salaried
 - Representatives are remunerated based on commission, performance bonus or any other form of remuneration which is based on sales volume generated
 - Representatives are remunerated based on fee income which is not based on sales volume generated but on other factors such as performance of clients' portfolio, amount of assets under advice and/or quality of financial advice given to clients
 - Others, please describe _____

- 4.8 Indicate whether the applicant will be operating a tier structure where overriding benefits are payable to the supervisor of a representative.
- Yes No

If the answer is "Yes", please indicate the number of tiers _____ and the limit on span of control (i.e. number of supervisors to number of representatives) _____

- 4.9 Furnish a complete list of any other business activities carried out by the applicant.
- _____

Staffing Projections

- 4.10 Provide staffing projections for a period of 3 years in the format provided below :

	Year 1	Year 2	Year 3
Individuals providing FAS			
Support staff			

Systems and Processes

- 4.11 Answer the following questions on the applicant's key internal control procedures.

- (a) Who will carry out the compliance function for the applicant's business in providing FAS?
 Name: _____
 Designation: _____
- In-house staff
 - External parties, please specify _____

You must have a compliance function in place to meet the FAA regulatory obligations. If more than one person is responsible for the compliance function, you may provide their details in a separate attachment.

Experience in compliance with regard to the requirements under the Financial Advisers Act (Cap. 110) ("the Act"):

Describe the roles he has performed or is performing that will be relevant to the compliance responsibilities you will assign to him.

- (b) Please indicate (where applicable) the procedures which will be put in place by the applicant in the event that it is licensed to carry on business in providing FAS.
- Advisory and sales process
 - Recruitment of representatives that meet the Guidelines on Fit and Proper Criteria
 - Training and competency
 - Supervision and monitoring of representatives' activities
 - Complaints handling
 - Anti-money laundering and countering the financing of terrorism
 - Others, please specify _____

You should tick off the procedures that you will put in place. Please do not send copies of your procedures to MAS, unless requested.

- 4.12 Describe areas of potential conflicts of interest that may arise in the provision of FAS by the applicant and explain in detail how such conflicts will be resolved or mitigated.

Where areas of conflicts of interest may arise, like for example, where the person responsible for the compliance function is also involved in the provision of FAS, you should describe the systems and procedures to manage the conflicts of interest. You should also include conflicts of interest arising from other interests (e.g. shareholding or directorship in other companies) of the applicant's shareholders or directors which are disclosed separately in sections 3 and 5, respectively.

SECTION 5: INFORMATION ON DIRECTORS AND KEY OFFICERS

You will have to concurrently submit Form 11 to seek MAS' approval for the appointment of the CEO or director under section 56 of the FAA. Where you intend to operate as a locally incorporated company, you also need to seek approval for all directors, whether they are executive or non-executive directors. Where you intend to operate as a branch of a foreign company, you would only need to seek approval for appointment of directors who are residing in Singapore and/or responsible for the operations of the Singapore branch. Accordingly, you do not need to seek MAS' approval for appointment of directors who do not have responsibility for the operations of the Singapore branch and are not resident in Singapore.

Please refer to the Guidelines on Criteria for Grant of a Financial Adviser's Licence and Representative Licence (FAA-G01) which sets out the admission criteria for management expertise.

5.1 Provide a list of all director(s) of the applicant as follows:

Name of Director	Executive / Non-Executive	Date of Appointment

5.2 State whether the CEO:

(a) is employed on a full-time basis by the applicant

Yes No

If the answer is "No", please explain. _____

(b) is based in Singapore

Yes No

If the answer is "No", please explain. _____

We expect your CEO to be full-time and based in Singapore. If this is not the case, you will have to provide an explanation setting out the reason(s) for the exception and describing how the CEO will be able to have effective oversight over your operations.

