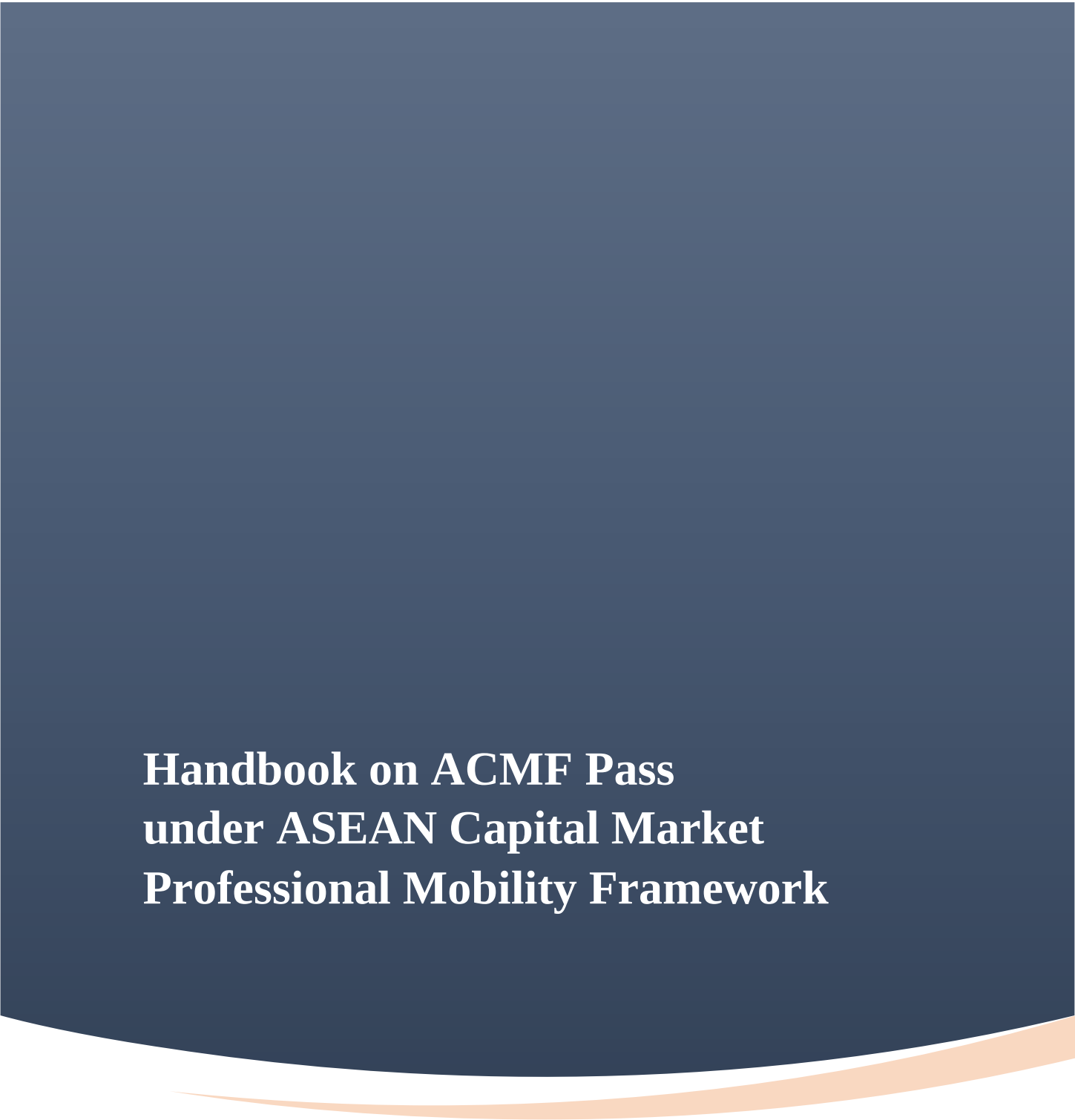




Handbook on ACMF Pass under ASEAN Capital Market Professional Mobility Framework

January 2019

Contents

1. Introduction	3
2. Definition	4
3. Guidance on ACMF Pass Framework	
3.1 ACMF Pass overview	5
3.2 Permitted activities	6
3.3 Application process	9
3.4 On-going obligation	9
3.5 Monitoring, supervisory and enforcement mechanism	11
3.6 National regulations regarding the approval process, and other requirements	12
 Appendix 1:	
Recognised ACMF member countries for ACMF Pass framework	13
Appendix 2: National regulations	
Information on the laws and regulations relevant to performance of duty as Recognised Representative in each Host Jurisdiction	14

1. Introduction

1.1 Background

Mobility of capital market professionals is one of the Key Priorities of the ASEAN Capital Markets Forum ("ACMF") Action Plan 2016 – 2020 endorsed by the ASEAN Finance Ministers in April 2016, in order to contribute towards greater capital markets integration. The ACMF supports greater cooperation in facilitating mobility of ASEAN capital market professionals to allow investors to have easy access to information and service on cross-border products.

Accordingly, the 28th ACMF meeting on March 19, 2018 in Danang, Vietnam, endorsed the ACMF **Professional Mobility Framework ("Framework")** which facilitates greater mobility of Professionals undertaking the activity of investment advice from Home Jurisdiction to Host Jurisdiction within ASEAN region. A significant measure set out in this framework is providing **"ACMF Pass"** which allows for fast track approval from Host Regulator. To contribute collaboration and cooperation amongst ACMF members, the Securities and Exchange Commission Thailand, the Securities Commission Malaysia, the Monetary Authority of Singapore and the Philippines Securities and Exchange Commission have signed a Memorandum of Understanding on the ACMF Pass under ASEAN Capital Market Professional Mobility Framework ("MOU") on October 11, 2018. The framework will be effective from January 1, 2019.

1.2 Purpose of handbook

Professional Mobility is a new initiative for ASEAN capital market. This handbook aims to provide better understanding in connection with the implementation of the ACMF Pass framework. In addition, it provides operational guidance for foreign Professionals and related firms on how to obtain ACMF Pass and carry out investment advice which are permitted activities under the MOU in Host Jurisdiction.

This handbook set out the guidance on ACMF Pass by:

1.2.1 Explaining the scope of permitted activities.

1.2.2 Describing the process for foreign Professionals to obtain ACMF Pass approval from the Host Regulator.

1.2.3 Explaining the on-going obligations imposed on the foreign Professionals who have been granted ACMF Pass. In this regard, they are referred to as "Recognised Representative" as defined in section 2 herein below.

1.2.4 Explaining the monitoring, supervisory and enforcement mechanism on foreign Professionals who are regulated by more than one regulator and the impact of enforcement actions on foreign Professionals undertaken by one regulator to the other regulator (s) in ASEAN.

2. Definition

The following terms shall have the following meanings, unless the context otherwise requires:

“ACMF member”	means the securities regulator of the respective ASEAN jurisdiction, collectively referred to as the “ACMF members”;
“ACMF Pass”	means the authorisation by a Host Regulator to allow a Professional from the Home Jurisdiction to perform activities under the Framework in Host Jurisdiction;
“Home Jurisdiction”	means the jurisdiction of the Recognised ACMF Member in which a Professional is licensed or registered or approved or authorised;
“Host Jurisdiction”	means the jurisdiction (other than the Home Jurisdiction) of a Recognised ACMF Member in which a Recognised Representative performs the activities specified in the Framework in that jurisdiction;
“Home Regulator”	means the Recognised ACMF Member whose jurisdiction is the Home Jurisdiction of the Professional;
“Host Regulator”	means the Recognised ACMF Member whose jurisdiction is the Host Jurisdiction of the Recognised Representative;
“Laws and Regulations”	means any law, regulation or regulatory requirement applicable in the jurisdiction of a Recognised ACMF Member, and where the context permits include any rule, direction, requirement, or policy made or given by or to be taken into account by the Recognised ACMF Member in its jurisdiction;
“Licensed Firm”	means any legal person authorised to undertake the business related to dealing in and giving advice on the capital market products under the Laws and Regulations of the Recognised ACMF member;
“Professional”	means a person who is licensed or registered or approved or authorised by a Recognised ACMF member to perform, including but not limited to, the activities specified in the Framework in its jurisdiction;
“Recognised ACMF member”	means the ACMF member who is listed in the Appendix 1 in accordance with the requirements and procedures under the Memorandum of Understanding (“MOU”) on the ACMF Pass under ASEAN Capital Market Professional Mobility Framework; and
“Recognised Representative”	means a Professional who has obtained an ACMF Pass

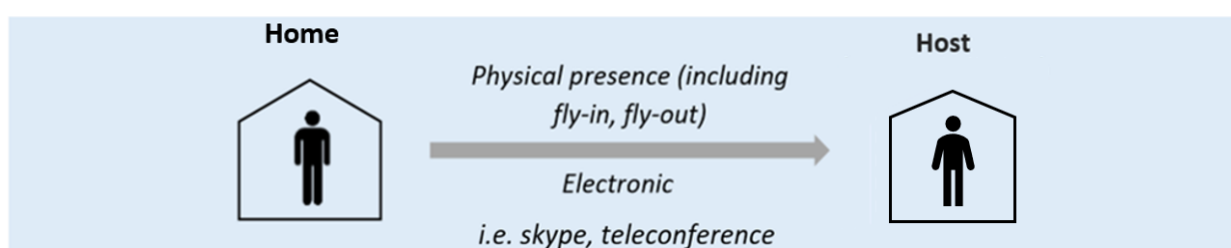
3. Guidance on ACMF Pass Framework

3.1 ACMF Pass overview:

The objective of the ACMF Pass is to facilitate mobility of Professionals in carrying out investment advice activities among ASEAN countries. With the ACMF Pass, investors will have access to information and advice from Professionals with the expertise on capital market products specified in the framework.