5.3 Provide an organisation chart detailing names of persons responsible for key aspects of the applicant's business.

SECTION 6: FIT AND PROPER CRITERIA

Section 6 is where you make declarations on the fit and proper criteria, which are set out in the Guidelines on Fit and Proper Criteria (FSG-G01). Please ensure you read the questions carefully and answer correctly. Making false or misleading statements in your application is an offence and may be grounds for MAS to refuse to grant a FA licence.

In addition, MAS requires fit and proper declarations for your substantial shareholders (with more than 5% shareholding), CEO and directors as follows:

- Each substantial shareholder which is a corporation is required to complete a separate section 6 of Form 1.*
- The particulars of each substantial shareholder who is an individual (other than CEO or directors) is required to be provided in Appendix A of Form 1.*
- The CEO and each director are required to complete Part VII of Form 11.*

If the answer to any of the following questions is in the affirmative, attach annexes and supporting documents, where appropriate, to provide all relevant particulars. If there is any doubt with respect to any part of this section, please provide all relevant information to demonstrate that the applicant and its shareholders are considered to be fit and proper persons.

Honesty, Integrity and Reputation

6.1 Within the past 10 years, has the applicant or any of its shareholders (where the shareholder is a corporation holding 5% or more of the total number of voting shares)

	Yes	No
(a) been licensed, registered or approved under any law in any jurisdiction which requires licensing, registration or approval in relation to any regulated activity?	<input type="checkbox"/>	<input type="checkbox"/>
(b) been licensed, registered, or otherwise authorised by law to carry on any trade, business (including sole proprietorships and partnerships) or profession (including accountancy, engineering, law and architecture) in any jurisdiction?	<input type="checkbox"/>	<input type="checkbox"/>
(c) been a shareholder of any corporation which holds membership of any class or description of any operator of a market or clearing facility in any jurisdiction?	<input type="checkbox"/>	<input type="checkbox"/>
(d) carried on business under any name other than the name stated in this application in any jurisdiction?	<input type="checkbox"/>	<input type="checkbox"/>

- | | | | |
|-----|---|--------------------------|--------------------------|
| (e) | been refused the right or restricted in its right to carry on any trade, business or profession for which a specific licence, registration or other authorisation is required by law in any jurisdiction? | <input type="checkbox"/> | <input type="checkbox"/> |
| (f) | been issued a prohibition order under any Act administered by the Authority or been prohibited from operating in any jurisdiction by any financial services regulatory authority? | <input type="checkbox"/> | <input type="checkbox"/> |
| (g) | been censured, disciplined, suspended or refused membership or registration by the Authority, any other regulatory authority, an operator of a market or clearing facility, any professional body or government agency, whether in Singapore or elsewhere? | <input type="checkbox"/> | <input type="checkbox"/> |
| (h) | been the subject of any investigations or disciplinary proceedings or been issued a warning or reprimand by the Authority, any other regulatory authority, an operator of a market or clearing facility, any professional body or government agency, whether in Singapore or elsewhere? | <input type="checkbox"/> | <input type="checkbox"/> |
| (i) | been the subject of any proceedings of a disciplinary or criminal nature or been notified of any potential proceedings or of any investigation which might lead to those proceedings, under any law in any jurisdiction? | <input type="checkbox"/> | <input type="checkbox"/> |
| (j) | been convicted of any offence, served any term of imprisonment or is being subject to any pending proceedings which may lead to a conviction of any offence, under any law in any jurisdiction? | <input type="checkbox"/> | <input type="checkbox"/> |
| (k) | had any civil penalty enforcement action taken against it by the Authority or any other regulatory authority under any law in any jurisdiction? | <input type="checkbox"/> | <input type="checkbox"/> |
| (l) | contravened or abetted another person in breach of any laws or regulations, business rules or codes of conduct, whether in Singapore or elsewhere? | <input type="checkbox"/> | <input type="checkbox"/> |
| (m) | been the subject of any complaint made reasonably and in good faith, relating to activities that are regulated by the Authority or under any law in any jurisdiction? | <input type="checkbox"/> | <input type="checkbox"/> |
| (n) | been refused a fidelity or surety bond, whether in Singapore or elsewhere? | <input type="checkbox"/> | <input type="checkbox"/> |

6.2 Has the applicant or any of its shareholders (where the shareholder is a corporation holding 5% or more of the total number of voting shares)

Disclosures are required even if the instances declared happened more than 10 years ago.

- | | Yes | No | |
|-----|---|--------------------------|--------------------------|
| (a) | had any judgment (in particular, that associated with a finding of fraud, misrepresentation or dishonesty) entered against it in any civil proceedings or is a party to any pending proceedings which may lead to such a judgment, under any law in any jurisdiction? | <input type="checkbox"/> | <input type="checkbox"/> |

- (b) accepted civil liability for fraud, misrepresentation or dishonesty under any law in any jurisdiction?

Financial Soundness

6.3 Within the past 10 years, has the applicant or any of its shareholders (where the shareholder is a corporation holding 5% or more of the total number of voting shares)

- | | Yes | No |
|---|--------------------------|--------------------------|
| (a) been or is unable to fulfill any of its financial obligations, whether in Singapore or elsewhere? | <input type="checkbox"/> | <input type="checkbox"/> |
| (b) entered into a compromise or scheme of arrangement with its creditors, or made an assignment for the benefit of its creditors, being a compromise, scheme of arrangement or assignment that is still in operation, whether in Singapore or elsewhere? | <input type="checkbox"/> | <input type="checkbox"/> |
| (c) been or is subject to a judgment debt which is unsatisfied, either in whole or in part, whether in Singapore or elsewhere? | <input type="checkbox"/> | <input type="checkbox"/> |
| (d) been or is the subject of a winding up petition, whether in Singapore or elsewhere? | <input type="checkbox"/> | <input type="checkbox"/> |
| (e) been dissolved or is in the course of being wound-up, whether in Singapore or elsewhere? | <input type="checkbox"/> | <input type="checkbox"/> |
| (f) been or is a corporation where a receiver, receiver and manager, judicial manager, or such other person having the powers and duties of a receiver, receiver and manager, or judicial manager, has been appointed, in relation to, or in respect of any of its property, whether in Singapore or elsewhere? | <input type="checkbox"/> | <input type="checkbox"/> |
| (g) been or is subject to any other process outside Singapore that is similar to those referred to in (d) to (f)? | <input type="checkbox"/> | <input type="checkbox"/> |

SECTION 9: CONTACT

You should enter contact details of the individual to whom we can direct any questions or correspondences about the application. This can be one of your officers or employees or the external party preparing the application on your behalf e.g. lawyer, accountant or consultant.

9.1 Name and designation of contact person to whom queries on the application can be directed.

Name: _____

Designation: _____

9.2 Other contact details, if different from that provided in 2.4.

Telephone no.: _____

Fax no.: _____

E-mail address: _____

Part C: APPLICATION CHECKLISTS

C.1 Supporting Documents

You may use this checklist to ascertain if you have included all the necessary supporting documents, where applicable.

		Description	Remarks
Form 1			
2.2	<input type="checkbox"/>	Licence or authorisation of the applicant in relation to the provision of FAS.	Certified true copy
2.9	<input type="checkbox"/>	The applicant's most recent audited balance-sheet and profit and loss account together with the directors' report.	Certified true copy
3.5(a)	<input type="checkbox"/>	Licence or authorisation of the head office/holding/ultimate holding company in relation to the provision of FAS.	Certified true copy
3.6	<input type="checkbox"/>	Head office/holding/ultimate holding company's most recent 3 years' audited balance-sheet and profit and loss account, together with the directors' report.	Certified true copy
Appendix A to Form 1		For individual shareholder(s) of the applicant as listed in section 3.1 of Form 1.	
II	<input type="checkbox"/>	Certificates of educational and professional qualifications.	
V1.(a)	<input type="checkbox"/>	Licence or authorisation of the individual shareholder in relation to the provision of FAS.	Certified true copy
Form 11	<input type="checkbox"/>	For CEO or director(s) listed in section 5.1 of Form 1.	
Form 13	<input type="checkbox"/>	For applicants where the FAS is in respect of securities.	