The term of “ACMF Pass” as defined under Section 2 is applicable only to the permitted activities under the MOU. It is not intended nor is it meant to be construed as a permission to work or stay under the applicable laws of the Host Jurisdiction.

In addition, ACMF Pass is country specific. A foreign Professional needs to apply for an ACMF Pass from each Host Jurisdiction he/she wishes to undertake any of the activities specified in the framework.



The implementation of ACMF Pass measure is in accordance with the requirements under (1) the MOU, (2) this guidance as in section 3 and (3) any applicable regulations regarding ACMF Pass in each Host Jurisdiction.

Reciprocity arrangement is applicable under this measure. Therefore, the Framework is adopted among the Recognised ACMF member countries, who are listed in Appendix 1, on the condition that they participate in the Framework and become a signatory to the MOU.

Example 1

- Country A and Country B are Recognised ACMF member countries under the ACMF Pass Framework. If a Professional from country A has obtained the ACMF Pass from regulator in country B, such permission is limited to only undertaking the permitted activities of investment advice in country B.
- For country C which is not a Recognised ACMF member, the Professional from country C cannot apply to obtain ACMF Pass either in country A or country B.

This guidance as in section 3 set out the administrative procedures and explains how investment advice, which is a permitted activity under the MOU, should be provided in Host Jurisdiction as follows;

3.2 Permitted activities

3.2.1 Products and Scope of activities

- (1) Under the MOU, the capital market products are limited to the following:
- (i) shares;
 - (ii) bonds; and
 - (iii) units of collective investment scheme including units of real estate investment trust and units of infrastructure trust.

Explanatory text

- The coverage of products in item 3.2.1(1) will be limited to specific securities which do not have complex characteristics¹ from 10 ASEAN jurisdictions. The Framework recognized the Recognised Representative has acceptable knowledge on such products including valuation and investment analysis. Therefore, he/she should be qualified to issue research report and/or give advice concerning such securities not only on Home Jurisdiction products but also can perform such activities on securities from other ASEAN jurisdictions.
- This Framework does not cover the activity of providing research report and/or investment advice on about-to-be listed securities such as Initial Public Offering (IPO). In this regard, the shares must be listed in the stock exchange in ASEAN jurisdiction.

Example 2

Mr. A is a professional from Country A (Home Jurisdiction) who possesses ACMF Pass as Recognised Representative from country B (Host Jurisdiction). To perform duty in country B, he can issue the research report and/or give advice on securities from all ASEAN countries which are country A, B, C, D, E, F, G, H, I, J.

- (2) The Recognised Representative will be permitted to perform the following activities in the Host Jurisdiction:

- (i) issuing or promulgating research analysis or research reports concerning the capital market products as set out in item 3.2.1(1) that are solely incidental to the giving of general investment advice set out under sub-paragraph (ii); and
- (ii) giving general investment advice to both retail and non-retail investors concerning the capital market products set out in item 3.2.1(1).

¹The product contains specific features that are complex and are likely to be difficult for investors to understand and to assess the product's potential performance and risks (e.g. hedge funds, hybrid securities, structured products, investment units of a mutual fund of which the returns calculation is made in a complicated way (complex return fund), managed funds with complex non-standard or non-linear payoffs).

(3) The Recognised Representative will not be permitted to perform the following activities in the Host Jurisdiction:

- (i) giving advice to investors by considering investor's investment objective, financial situation and particular needs; and
- (ii) soliciting for sales of the capital market products set out in item 3.2.1(1).

Explanatory text

○ Generally, type of Professionals carrying out the investment advice activity under this framework will be:

(1) Investment advisor or research analyst; or

(2) Broker-Dealer representative providing general investment advice.

(3) Fund management professional who has significant role in making decision on investment for the fund is permitted to provide general advice on fund as well.

○ The Recognized Representative is permitted to provide ASEAN product knowledge for local investors. Giving specific financial advice to investors involving consideration on investor's investment objective, financial situation and particular needs, as well as the solicitation and selling of capital market products may be performed by local Professionals under attached Licensed Firm in the Host Jurisdiction.

○ Scope of permitted activities and type of Professional that a Professional can apply in Host Jurisdiction are subject to the similar scope as licensed or registered or approved or authorised by Home Regulator.

Example 3

Type of Professional in Home Jurisdiction	Activities in Host Jurisdiction	
	(a) Issue or promulgate research analysis or research reports	(b) Give advice to others concerning capital market products
Investment advisor & Research analyst	✓	✓
Broker – Dealer representative (such as sales person)	✗	✓
Fund manager	✗	✓

Mr. A is a research analyst who is licensed, registered, approved or authorised to perform both activity (a) and (b) in Home Jurisdiction. He can apply to be Recognised Representative to perform both activity (a) and (b) in Host Jurisdiction.

Mr. B is a sales person in a brokerage firm who is licensed, registered, approved or authorised to perform activity (b) in Home Jurisdiction based on research reports issued by research analyst. He can apply to be Recognised Representative to perform only activity (b) in Host Jurisdiction.

Mr. C is a fund manager in Home Jurisdiction who is licensed, registered, approved or authorised to perform activity (b) in respect of CIS. He can apply to be Recognised Representative to give advice on CIS in Host Jurisdiction.

(4) The Recognised Representative's performance of the activities as provided in item 3.2.1(2) can be through physical presence and electronic means.

Explanatory text

o The Recognised Representative can have multiple entries including fly-in, fly-out to the Host Jurisdiction. Furthermore, under the current cross border activities, it is possible that Recognised Representative may extend the services to other countries without physical movement i.e. sending the digital file of advice or other digital arrangements such as skype, teleconference etc.

3.2.2 Condition for the Recognised Representative when servicing investors

(1) For servicing retail investors:

(a) A Recognised Representative must be attached to a Licensed Firm in the Host Jurisdiction. In view of paragraph 3.2.2(1)(a), a Recognized Representative:

(i) is not required to be a full-time employee of the Licensed Firm;

(ii) is not required to be attached to a Licensed firm in the Host Jurisdiction which is related to any Licensed Firm in the Home Jurisdiction; and

(iii) may change his attachment from One Licensed Firm to another Licensed Firm(s) in the Host Jurisdiction during the validity period of his ACMF Pass.

(b) a Recognised Representative may be attached to more than one Licensed Firm at the same time; the attached Licensed Firm is obliged to monitor the conduct of the Recognised Representative and ensure that he complies with the Host Jurisdiction's Laws and Regulations when performing activities under the Framework in the Host Jurisdiction.

(2) Where a Recognised Representative intends to perform the activities under the Framework solely for non-retail investors, the acceptable arrangements within which the Recognised Representative would be attached to the Licensed Firm will be determined by each Recognised ACMF member as appropriate and will depend on the Laws and Regulations of the Host Jurisdiction.

3.3 Application process

3.3.1 Entry requirement to be Recognised Representative

In order to provide permitted activities under this Framework in any Recognised ACMF member countries set out in Appendix 1,

(1) A Professional is eligible to obtain the ACMF Pass and become a Recognised Representative provided that the Professional is licensed or registered or approved or authorised by the Home Regulator to perform the same set of regulated activities in Home jurisdiction.

(2) A Professional who intends to obtain the ACMF Pass, is required to apply via the attached Licensed Firm in the Host Jurisdiction and fulfill the requirements as prescribed by the Host Regulator.

He/she is not required to take local examination concerning Laws and Regulations related to the activities under the Framework in the Host Jurisdiction.

3.3.2 Role of attached Licensed Firm in the Host Jurisdiction

The attached Licensed Firm must conduct proper due diligence of the Professional to ensure that he/she has satisfied the entry requirements as prescribed by the Host Regulator.

3.3.3 Validity of ACMF Pass

(1) The validity of ACMF Pass will be for a period of 2 years (unless it lapses or is cancelled prior to the expiry of this period) and each Recognised Representative will be permitted to perform the activities under the Framework in a Host Jurisdiction for the duration of its validity.

(2) The Host Regulator has the discretion to determine if the ACMF Pass would be renewed at the end of the 2-year period provided in item 3.3.3(1) above, as long as the discretion is exercised in furtherance of the objective to facilitate the continuous mobility of the existing Recognised Representative.

3.3.4 Procedure for obtaining ACMF Pass

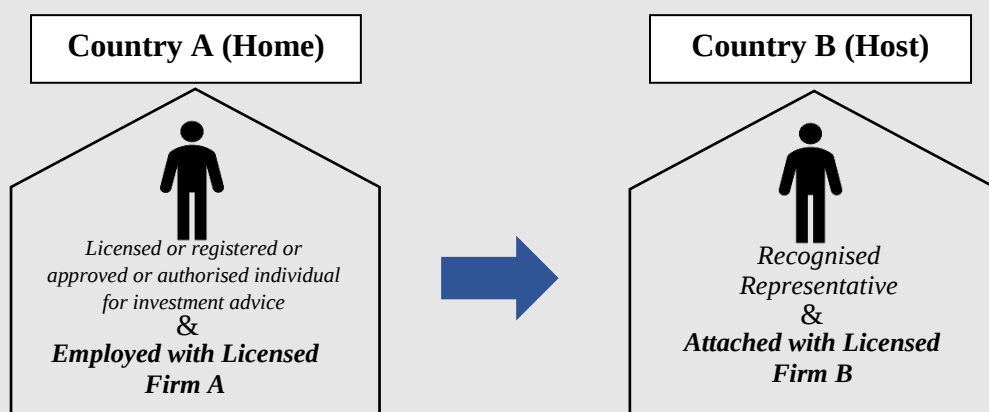
The procedure for obtaining ACMF Pass, including its renewal, is subject to the Laws and Regulations of the Host Jurisdiction as prescribed in Appendix 2.

3.4 On-going obligation

3.4.1 Conditions to perform duty in Host Jurisdiction

(1) The Recognised Representatives must be attached with the Licensed Firm in both Home Jurisdiction and Host Jurisdiction when performing permitted activities in Host Jurisdiction.

Example 4



(2) The Recognised Representative is required to comply with the rules, regulations and any other applicable laws that may govern the activities specified in the Framework carried out by the Recognised Representative in the Host Jurisdiction.

3.4.2 Maintaining status of the Recognised Representative

(1) The Recognised Representative must remain licensed or registered or approved or authorised in Home Jurisdiction. By remaining licensed or registered or approved or authorised, the Recognised Representative is subject to the Laws and Regulations of the Home Jurisdiction, including any requirements for Continuing Professional Education (CPE).

(2) In the event the licence status in Home Jurisdiction becomes invalid, his ACMF Pass will be invalid as well.

Example 5

CPE requirement	
(a) Country A: Home Jurisdiction	(b) Country B: Host Jurisdiction
Research analyst must attend the specified training not less than 10 hours each year.	Research analyst must attend the specified training not less than 15 hours each year.

Mr. A is a research analyst registered with Home Regulator in country A (Home Jurisdiction). Mr. A is also approved to be a Recognised Representative in country B (Host Jurisdiction). He must comply with the CPE requirement in country A which required 10 hours each year according to (a). He is not required to acquire additional CPE requirement specified under Country B.

Example 6

From example 5, in case Mr. A breached the law in Country A and Home Regulator revoke his registration as a research analyst. Mr. A will no longer be eligible as a Recognised Representative in Country B.

3.4.3 Role of attached Licensed Firm in the Host Jurisdiction

(1) The attached Licensed Firm shall maintain the record of the appointment and the discontinuation of the Recognised Representative and make available such record to the Host Regulator as prescribed by the Host Regulator.

(2) The attached Licensed Firm must conduct proper due diligence to ensure that the Recognised Representative remain licensed or approved or authorised and work in Home Jurisdiction, be attached with Licensed Firm in Home Jurisdiction and certify that the Recognised Representative has satisfied the requirements as prescribed by the Host Regulator.

3.5 Monitoring, supervisory and enforcement mechanism

3.5.1 Notification of significant changes to Recognised Representative

The attached Licensed Firm in the Host Jurisdiction shall notify the Host Regulator and the Licensed Firm in the Home Jurisdiction immediately of any information or significant change considered to have an impact on the status of licensing or registration or approval or authorization of the Recognised Representative including, but not limited to these events:

(1) Where any of its Recognised Representative has committed any act that is detrimental to the interest of investors; or

(2) Where any of its Recognised Representative, where applicable, cease to be fit and proper; or

(3) Where any of its Recognised Representative, where applicable, fails or ceases to perform his function;

(4) Where any of its Recognised Representative does not comply with any of the requirements under the ACMF Pass Framework; and

(5) Where any of its Recognised Representative fails to comply with the Laws and Regulations in either the Home Jurisdiction or the Host Jurisdiction.

Upon receipt of such information, the Licensed Firm in the Home Jurisdiction shall notify the Home Regulator.

3.5.2 Enforcement against Professionals

When a Professional from Home Jurisdiction become a Recognised Representative in Host Jurisdiction, he is required to comply with rules, regulations and any other applicable law in Home and Host Jurisdiction. In this case,

(1) Enforcement action will be taken by the Home Regulator for contravention of the Laws and Regulations in the Home Jurisdiction.

(2) Enforcement action will be taken by the Host Regulator for any matters relating to the Host Jurisdiction. If a Recognised Representative contravenes a Host Jurisdiction's Laws and Regulations, the Host Regulator will take enforcement action against the Recognised Representative with the assistance of the Home Regulator to the extent permissible under the Laws and Regulations of the Home Regulator.

In so far as the Host Regulator deems appropriate, the Host Regulator may take enforcement actions against any Licensed Firms in the Host Jurisdiction with Recognised Representatives attached for any contravention of the Host Jurisdiction's Laws and Regulations by the attached Recognised Representative.

(3) Where a Recognised Representative contravenes any Laws and Regulations in both the Home Jurisdiction and the Host Jurisdiction, the Home Regulator and the Host Regulator may consult each other for the purpose of cooperation and assistance in taking action.

Explanatory text

○ In the event of any breach of the Home Jurisdiction's Laws and Regulations such that the licensing or registration or authorization with the Home Regulator is revoked, the approval as a Recognised Representative in the Host Jurisdiction will be revoked.

○ In the event the licensing or registration or authorization as a Recognised Representative with the Host Regulator is revoked while the licensing or registration or authorization with the Home Regulator is still valid, the enforcement action by Home Regulator is subject to Home Jurisdiction's Laws and Regulations.

3.6 National regulations regarding the approval process, and other requirements

Differences in the Laws and Regulations in the participating countries

When the Professionals intend to extend their investment advice service and become a Recognised Representative in Host Jurisdiction, the Recognised Representative must comply with the applicable Laws and Regulations of such country set out in Appendix 2.

Appendix 1: Recognised ACMF member countries for ACMF Pass framework

	<u>Country</u>	<u>ACMF member</u>
1	Thailand	The Securities and Exchange Commission (SEC)
2	Malaysia	The Securities Commission Malaysia (SC)
3	Singapore	The Monetary Authority of Singapore (MAS)
4	Philippines	The Philippines Securities and Exchange Commission (PSEC)

Appendix 2: National regulations

Information on the laws and regulations relevant to performing duty
as Recognised Representative in each Host Jurisdiction

Thailand

**Information on the laws and regulations relevant to performing duty
as Recognised Representative in Thailand**

A. How to apply for approval

(1) Type of related Professionals in Host Jurisdiction

A Professional who intend to obtain ACMF Pass in Thailand (“Applicant”) must apply to be personnel in the capital market business in the following categories;

1. **ASEAN investment analyst** who is a person eligible to analyze investment and give consultation without considering the appropriateness of investment, the objective of investment, the financial position or the demand of any specific person, and without solicitation of investment in any of the prescribed capital market products. Or

2. **ASEAN investment consultant** who is a person providing general consultation to investors related to any of the prescribed capital market products without solicitation for investment.

The scope of capital market products are as follow;

(i) shares listed on an ASEAN stock exchange;

(ii) investment units without high-risk or complex characteristics issued and offered for sale in an ASEAN country;

(iii) debt instruments without high-risk or complex characteristics issued and offered for sale in an ASEAN country.

(2) Eligibility criteria

1. The Professional is licensed or registered or approved or authorised by the regulator in the Recognised ASEAN jurisdiction* for undertaking the duty as an ASEAN Investment Analyst or ASEAN Investment Consultant, subject to the type of personnel he/she wish to perform.