C.2 Before submitting the application

Please check that you have provided everything that we need to process your application. Have you:

- Answered every question.
- Provided all supporting documents (see C.1).
- Where the space provided in the Form is insufficient, attach supplements and attachments which should be identified as such and signed by the signatories to the application.
- Enclosed the non-refundable application fee.

Part D: SAMPLE COMPLETED FORM 1

APPLICATION IS HEREBY MADE FOR A FINANCIAL ADVISER'S ("FA") LICENCE BY:

Sample Pte Ltd ["SPL"]

(Full name of applicant)

SECTION 1: TYPE(S) OF FINANCIAL ADVISORY SERVICE ("FAS") WHICH THE APPLICANT IS APPLYING TO BE LICENSED IN

- Advising others, either directly or through publications or writings, and whether in electronic, print or other form, concerning the following investment product(s), other than advising others by issuing or promulgating research analyses or research reports or advising on corporate finance within the meaning of the Securities and Futures Act (Cap. 289) –
- Securities (other than collective investment schemes)
 - Collective investment schemes
 - Futures contracts
 - Contracts or arrangements for the purposes of foreign exchange trading
 - Contracts or arrangements for the purposes of leveraged foreign exchange trading
 - Life policies
 - Structured deposits
- Advising others by issuing or promulgating research analyses or research reports, whether in electronic, print or other form, concerning the following investment product(s) –
- Securities (other than collective investment schemes)
 - Collective investment schemes
 - Futures contracts
 - Contracts or arrangements for the purposes of foreign exchange trading
 - Contracts or arrangements for the purposes of leveraged foreign exchange trading
 - Life policies
 - Structured deposits
- Marketing of collective investment schemes
- Arranging of contracts of insurance in respect of life policies, other than contracts of reinsurance

SECTION 2: INFORMATION ON THE APPLICANT

2.1 What is the business structure of the applicant?

- Singapore-incorporated company
 Singapore branch of a foreign company

2.2 Does the applicant have a track record of at least 3 years in the FAS which the applicant is applying to be licensed in?

- Yes. Please specify the number of years: _____

If the answer is “Yes”, please attach supporting documents of the applicant’s licensing or authorisation status to conduct FAS.

- No

If the answer is “No”, does the applicant’s chief executive officer (CEO) hold not less than 20% of the applicant’s shares and together with other executive directors with the relevant track record hold in the aggregate not less than 50% of the applicant’s shares?

- Yes No

If the answer is “No”, please explain. _____

2.3 Provide the date and place of incorporation of the applicant.

Date: *30/11/06* (DD/MM/YY) Place: *Singapore*

2.4 Provide the address, telephone and fax number of the principal place at which the business of the applicant is/is to be* carried on. Please provide e-mail address and URL of the applicant’s internet web page, where applicable.

Address: *12 Test Road, Singapore 123456*

Telephone no.: *61234567*

Fax no.: *67654321*

E-mail address: *sample@email.com.sg*

URL: *www.sample.com.sg*

2.5 Provide the address of the registered office of the applicant, if it is different from the above.

Not Applicable

2.6 Provide any former name(s) of the applicant. *Not Applicable*

2.7 Provide the financial year end of the applicant. *31/12* (DD/MM)

2.8 Provide the paid-up capital or net head office funds (for branch of a foreign company) of the applicant, including relevant details of shares issued or to be issued (e.g. type, number and issue price) in the format provided below. If the capital does not meet the minimum financial requirement under regulation 15 of the Regulations, please provide a written undertaking that the applicant’s paid-up capital will be increased to satisfy the minimum financial requirement upon approval of the application by the Authority.