2. The Professional shall be person who does not possess the prohibited characteristics as prescribed in section C.

* Such regulators are signatory members of the Memorandum of Understanding on ACMF Pass under the ASEAN Capital Market Professional Mobility Framework.

(3) Method for submitting applications

Hosting licensed firm in Thailand must ensure that the applicant is qualify and have no prohibited characteristics and submit the application form including supporting documents via the electronic system as provided by the SEC office.

In case the hosting licensed firm cannot file the application via such system, hard copies of application form and supporting documents can be submitted in person at the SEC Office.

(4) Place and time for submitting the application

1. If submitting via electronic version : Hosting Licensed Firm shall submit at Online Registration and Approval system (ORAP)

<http://market.sec.or.th/public/orap/orap01.aspx?lang=th>

Office hours for submitting the applications is as follows:

Monday to Friday (business days) from 8.30 – 3.00 p.m.

2. If submitting in person: Hard copies of applications and all supporting documents shall be submitted to the Document Center on the Ground floor of the SEC Office and shall be address to:

Secretary – General

The Office of the Securities and Exchange Commission of Thailand

333/3 Vibhavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900, Thailand

Office hours for submitting the applications is as follows:

Monday to Friday (business days) from 8.30 – 4.30 p.m.

(5) Supporting documents

1. Copy of the applicant's valid passport.
2. Other documents which is useful for consideration (if any).

(6) Language of documents submitted by hosting licensed firm

Application form shall be completed in Thai language.

The applicant is required to provide the information such as passport No., nationality, type of license from home jurisdiction, name of home regulator, name of foreign licensed firm in home jurisdiction and certification that the person does not possess the prohibited characteristics as prescribed in section C.

(7) Procedure and Period of approval

When the SEC Office receives the completed application form and supporting documents, the SEC Office will inform result of approval within 5 business days via E-mail. In addition, the applicant and hosting licensed firm can check this result from ORAP system or License Check system at www.sec.or.th

(8) Application fee

The application fee is waived.

(9) Notification for commence and stop the activities

Hosting licensed firm in Thailand shall report the appointment and the discontinuation of the ASEAN investment analyst and ASEAN investment consultation to the SEC Office through a system prepared on the website of the SEC Office within 7 business days as from the occurrence of such circumstance.

(10) Validity period

The approval shall last for 2 calendar years, in which case the first application for approval shall take effect as of the date when an approval is granted, but the 2-year period shall begin as from the 1st day of January of the following year.

(11) Related regulations

Notification of the Capital Market Supervisory Board No. TorLorThor. 8/2557
Re: Rules on Personnel in the Capital Market Business.

B. Renewal of approval (After first two (2) years under framework)

(12) Renewal of approval criteria

ASEAN investment analyst / ASEAN investment consultant will be able to request for the renewal of approval as long as he/she remain licensed or registered or authorized in home jurisdiction for activities that he/she is carrying out in the host jurisdiction.

(13) Validity period

2 calendar years.

(14) Method for submitting renewal

1. Hosting licensed firm in Thailand or ASEAN investment analyst/ASEAN investment consultant shall

- (i) submit the application form via the electronic system as provided by the SEC office. In case the application form cannot be filed via such system, hard copies of application form can be submitted in person at the SEC Office.
- (ii) ensure that the ASEAN investment analyst / ASEAN investment consultant is qualify and have no prohibited characteristics.

2. The application for renewal of approval of ASEAN investment analyst / ASEAN investment consultant shall be submitted as from 1 September to 15 December of the year when the approval comes to an end.

(15) Place and Time for submitting renewal

1. If submitting via electronic version: Hosting licensed firm or ASEAN investment analyst / ASEAN investment consultant shall be submitted at Online Registration and Approval system (ORAP)

<http://market.sec.or.th/public/orap/orap01.aspx?lang=th>

Office hours for submitting the applications is as follows :

Monday to Friday (business days) from 8.30 – 3.00 p.m.

2. If submitting in person : Hard copies of applications and all supporting documents (if any) shall be submitted to the Document Center on the Ground floor of the SEC Office and shall be address to :

Secretary – General

The Office of the Securities and Exchange Commission of Thailand

333/3 Vibhavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900, Thailand

Office hours for submitting the applications is as follows :

Monday to Friday (business days) from 8.30 – 4.30 p.m.

(16) Supporting documents

-

(17) Language of documents

Application form shall be completed in Thai or English language.

(18) Procedure and Period of approval

When the SEC Office receives the completed application form, SEC Office will inform result of approval within 5 business days via E-mail. In addition, the applicant and hosting licensed firm can check this result from ORAP system or License Check system at www.sec.or.th

(19) Renewal fee

The application renewal fee is waived.

(20) Related regulations

Notification of the Capital Market Supervisory Board No. TorLorThor. 8/2557
Re: Rules on Personnel in the Capital Market Business.

C. Fit and Proper / Prohibited Characteristics of professional

(21) Criteria and related requirement

Related regulations : Clause 28,29,30,31 of Notification [No. TorLorThor. 8/2557](#)

Clause 28 : Personnel in the capital market business shall not possess the following prohibited characteristics:

(1) having deficiency in legal competency, being subject to legal action under the law governing supervision of capital market, or lacking trustworthiness as specified as prohibited characteristic in **Group 1** under Clause 29;

(2) having a record of being punished or legally proceeding against for management in the manner of deceit, fraud or dishonesty relating to offences against property as specified as prohibited characteristic in **Group 2** under Clause 30;

(3) having a reasonable ground to believe that there is a materially inappropriate demeanor affecting clients, investors, the company, shareholders as a whole, money market or capital market on a whole as specified as prohibited characteristic in **Group 3** under Clause 31

Clause 29 : The following matters shall be deemed prohibited characteristics in **Group 1**:

(1) being under receivership by court order or being a bankrupt;

(2) being an incompetent or quasi-incompetent person;

(3) those persons whom [i] being accused by the SEC Office or being prosecuted as a result of such accusation or [ii] imprisoned by the final judgment of a court regarding the following offences regardless of whether the infliction of punishment has been suspended, and having been acquitted of the imprisonment or discharged of the probation for less than 3 years:

(a) the offences under section 289 in conjunction with section 90 (specifically those having characteristics within the scope of public fraud) or section 306 to section 315 of the Securities and Exchange Act B.E. 2535 (1992);

(b) the offences under section 92 to section 100, section 125 in conjunction with section 16 (specifically those having characteristics within the scope of public fraud) or section 145 to section 150 of the Derivatives Act B.E. 2546 (2003);

(c) the offences under section 85 to section 90 or section 77 in conjunction with section 54 of the Trust for Transactions in Capital Market Act B.E. 2550 (2007);

(4) being a person whose name the SEC Office has been rejected to put in or has been withdrawn from the database as for directors and executives of securities issuing companies as a result of lacking trustworthiness for being director and executive of the companies thereof, as prescribed by the Notification of the Securities and Exchange Commission concerning Determination regarding Characteristics of Lacking Trustworthiness relevant to Directors and Executives of Companies.

Clause 30 : The following matters shall be deemed prohibited characteristics in **Group 2**:

(1) the persons whom a court have final judgment to be imprisoned for public offences on the ground resulting from management in the manner of deceit, fraud or dishonesty relating to offences against property regardless of whether the infliction of punishment has been suspended, and having been acquitted of the imprisonment or discharged of the probation for less than 3 years;

(2) being a person whose properties have been forfeited by the court's final judgment to vest in the State under the Law on Counter Corruption, the Law on Anti-Money Laundering or other laws in a similar manner, and having been acquitted for less than three years as from the date when the court has sentenced thereof;

(3) the persons whom could not be directors, managers, persons with authority to manage an advisor of financial institution, or personnel with duty to provide advice on financial services, manage or receive clients' capital. This is because such persons have prohibited characteristics under the law concerning financial institution regulation regardless of whether it is a Thai or foreign law. In addition, it shall also be during the period when such persons cannot be in position or perform such duties. In this respect, the prohibited characteristics shall be relevant to one of the following aspects:

(a) performing duty dishonestly or acting in the manner of dishonesty, deceit or fraud relating to offences against property;

(b) having inappropriate management or not complying with law or orders of lead regulator;

(c) acting against the law or to gain an unfair advantage;

(4) being a person under the following conditions:

(a) being imposed a civil penalty by Civil Penalty Committee or being ordered or judged a civil penalty by court to prohibit the persons from being directors or executives in securities issuing company or securities company, or his obtaining approval has been suspended or revoked by the SEC Office, or he possesses a characteristic which causes the approval terminated, or he has been being proceeded regarding another matter in a similar manner which causes inability to perform duty as personnel in capital market business or as a director of the derivatives exchange or the derivatives clearing house;

(b) the ground of occurrence under sub clause (a) as a result of performing function in a position which impacts on the suitability for performing function in the position under consideration;

(c) the ground of occurrence under sub clause (a) being commission of offence under the Securities and Exchange Act B.E. 2535 (1992) or the Derivatives Act B.E. 2546 (2003), and the Notifications issued by virtue of such laws regarding management in the manner of deceit, fraud, dishonesty relating to offence against property, or lacking due care, loyalty or practice on code of conduct as a professional.

Clause 31 : In case there is a reasonable ground to believe that the following demeanors are committed, it shall be deemed that such demeanors are prohibited characteristics in **Group 3:**

(1) having a reasonable ground to believe that there is or was [i] a misconduct against duty or service with reference to loyalty and fairness, [ii] lack of responsibility or deliberation, [iii] exploitation of investors or lack loyalty or practice on code of conduct as a professional specified by the SEC Office, associations, or agencies related to capital market approved by the SEC Office, or [iiii] a collusion or supporting such demeanors of other persons;

(2) having a reasonable ground to believe that there is or was a demeanor of negligent act relating to reasonable supervision to prevent juristic person or business under one's management or to prevent staffs under one's supervision (if any) from doing or omitting to do any act in violation or contradiction of the Securities and Exchange Act B.E. 2535 (1992), the Derivatives Act B.E. 2546, the Trust for Transactions in Capital Market B.E. 2550 (2007) or the Notifications issued by virtue of such laws, which may cause untrustworthiness of securities business, derivatives business or trust business as a whole, or injury of business reputation, financial status, business operation or its clients;

(3) having a reasonable ground to believe that there is or was [i] a lack of loyalty or practice on code of conduct affecting the reliability of personnel in the capital market business in a significant manner or [ii] a collusion or supporting such demeanors of other persons, for example, seeking or exploiting any benefit for oneself, securities companies or other persons by virtue of own position or committing a fraud in an examination.

(22) Effect of possessing of prohibited characteristics / fail to comply fit and proper criteria

Related regulations: Clause 32, 33, 35 of Notification [No. TorLorThor. 8/2557](#)

Clause 32 : In case a person possessing the prohibited characteristics is an applicant for obtaining an approval as personnel in the capital market business, the SEC Office shall reject the application for obtaining the approval thereof.

Clause 33 : In case a person obtaining an approval from the SEC Office has possessed prohibited characteristics, the SEC Office shall proceed as follows:

(1) in case of prohibited characteristics in **Group 1** under Clause 29 or prohibited characteristics in **Group 2** under Clause 30 (1) to (2), the SEC Office shall revoke the approval;

(2) in case of prohibited characteristics in **Group 2** under Clause 30 (3) or (4), the SEC Office shall either suspend or revoke the approval based on the ground of possessing such prohibited characteristics;

(3) in case of prohibited characteristics in **Group 3** under Clause 31, the SEC Office may either suspend or revoke the approval as deemed suitable for such case.

Clause 35 : [i] In order to exercise power to reject an approval under Clause 32 and suspend or revoke an approval under Clause 33(2) or (3), or [ii] for the benefit of specifying condition or period under Clause 34(3), the SEC Office is empowered to perform one or many of the following acts for the replacement of or in conjunction with such power or specifying thereof, as the case may be:

(1) specifying a period or condition regarding [i] next application for approval or [ii] removal the person from the position additionally. In case of imposing specified period thereof, the period for each considered case shall not exceed 10 years;

(2) permitting the person to resume performing duties of personnel in the capital market business in the previous position without the requirement to submit an application for approval, in case of suspension order for a period not more than the period of approval;

(3) in case the demeanor, being within the scope of prohibited characteristics in Group 3 under Clause 31, is not severe or has occurred for more than 10 years up to the date when such fact appeared to the SEC Office, the SEC Office [i] may not consider such case as a ground for rejecting an approval, suspending or revoking an approval or removing from the position, or [ii] may disclose such inappropriate demeanor for the replacement of issuing order or removal thereof.

D. Notification of the significant changes to professional or breaches

(23) Criteria and related requirement

Related regulations: Clause 22 of Notification [No. TorLorThor. 8/2557](#)

Clause 22 An intermediary shall report the SEC Office in writing in case there is a certain fact appeared that the persons appointed or assigned to perform functions by the intermediary do not have the qualifications or possess the following prohibited characteristics within 7 business days as from the date when the intermediary becomes aware or should be aware of such fact:

(1) failing to have the qualifications or possessing the prohibited characteristics under Section 103 of the Securities and Exchange Act B.E. 2535 (1992) or Section 23 of the Derivatives Act B.E. 2546 (2003);

(2) possessing the prohibited characteristics in **Group 1** under Clause 29 or in **Group 2** under Clause 30, excluding the prohibited characteristics as a result of the execution of the SEC Office.

E. Sanction / Termination of approval

(24) Criteria and related requirement

Related regulations : Clause 18, 33, 35 of Notification [No. TorLorThor. 8/2557](#)

Related to clause 18, the approval of personnel in the capital market business shall be terminated upon occurrence of any of the following circumstances:

(1) when such persons no longer have the qualifications or possesses the prohibited characteristics. In case such persons possess the prohibited characteristics after an approval is granted, such approval shall be terminated in accordance with the rules as prescribed in Division 2 of Chapter 7 (Clause 32, 33, 35 of Notification [No. TorLorThor. 8/2557](#));

(2) when such persons who are personnel in the capital market business based on the qualifications of ASEAN investment consultant or ASEAN investment analyst, are no longer registered as investment consultant or investment analyst by the regulator of such persons or no longer approved by a signatory member of the Memorandum of Understanding on the ASEAN Capital Market Professional Mobility Framework.

(3) when such persons do not apply for a renewal of approval.

Clause 33 : In case a person obtaining an approval from the SEC Office to be personnel in the capital market business has possessed prohibited characteristics, the SEC Office shall proceed as follows:

(1) in case of prohibited characteristics in **Group 1** under Clause 29 or prohibited characteristics in **Group 2** under Clause 30 (1) to (2), the SEC Office shall revoke the approval;

(2) in case of prohibited characteristics in **Group 2** under Clause 30 (3) or (4), the SEC Office shall either suspend or revoke the approval based on the ground of possessing such prohibited characteristics;

(3) in case of prohibited characteristics in **Group 3** under Clause 31, the SEC Office may either suspend or revoke the approval as deemed suitable for such case.

Clause 35 : [i] In order to exercise power to reject an approval under Clause 32 and suspend or revoke an approval under Clause 33(2) or (3), or [ii] for the benefit of specifying condition or period under Clause 34(3), the SEC Office is empowered to perform one or many of the following acts for the replacement of or in conjunction with such power or specifying thereof, as the case may be:

(1) specifying a period or condition regarding [i] next application for approval or [ii] removal the person from the position additionally. In case of imposing specified period thereof, the period for each considered case shall not exceed 10 years;

(2) permitting the person to resume performing duties of personnel in the capital market business in the previous position without the requirement to submit an application for approval, in case of suspension order for a period not more than the period of approval;

(3) in case the demeanor, being within the scope of prohibited characteristics in Group 3 under Clause 31, is not severe or has occurred for more than 10 years up to the date when such fact appeared to the SEC Office, the SEC Office [i] may not consider such case as a ground for rejecting an approval, suspending or revoking an approval or removing from the position, or [ii] may disclose such inappropriate demeanor for the replacement of issuing order or removal thereof.

Malaysia

**Information on the laws and regulations relevant to performing duty
as Recognised Representative in Malaysia**

A. How to apply for approval

(1) Type of related Professionals in Host Jurisdiction

Recognised Representative must be registered with the Securities Commission Malaysia (“SC”) under subsection 76(2) of the Capital Markets and Services Act 2007 (“CMSA”).

(2) Eligibility criteria

Eligible Professional

An individual who is licensed or registered or approved or authorised by the Regulator in a Recognised ACMF member country to undertake, including but not limited to, the regulated activity specified in this Handbook.

Holder of Capital Markets Services Licence (“CMSL”)

A CMSL holder that submits an application to register an eligible professional as its Recognised Representative must demonstrate that it has the requisite policies, procedures and controls to monitor the activities and the conduct of its Recognised Representative.

An eligible professional from a Recognised ACMF member country, who undertakes capital market activities as specified in this Handbook in Malaysia, must be attached with a CMSL holder and registered with the SC under subsection 76(2) of the CMSA as a Recognised Representative.

(3) Method for submitting applications

1. An application for a registration of Recognised Representative must be made by the CMSL holder to which the Recognised Representative will be attached.
2. The CMSL holder must submit to the SC the relevant form, the documents specified in this Handbook.

(4) Place and time for submitting the application

The application must be addressed to–

The Chairman

Securities Commission Malaysia

3 Persiaran Bukit Kiara, Bukit Kiara

50490 Kuala Lumpur

(Attention: Authorisation and Licensing Department)

Submission of applications can be made on a business day in Malaysia between 9.00am to 5.00pm Malaysian time. Any submission received by the SC after 5.00pm will be deemed to be received on the following business day.