Type (e.g. Ordinary, Preference)	Number	Paid-up share capital
<i>Ordinary</i>	2	\$2

2.9 Is the applicant a company for which audited financial statements have been prepared?

Yes No

If the answer is “Yes”, please attach:

- (b) a certified true copy of the most recent audited balance-sheet and profit and loss account certified by a director or the secretary of the applicant
- (ii) a report by the directors of the applicant verifying whether, during the period from the date of certification of the most recent audited balance-sheet and profit and loss account to a date not earlier than 14 days before the date of the application:
 - (a) the business of the applicant has, in their opinion, been satisfactorily maintained;
 - (b) there has, in their opinion, arisen any circumstances adversely affecting the applicant’s trading or the value of its assets;
 - (c) the current assets appear in the books at values which are believed to be realisable in the ordinary course of business;
 - (d) there are any contingent liabilities by reason of any guarantees given by the applicant or any of its subsidiaries, or by any other reasons; and
 - (e) there are, since the previous annual report, any changes in published reserves or any unusual factors affecting the profit of the applicant and its subsidiaries.

SECTION 3: INFORMATION ON THE APPLICANT'S SHAREHOLDERS

3.1 Provide details of the shareholder(s) of the applicant, whether an individual or corporation, as follows:

Name of Shareholder	Percentage Shareholdings	Date of Acquisition
Mr. A	50%	30/11/06
Mrs. A	50%	30/11/06

Information on Individual Shareholders *Not Applicable*

3.2 Provide in Appendix A information on each individual shareholder listed above (other than the CEO or directors of the applicant or a person who has submitted an application for a representative's licence) holding 5% or more of the total number of voting shares.

3.3 If applicable, provide the details requested below of the individual, other than the CEO, directors or shareholders of the applicant, who has ultimate controlling interest in the applicant, or who directly or indirectly exercises or has the power to exercise controlling influence over the management and policies of the applicant.

Name	Nationality	Identity card no./ unique identification no./ passport no.	Occupation	Executive directorship in any corporation

Information on Corporate Shareholders *Not Applicable*

3.4 Provide the following details on the applicant's head office, immediate and ultimate holding company (where applicable):

- (a) name _____
- (b) date and place of incorporation _____
- (c) address and telephone number of the principal place at which the business of the head office/holding/ultimate holding company is carried on.

- (d) brief history of the head office/holding/ultimate holding company, including any major acquisitions of, and mergers or amalgamations with, other companies. Include any former name(s) of the head office/holding/ultimate holding company.

- (e) brief description of the principal activity(ies) of the head office/holding/ultimate holding company.

- (f) names of the chairman and other members of the board of directors of the head office/holding/ultimate holding company.

- (g) name and identification numbers of individual shareholders, or names and address of corporate shareholders, holding 10% or more of the total number of voting shares in the head office/holding/ultimate holding company. State the percentage shareholding interest of each of such shareholders, grouping together related shareholders, where possible.

Name	Percentage Shareholdings	Identification no. of individuals / Address of corporates

(h) where the shares of the head office/holding/ultimate holding company are listed, the name(s) of the exchange(s) on which the shares are listed.

3.5 Provide the following where it applies to the applicant's head office/holding/ultimate holding company:

(a) regulatory status (attach certified true copies of relevant licences or authorisations), including the name of the regulatory agency with relevant oversight.

(b) date of first issue of licence or authorisation for regulated activity.

3.6 Provide a certified true copy of the most recent 3 years' audited balance-sheets and profit and loss accounts of the head office/holding/ultimate holding company (including consolidated accounts), together with the directors' report.

Information on Group Structure (where applicable)

Not Applicable

3.7 Provide information on the group structure (including its international network of holding companies, branches, subsidiaries, representative offices and joint ventures), giving the percentage of equity interests held in the principal operating companies in the group and the country of incorporation of these companies.

3.8 Provide information on the business activities of the principal operating companies in the group including the areas of specialisation. Please indicate whether the principal operating companies are regulated and if so, the regulatory agency responsible for regulating them.