(5) Supporting documents

The CMSL holder must submit to the SC the relevant form and the documents specified below:

1. A copy of the applicant's recent coloured passport-sized photograph;
2. A copy of the applicant's valid passport;

Where necessary, the SC may require the applicant to furnish any other information or documents for the purposes of the application.

(6) Language of documents submitted by attached Licensed Firm

The SC accepts documents in English.

(7) Procedure and period of approval

Procedure:

1. All applications for appointment of Recognised Representative must be submitted by the CMSL holder that the Recognised Representative is attached with.
2. The CMSL holder must submit to the SC the relevant form, the documents specified in the SC's Licensing Handbook.
3. The CMSL holder may be required to furnish any other information or documents as may be required by the SC for the purposes of the application.

Processing Duration:

Application for appointment of Recognised Representative will be processed within 5 business days upon complete submission.

(8) Application fee

Nil

(9) Notification for commencement and cessation of permitted activities

Commencement of activities:

A CMSL holder must obtain approval from the SC for registration of a Recognised Representative before the eligible professional can commence conducting the regulated activities.

Cessation of activities:

Where a Recognised Representative ceases to act on behalf of a CMSL holder, the CMSL holder must submit the relevant form to the SC within 14 calendar days from the effective cessation date. In the event the eligible professional wishes to act as a Recognised Representative for another CMSL holder, the other CMSL holder must submit a fresh application to the SC to register him as a Recognised Representative.

(10) Validity period

The ACMF Pass is valid for a maximum period of 2 years, commencing from the date of approval by the SC.

(11) List of related law and regulations in section A.

1. Capital Markets and Services Act 2007.
2. Securities Malaysia's Licensing Handbook.

B. Renewal of approval (After first two years under framework)

(12) Renewal of approval criteria

A Recognised Representative who wishes to continue to carry out the specified regulated activities in Malaysia after the expiry of his ACMF Pass must apply for the renewal to the SC for approval.

(13) Validity period of the ACMF pass

Two years

(14) Method for submitting renewal

Please refer section A(3)

(15) Place and Time for submitting renewal

Please refer section A(4)

(16) Supporting documents

Please refer section A(5)

(17) Language of documents submitted by attached Licensed Firm

Please refer section A(6)

(18) Procedure and Period of approval

Please refer section A(7)

(19) Renewal fee

Nil

(20) Lists of related law and regulations in section B.

1. Capital Markets and Services Act 2007.
2. Securities Malaysia's Licensing Handbook.

C. Fit and proper / Prohibited characteristics of Professional

(21) Criteria and related requirement:

The applicant must satisfy the following criteria:

- (a) the application for registration was made in accordance with this handbook;
- (b) the applicant has not failed to comply with any other requirements of the Act or any guidelines made under the Act;
- (c) any information or document furnished to the SC is not false or misleading or from which there is a material omission;
- (d) the applicant is not an undischarged bankrupt whether within or outside Malaysia;
- (e) no execution against the applicant in respect of a judgement debt has been returned unsatisfied in whole or in part;
- (f) the applicant has not, whether within or outside Malaysia, entered into a compromise or scheme of arrangement with his creditors, being a compromise or scheme of arrangement that is still in operation;
- (g) the applicant has not:
 - (i) been charged for any offence in any court of law;
 - (ii) had any civil action initiated against him in any court of law;
 - (iii) been convicted, whether within or outside Malaysia, of an offence involving fraud or other dishonesty or violence or the conviction of which involved a finding that he acted fraudulently or dishonestly;
 - (iv) been convicted of an offence under the securities laws or any law outside Malaysia relating to capital market;
 - (v) contravened any provision made by or under any written law whether within or outside Malaysia appearing to the SC to be enacted for protecting members of the public against financial loss due to dishonesty, incompetence or malpractice by persons concerned in the provision of financial services or the management of companies or against financial loss due to the conduct of discharged or undischarged bankrupts;
 - (vi) engaged in any business practice appearing to the SC to be deceitful or oppressive or otherwise improper (whether unlawful or not) or which otherwise reflects discredit on his method of conducting business; or
 - (vii) engaged in or has been associated with any other business practices or otherwise conducted himself in such a way that cast doubt on his competence and soundness of judgement;
- (h) the applicant has satisfied the requirement in connection with being registered as a Recognised Representative;

- (i) the applicant is able to act in the best interest of the clients of a CMSL holder having regard to the applicant's reputation, character, financial integrity and reliability;
- (j) the SC or the principal is satisfied as to the record of past performance or expertise of the applicant having regard to the nature of the duties which he may perform in connection with the holding of the registration;
- (k) there are no other circumstances which are likely to lead to the improper conduct of business by, or reflect discredit on the manner of conducting the business of, the applicant or any person employed by or associated with him for the purpose of his activities as a Recognised Representative;
- (l) the applicant will carry on the activities as an Recognised Representative efficiently, honestly or fairly;
- (m) that it would not be contrary to the interest of the public that the applicant be registered as an ACMF Pass holder.

The SC may also impose other conditions or restrictions on a Recognised Representative at the time of granting an approval to the applicant.

(22) Effect of possessing of prohibited characteristics / fail to comply fit and proper criteria

The SC may refuse an application for registration, or deregister a Recognised Representative, if the applicant or Recognised Representative fails to meet the eligibility criteria or fails to comply with the fit and proper requirements.

(23) Lists of related law and regulations in section C.

1. Capital Markets and Services Act 2007.
2. Securities Malaysia's Licensing Handbook.

D. On-going obligation and notification of the significant changes to Professional or breaches

(24) Duty of Professional

1. A CMSL holder is accountable and responsible to monitor its Recognised Representative and must satisfy the following conditions:
 - a. To comply with the reporting requirements as set by the SC;
 - b. To have proper compliance and oversight framework in place to ensure the Recognised Representative only undertakes the activities that is permitted under this Handbook; and
 - c. To immediately notify the SC of any occurrence of these events:
 - i. Where any of its Recognised Representative has committed any act that is detrimental to the interest of clients; or
 - ii. Where any of its Recognised Representative, where applicable, cease to be fit and proper; or
 - iii. Where any of its Recognised Representative, where applicable, fails or ceases to perform his function; or
 - iv. Any complaints or adverse findings against its Recognised Representative.
2. Recognised Representatives must at all times satisfy the following conditions:
 - a. Remain licensed or registered or approved or authorised by the Regulator in the Recognised ACMF member country to undertake, including but not limited to, the regulated activity specified in this Handbook.
 - b. Remain fit and proper as required by the SC's Licensing Handbook;
 - c. Comply with the requirements stipulated in this Handbook;
 - d. Comply with securities laws, regulations and guidelines and any other applicable law that may govern the activities carried out by the Recognised Representative in Malaysia; and
 - e. Keep the CMSL holder informed of any actions taken against him by the Home Regulator or fail to comply with the eligibility criteria and fit and proper requirements.

(25) Notification requirement

1. CMSL holder must immediately notify the SC of any occurrence of the non-compliance with the relevant requirements by its Recognised Representative and any other events that have a material adverse impact to investors
2. CMSL holder must submit the relevant form to the SC within 14 calendar days from the effective date of the event of cessation; and
3. any other report as may be required by the SC.

(26) Lists of related law and regulations in section D.

1. Capital Markets and Services Act 2007.
2. Securities Malaysia's Licensing Handbook.

E. Sanction / Termination of approval

(27) Criteria and related requirement

1. The SC may deregister a Recognised Representative where the Recognised Representative and/or the CMSL holder to which the Recognised Representative is attached does not comply with any of the requirement as specified in this handbook.
2. If a Recognised Representative and/or the CMSL holder to which the Recognised Representative is attached contravenes or fails to comply with any condition or restriction, the SC is empowered under the CMSA to initiate and administer a broad range of actions against them.
3. The SC may approve the registration of a Recognised Representative subject to such conditions or restrictions as it thinks fit under the Licensing Handbook. The Licensing Handbook sets out the general conditions or restrictions applicable to a Recognised Representative granted by the SC. A Recognised Representative must comply with the conditions and restrictions throughout the validity of the registration period the . The SC may also impose other conditions or restrictions on a Recognised Representative or the CMSL holder to which the Recognised Representative is attached, at the time of granting an approval to an applicant or at any time the registration remains valid.

(28) Lists of related law and regulations in section E.

1. Capital Markets and Services Act 2007.
2. Securities Malaysia's Licensing Handbook.

Singapore

**Information on the laws and regulations relevant to perform duty
as Recognised Representative in Singapore**

In Singapore, the provision of financial advisory services is regulated under the Financial Advisers Act (“FAA” or “the Act”).

A person (which includes a corporation) which carries on a business of providing any financial advisory service is required to hold a financial adviser’s licence under the Act unless it is exempt under section 23 of the Act.

Under regulation 32CB of the Financial Advisers Regulations (Rg 2), the Monetary Authority of Singapore (“MAS”) is prepared to exempt foreign Licensed Firms of member jurisdictions that are signatories of the Memorandum of Understanding on the ACMF Pass Under ASEAN Capital Market Professional Mobility Framework (“ACMF Framework”) from holding a financial adviser’s licence in respect of a financial advisory service provided under an arrangement which has been approved by MAS pursuant to an application made to MAS. MAS has also issued or will issue the Guidelines on Applications for Approval of Arrangements Under Regulation 32CB of the Financial Advisers Regulations (Rg 2) to provide that such arrangements must be between the foreign Licensed Firms and licensed financial advisers or certain exempt financial advisers (“Singapore Entities”).

For the duration of the exemption granted to a foreign Licensed Firm, individuals who are representatives of the foreign Licensed Firm (“Recognised Representatives”) are not required to be appointed or provisional representatives under the Act if —

- (a) the type and scope of the financial advisory service provided by the representatives are within the type and scope of, or are the same as, that provided by the foreign Licensed Firm; and
- (b) the manner in which the representatives provide that type of financial advisory service is the same as the manner in which the foreign Licensed Firm provides that type of financial advisory service.

A. How to apply for approval

(1) Financial advisory services within the scope of the ACMF Framework

- (a) Advising others, either directly or through publications or writings, and whether in electronic, print or other form concerning any shares, bonds and units in collective investment scheme which are listed for quotation or quoted on an organised market in an ASEAN member country, other than in the manner under paragraph 2 of the Second Schedule of the Act or advising on corporate finance within the meaning of the Securities and Futures Act (Cap. 289).
- (b) Advising others by issuing or promulgating research analyses or research reports, that are solely incidental to the provision of the financial advisory service under sub-paragraph (a), whether in electronic, print or other form, concerning any shares, bonds and units in collective investment advice which are listed for quotation or quoted on an organised market in an ASEAN member country.

(2) Eligibility criteria

I. Foreign Licensed Firms seeking approval for exemption from licensing

Item	Criteria
Track record	Minimum 5-years of proven track record in the financial advisory business
Licensing status	Is licensed or otherwise authorised to conduct the relevant regulated activities in the Home Jurisdiction and is subject to proper supervision by the Home Regulator
Fitness & propriety	• Honesty, integrity and reputation • Competence and capability • Financial soundness Please refer to Section C for further information on the criteria.

II. Recognised Representatives

Item	Criteria
Age	At least 21 years old
Licensing status	Is licensed or otherwise authorised by the Home Regulator to carry out the relevant regulated activities.
Fitness & propriety	• Honesty, integrity and reputation • Competence and capability • Financial soundness Please refer to Section C for details.

(3) Method for submitting applications

Applications should be made by the Singapore Entity using the application form provided in the Annex to Appendix 2, and sent via email to cmg_registry@mas.gov.sg, attentioned to the Capital Markets Intermediaries I Department. MAS will only process applications from the Singapore Entity and not the foreign Licensed Firm.

(4) Place and time for submitting the application

See section A(3)

(5) Supporting documents

See application form in Annex

(6) Language of documents submitted

English

(7) Procedure and processing time of approval

Prospective applicants are advised to contact the Capital Markets Intermediaries I Department of MAS at an early stage to discuss their plans prior to submitting a formal application. All applications will be promptly processed by MAS. The processing time will vary depending on the completeness of information submitted by the applicant. Successful applicants will be notified by MAS via notice in writing.

(8) Application fee

Nil

(9) Notification of commencement and cessation of activities

The foreign Licensed Firm and the Singapore Entity should notify MAS in writing, at least 14 working days prior to the commencement and cessation of the arrangement.

(10) Validity period

The validity period of the exemption granted to the foreign Licensed Firm is 2 years, unless the approval lapses or is cancelled by MAS, and the Recognised Representatives may carry on the relevant financial advisory services during the validity period of the exemption granted to the foreign Licensed Firm.

(11) List of related laws and regulations in section A.

Financial Advisers Act

[<https://sso.agc.gov.sg/Act/FAA2001>]

Guidelines on Fit and Proper Criteria

[<http://www.mas.gov.sg/~media/MAS/Regulations%20and%20Financial%20Stability/Regulations%20Guidance%20and%20Licensing/Financial%20Advisers/Guidelines/Guidelines%20on%20Fit%20and%20Proper%20Criteria%20October%202018%20Guideline%20No%20FSGG01.pdf>]

Guidelines on Applications for Approval of Arrangements Under Regulation 32CB of the Financial Advisers Regulations (Rg 2)

[<http://www.mas.gov.sg/Regulations-and-Financial-Stability/Regulations-Guidance-and-Licensing/Financial-Advisers/Guidelines/>]

B. Renewal of approval

(12) Criteria for renewal of approval

The foreign Licensed Firm and Recognised Representatives must continue to meet the eligibility criteria set out in section A(2), and continue to maintain the arrangement with the Singapore Entity, as approved by MAS. The foreign Licensed Firm and the Singapore Entity must continue to comply with the conditions imposed by MAS pursuant to the approved arrangement.

(13) Validity period

Subject to review

(14) Method for submitting renewal application

The Singapore Entity may submit a renewal application to cmg_registry@mas.gov.sg, attentioned to the Capital Markets Intermediaries I Department, at least 14 working days prior to the expiry of the approval.

(15) Place and time for submitting renewal

See section A(3)

(16) Supporting documents

Please provide reasons for the renewal and changes to the information previously submitted to MAS.

(17) Language of documents submitted

English

(18) Procedure and processing time of approval of renewal application

See section A(7)

(19) Renewal fee

Nil

(20) Lists of related laws and regulations in section B.

See section A(11)

C. Fit and proper characteristics of a foreign Licensed Firm and its Recognised Representatives

(21) Criteria and related requirements

Characteristics

1. Is fit and proper
2. Complies with all requirements of the ACMF Framework

Fit and Proper Criteria

- I. Honesty, Integrity and Reputation
- II. Competence and capability
- III. Financial soundness

MAS expects Recognised Representatives to be fit and proper persons based on the criteria set out in the Guidelines on Fit and Proper Criteria (Guideline No: FSG-G01). A non-exhaustive list of the relevant assessment factors for the fit and proper criteria is set out below:

I. Honesty, Integrity and Reputation

The factors include but are not limited to whether the relevant person:

- (a) Has been refused the right or restricted in its or his 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;
- (b) Has been issued a prohibition order under any Act administered by MAS or has been prohibited from operating in any jurisdiction by any financial services regulatory authority;
- (c) Has been censured, disciplined, suspended or refused membership or registration by MAS, any other regulatory authority, an operator of a market, trade repository or clearing facility, any professional body or government agency, whether in Singapore or elsewhere;
- (d) Has been the subject of any complaint made reasonably and in good faith, relating to activities that are regulated by MAS or under any law in any jurisdiction;
- (e) Has been the subject of any proceedings of a disciplinary or criminal nature or has been notified of any potential proceedings or of any investigation which might lead to those proceedings, under any law in any jurisdiction;
- (f) Has been convicted of any offence, or is being subject to any pending proceedings which may lead to such a conviction, under any law in any jurisdiction;
- (g) Has had any judgment (in particular, that associated with a finding of fraud, misrepresentation or dishonesty) entered against the relevant person 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;
- (h) Has accepted civil liability for fraud or misrepresentation under any law in any jurisdiction;

- (i) Has had any civil penalty enforcement action taken against it or him by MAS or any other regulatory authority under any law in any jurisdiction;
- (j) Has contravened or abetted another person in breach of any laws or regulations, business rules or codes of conduct, whether in Singapore or elsewhere;
- (k) Has been the subject of any investigations or disciplinary proceedings or been issued a warning or reprimand by MAS, any other regulatory authority, an operator of a market, trade repository or clearing facility, any professional body or government agency, whether in Singapore or elsewhere;
- (l) Has been refused a fidelity or surety bond, whether in Singapore or elsewhere;
- (m) Has demonstrated an unwillingness to comply with any regulatory requirement or to uphold any professional and ethical standards, whether in Singapore or elsewhere;
- (n) Has been untruthful or provided false or misleading information to MAS or been uncooperative in any dealings with MAS or any other regulatory authority in any jurisdiction;
- (o) In addition to sub-paragraphs (a) to (n), where the relevant person is an individual:
 - (i) Is or has been a director, partner, substantial shareholder or concerned in the management of a business that has been censured, disciplined, prosecuted or convicted of a criminal offence, or been the subject of any disciplinary or criminal investigation or proceeding, in Singapore or elsewhere, in relation to any matter that took place while the person was a director, partner, substantial shareholder or concerned in the management of the business;
 - (ii) Is or has been a director, partner, substantial shareholder or concerned in the management of a business that has been suspended or refused membership or registration by MAS, any other regulatory authority, an operator of a market, trade repository or clearing facility, any professional body or government agency, whether in Singapore or elsewhere;
 - (iii) Has been a director, partner, substantial shareholder or concerned in the management of a business that has gone into insolvency, liquidation or administration during the period when, or within a period of one year after, the relevant person was a director, partner, substantial shareholder or concerned in the management of the business, whether in Singapore or elsewhere;
 - (iv) Has been dismissed or asked to resign from —
 - A. office;
 - B. employment;
 - C. a position of trust; or
 - D. a fiduciary appointment or similar position,whether in Singapore or elsewhere;

- (v) Is or has been subject to disciplinary proceedings by his current or former employer(s), whether in Singapore or elsewhere;
- (vi) Has been disqualified from acting as a director or disqualified from acting in any managerial capacity, whether in Singapore or elsewhere; and
- (vii) Has been an officer found liable for an offence committed by a body corporate as a result of the offence having proved to have been committed with the consent or connivance of, or neglect attributable to, the officer, whether in Singapore or elsewhere.