SECTION 4: INFORMATION ON THE APPLICANT'S PROPOSED BUSINESS PLAN

Business Plan

4.1 Provide a brief description of the manner in which the applicant proposes to conduct business with respect to each type of FAS applied for.

FAs operate varying business models so there is no standard way on how the FAS should be conducted. As such, we have deliberately left the sample blank. Please do not leave question 4.1 unanswered in your actual application.

4.2 Who are the clients to whom the applicant proposes to provide FAS?
In the brackets, provide an estimate breakdown of the percentage of each type of client.

- Retail investors (100%)
- Accredited investors (___%)
- Institutional investors (___%)
- Expert investors (___%)
- Others, please specify _____ (___%)

4.3 Specify the geographical coverage of the applicant's proposed business in providing FAS.

- Singapore
- Overseas, please specify _____

4.4 Specify the sources of revenue for the applicant's proposed business in providing FAS.

- Fees from clients
- Sales commission from product providers (i.e. depends on volume of investment products sold)
- Recovery on a cost-plus basis
- Others, please specify _____

4.5 Provide the names of the product providers of the investment product(s).

SPL has secured in-principle distribution agreements with (list the registered insurers) and intends to use (indicate the name of the fund distribution platform), offering CIS authorised or recognised by MAS.

State whether the applicant is associated with, or connected to, any of the product providers stated above.

- Yes
- No

If the answer is "Yes", please answer the question on conflicts of interest in 4.12.

4.6 In respect of the provision of FAS:

(a) Specify the manner in which the FAS will be provided to clients of the applicant.

- Face-to-face
- Through the internet
- Others (e.g. telephone, e-mail etc), please specify _____

(b) Specify whether the applicant will be conducting needs-based advice^d.

^d **Advice which takes into account the client's specific investment objectives, financial situation and particular needs**

Yes No

If the answer is "Yes", please describe.

Representatives will perform a fact-find to collect information on the client's investment objectives, financial situation, risk tolerance and current investment portfolio. Thereafter, representatives will analyse the needs of the client vis-à-vis the information gathered and recommend a suitable investment product (either CIS or life policy). All information collected from the client and the basis for the recommendation will be documented in a Financial Plan.

(c) Specify whether introducers will be employed in the course of the applicant's business in providing FAS.

Yes No

If the answer is "Yes", please indicate whether the introducers are in-house staff or external parties.

- In-house staff
- External parties (other financial institutions)
- External parties (non-financial institutions)
 - Accounting/law/consulting
 - Call centres
 - Members of the public
 - Others, please specify _____

4.7 Describe the remuneration structure for representatives of the applicant.

- Representatives are salaried
- Representatives are remunerated based on commission, performance bonus or any other form of remuneration which is based on sales volume generated
- Representatives are remunerated based on fee income which is not based on sales volume generated but on other factors such as performance of clients' portfolio, amount of assets under advice and/or quality of financial advice given to clients
- Others, please describe _____

4.8 Indicate whether the applicant will be operating a tier structure where overriding benefits are payable to the supervisor of a representative.

Yes No

If the answer is "Yes", please indicate the number of tiers _____
and the limit on span of control (i.e. number of supervisors to number of representatives)

4.9 Furnish a complete list of any other business activities carried out by the applicant.

To complement its holistic approach to financial planning, SPL will also offer tax planning services.

Staffing Projections

4.10 Provide staffing projections for a period of 3 years in the format provided below :

	Year 1	Year 2	Year 3
Individuals providing FAS	2	4	8
Support staff	1	1	2

Systems and Processes

4.11 Answer the following questions on the applicant’s key internal control procedures.

(a) Who will carry out the compliance function for the applicant’s business in providing FAS?

Name: *Mr. B*

Designation: *Compliance Officer*

- In-house staff
- External parties, please specify _____

Experience in compliance with regard to the requirements under the Financial Advisers Act (Cap. 110) (“the Act”):

Mr. B has been in charge of FAA compliance matters for an insurance company for the past 3 years. Prior to that Mr. B was a FA representative.

(b) Please indicate (where applicable) the procedures which will be put in place by the applicant in the event that it is licensed to carry on business in providing FAS.

- Advisory and sales process
- Recruitment of representatives that meet the Guidelines on Fit and Proper Criteria
- Training and competency
- Supervision and monitoring of representatives’ activities
- Complaints handling
- Anti-money laundering and countering the financing of terrorism
- Others, please specify _____

4.12 Describe areas of potential conflicts of interest that may arise in the provision of FAS by the applicant and explain in detail how such conflicts will be resolved or mitigated.

SECTION 5: INFORMATION ON DIRECTORS AND KEY OFFICERS

5.1 Provide a list of all director(s) of the applicant as follows:

Name of Director	Executive / Non-Executive	Date of Appointment
<i>Mr. A</i>	<i>Executive</i>	<i>30/11/06</i>
<i>Mr. B</i>	<i>Executive</i>	<i>30/11/06</i>

5.2 State whether the CEO:

(a) is employed on a full-time basis by the applicant

Yes No

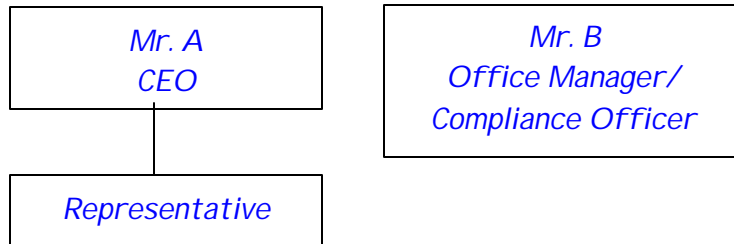
If the answer is "No", please explain. _____

(b) is based in Singapore

Yes No

If the answer is "No", please explain. _____

5.3 Provide an organisation chart detailing names of persons responsible for key aspects of the applicant's business.



SECTION 6: FIT AND PROPER CRITERIA

If the answer to any of the following questions is in the affirmative, attach annexes and supporting documents, where appropriate, to provide all relevant particulars. If there is any doubt with respect to any part of this section, please provide all relevant information to demonstrate that the applicant and its shareholders are considered to be fit and proper persons.

Honesty, Integrity and Reputation

6.1 Within the past 10 years, has the applicant or any of its shareholders (where the shareholder is a corporation holding 5% or more of the total number of voting shares)

	Yes	No
(a) been licensed, registered or approved under any law in any jurisdiction which requires licensing, registration or approval in relation to any regulated activity?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(b) been licensed, registered, or otherwise authorised by law to carry on any trade, business (including sole proprietorships and partnerships) or profession (including accountancy, engineering, law and architecture) in any jurisdiction?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(c) been a shareholder of any corporation which holds membership of any class or description of any operator of a market or clearing facility in any jurisdiction?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(d) carried on business under any name other than the name stated in this application in any jurisdiction?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(e) been refused the right or restricted in its right to carry on any trade, business or profession for which a specific licence, registration or other authorisation is required by law in any jurisdiction?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(f) been issued a prohibition order under any Act administered by the Authority or been prohibited from operating in any jurisdiction by any financial services regulatory authority?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(g) been censured, disciplined, suspended or refused membership or registration by the Authority, any other regulatory authority, an operator of a market or clearing facility, any professional body or government agency, whether in Singapore or elsewhere?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(h) been the subject of any investigations or disciplinary proceedings or been issued a warning or reprimand by the Authority, any other regulatory authority, an operator of a market or clearing facility, any professional body or government agency, whether in Singapore or elsewhere?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(i) been the subject of any proceedings of a disciplinary or criminal nature or been notified of any potential proceedings or of any investigation which might lead to those proceedings, under any law in any jurisdiction?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

(j)	been convicted of any offence, served any term of imprisonment or is being subject to any pending proceedings which may lead to a conviction of any offence, under any law in any jurisdiction?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(k)	had any civil penalty enforcement action taken against it by the Authority or any other regulatory authority under any law in any jurisdiction?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(l)	contravened or abetted another person in breach of any laws or regulations, business rules or codes of conduct, whether in Singapore or elsewhere?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(m)	been the subject of any complaint made reasonably and in good faith, relating to activities that are regulated by the Authority or under any law in any jurisdiction?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(n)	been refused a fidelity or surety bond, whether in Singapore or elsewhere?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6.2	Has the applicant or any of its shareholders (where the shareholder is a corporation holding 5% or more of the total number of voting shares)		
		Yes	No
(a)	had any judgment (in particular, that associated with a finding of fraud, misrepresentation or dishonesty) entered against it in any civil proceedings or is a party to any pending proceedings which may lead to such a judgment, under any law in any jurisdiction?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(b)	accepted civil liability for fraud, misrepresentation or dishonesty under any law in any jurisdiction?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	<u>Financial Soundness</u>		
6.3	Within the past 10 years, has the applicant or any of its shareholders (where the shareholder is a corporation holding 5% or more of the total number of voting shares)		
		Yes	No
(a)	been or is unable to fulfill any of its financial obligations, whether in Singapore or elsewhere?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(b)	entered into a compromise or scheme of arrangement with its creditors, or made an assignment for the benefit of its creditors, being a compromise, scheme of arrangement or assignment that is still in operation, whether in Singapore or elsewhere?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(c)	been or is subject to a judgment debt which is unsatisfied, either in whole or in part, whether in Singapore or elsewhere?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(d)	been or is the subject of a winding up petition, whether in Singapore or elsewhere?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(e)	been dissolved or is in the course of being wound-up, whether in Singapore or elsewhere?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- (f) been or is a corporation where a receiver, receiver and manager, judicial manager, or such other person having the powers and duties of a receiver, receiver and manager, or judicial manager, has been appointed, in relation to, or in respect of any of its property, whether in Singapore or elsewhere?
- (g) been or is subject to any other process outside Singapore that is similar to those referred to in (d) to (f)?

SECTION 7: MISCELLANEOUS

Set out any additional information that is relevant or material to this application.

SECTION 8: DECLARATION

8.1 We are aware that section 17 of the Act provides as follows:

“ANY PERSON WHO, IN CONNECTION WITH AN APPLICATION FOR THE GRANT, RENEWAL OR VARIATION OF A LICENCE –

(A) WITHOUT REASONABLE EXCUSE, MAKES ANY STATEMENT WHICH IS FALSE OR MISLEADING IN A MATERIAL PARTICULAR;
OR

(B) WITHOUT REASONABLE EXCUSE, OMITTS TO STATE ANY MATTER OR THING WITHOUT WHICH THE APPLICATION IS MISLEADING IN A MATERIAL RESPECT,

SHALL BE GUILTY OF AN OFFENCE AND SHALL BE LIABLE ON CONVICTION TO A FINE NOT EXCEEDING \$50,000.”

8.2 We are aware that under section 9(1) of the Act, the Authority may refuse the application for a financial adviser’s licence if the applicant fails to satisfy the Authority that the applicant (including its officers, employees and substantial shareholders) are fit and proper persons.

8.3 We have read the Guidelines on Fit and Proper Criteria (“the Guidelines”) issued by the Authority and in submitting this form, we are satisfied that the applicant (including its officers, employees and substantial shareholders) are fit and proper persons based on the criteria stated in the Guidelines.

8.4 We declare that all information given in this application and in the attached annex(es) (if any) is true and correct.

Signature

Mr. A

Name of Director

15/12/06

Date

(DD/MM/YY)

Signature

Mr. B

Name of Director/Secretary*

15/12/06

Date

(DD/MM/YY)

SECTION 9: CONTACT

9.1 Name and designation of contact person to whom queries on the application can be directed.

Name: *Mr. A*

Designation: *Chief Executive Officer*

9.2 Other contact details, if different from that provided in 2.4.

Telephone no.: _____

Fax no.: _____

E-mail address: _____