II. Competence and Capability

The factors include but are not limited to:

- (a) Whether the relevant person has satisfactory past performance or expertise, having regard to the nature of the relevant person's business or duties, as the case may be, whether in Singapore or elsewhere;
- (b) Where the relevant person is an individual who is assuming concurrent responsibilities, whether such responsibilities would give rise to a conflict of interest or otherwise impair his ability to discharge his duties in relation to any activity regulated by MAS under the relevant legislation; and
- (c) Satisfactory education qualification or experience, relevant skills and knowledge, whether in Singapore or elsewhere, having regard to the nature of the duties the relevant person is required to perform.

III. Financial Soundness

The factors include but are not limited to, whether the relevant person:

- (a) Is or has been unable to fulfil any of its or his financial obligations, whether in Singapore or elsewhere;
- (b) Has entered into a compromise or scheme of arrangement with its or his creditors or made an assignment for the benefit of its or his creditors, being a compromise or scheme of arrangement or assignment that is still in operation, whether in Singapore or elsewhere;
- (c) Is subject to a judgment debt which is unsatisfied, either in whole or in part, whether in Singapore or elsewhere;
- (d) In addition to sub-paragraphs (a) to (c), where the relevant person is an individual:
 - (i) Is or has been the subject of a bankruptcy petition, whether in Singapore or elsewhere;
 - (ii) Has been adjudicated a bankrupt and the bankruptcy is undischarged, whether in Singapore or elsewhere; or
 - (iii) Is or has been subject to any other process outside Singapore that is similar to those referred to in sub-paragraph (i) and (ii).

(e) in addition to sub-paragraphs (a) to (c), in the case where the relevant person is a corporation:

- (i) Is or has been the subject of a winding up petition, whether in Singapore or elsewhere;
- (ii) Is in the course of being wound-up or otherwise dissolved, whether in Singapore or elsewhere;
- (iii) Is or has been 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 property of, the corporation, whether in Singapore or elsewhere; or
- (iv) Is or has been subject to any other process outside Singapore that is similar to those referred to in sub-paragraphs (i) to (iii).

(22) Failure to comply with the fit and proper criteria

Depending on the facts and circumstances of each case, MAS may revoke the approval of the arrangement if any of the Recognised Representatives no longer meet the fit and proper criteria.

(23) Lists of related laws and regulations in section C.

See section A(11)

D. On-going obligations and notification of significant changes to fitness and propriety of Recognised Representative

(24) Duty of Recognised Representative

See section C(21).

The Singapore Entity should implement policies and procedures to require the foreign Licensed Firm and the Recognised Representatives to inform the Singapore Entity of any changes to their fitness and propriety.

(25) Notification requirement

The Singapore Entity should monitor the activities of the foreign Licensed Firm and its Recognised Representatives, and notify MAS of

- a) Any change to the fitness and propriety of the foreign Licensed Firm and the Recognised Representatives within 14 working days of discovery of the change; and
- b) Complaints against Recognised Representatives involving allegations of dishonesty, fraud, market misconduct, inappropriate advice, misrepresentation, inadequate disclosure of information or other offences of a similar nature within 14 working days of receipt of the complaint.

(26) Lists of related laws and regulations in section D.

See section A(11)

E. Sanction / Termination of exemption

(27) Criteria and related requirement

Failure to adhere to the conditions of the approval or a material change in the circumstances of the approved arrangement.

(28) Lists of related laws and regulations in section E.

See section A(11)

APPLICATION FOR EXEMPTION FROM LICENSING UNDER THE ASEAN CAPITAL MARKET PROFESSIONAL MOBILITY FRAMEWORK
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Explanatory Notes

1. Please read the explanatory notes and questions carefully before completing the application form.
2. All questions must be answered. If a question is not applicable, please mark “N.A.” in the space provided. Should there be insufficient space for your answers, please attach annex(es) which should be identified as such and signed by the signatories to this application.
3. Where there is an asterisk (*), please delete whichever is inapplicable.
4. Please tick (✓) in the relevant boxes where appropriate.
5. If there are any changes in the information furnished in the application prior to the approval by the Monetary Authority of Singapore (“the Authority”), the applicant should notify the Authority immediately.
6. This application is to be signed by 2 directors or a director and the secretary of the Singapore Entity, and must be accompanied by the relevant documents requested in the various sections of this application.

FOR OFFICIAL USE ONLY

Application received on:

Remarks:

APPLICATION IS HEREBY MADE BY:

(Full name of Singapore Entity)

TO ENTER INTO AN ARRANGEMENT WITH

(Full name of the foreign Licensed Firm)

SECTION 1: TYPE(S) OF FINANCIAL ADVISORY SERVICE (“FAS”) UNDER THE FINANCIAL ADVISERS ACT (CAP. 110) WHICH THE FOREIGN LICENSED FIRM IS APPLYING TO BE EXEMPTED FROM LICENSING UNDER REGULATION 32CB OF THE FINANCIAL ADVISERS REGULATIONS (RG 2)

- ☐ 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) –
- ☐ Shares
 - ☐ Bonds
 - ☐ Units in a collective investment scheme
 - ☐ Others, please specify _____
- ☐ Advising others by issuing or promulgating research analyses or research reports solely incidental to the provision of the above-mentioned financial advisory service, whether in electronic, print or other form, concerning the following investment product(s) –
- ☐ Shares
 - ☐ Bonds
 - ☐ Units in a collective investment scheme
 - ☐ Others, please specify _____

SECTION 2: INFORMATION ON THE FOREIGN LICENSED FIRM

- 2.1 Does the foreign Licensed Firm have a track record of at least 5 years in the FAS in its home jurisdiction?

☐ Yes. Please specify the number of years: _____

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

☐ No

- 2.2 Provide the date and place of incorporation of the foreign Licensed Firm.

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

- 2.3 Provide the address, telephone and fax number of the principal place at which the business of the foreign Licensed Firm is carried on. Please provide the e-mail address and URL of the foreign Licensed Firm’s internet web page, where applicable.

Address: _____

Telephone no.: _____

Fax no.: _____

E-mail address: _____

URL: _____

- 2.4 Provide the address of the registered office of the foreign Licensed Firm, if it is different from the above.

- 2.5 Provide any former name(s) of the foreign Licensed Firm.

SECTION 3: INFORMATION ON THE FOREIGN LICENSED FIRM'S PROPOSED ACTIVITIES

Business Plan

- 3.1 Provide a brief description of the manner in which the foreign Licensed Firm proposes to conduct business with respect to each type of FAS applied for.

- 3.2 What type of clients does the foreign Licensed Firm propose to provide FAS to? Please refer to section 4A of the Securities and Futures Act for the definitions of the specific classes of non-retail investors.

- ☐ Retail investors
- ☐ Accredited investors
- ☐ Institutional investors
- ☐ Expert investors
- ☐ Others, please specify

- 3.3 In respect of the provision of FAS, specify the manner in which the FAS will be provided to clients.

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

Staffing Projections

- 3.4 Please indicate the projected number of Recognised Representatives of the foreign Licensed Firm, who will be providing the applicable FAS in Singapore for the next two years.

Type of FAS	Number of Recognised Representatives of the foreign Licensed Firm
Advising others, either directly or through publications or writings, and whether in electronic, print or other form, 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).	
Advising others by issuing or promulgating research analyses or research reports solely incidental to the provision of the above-mentioned financial advisory service, whether in electronic, print or other form.	

SECTION 4: INFORMATION ON THE ARRANGEMENT BETWEEN FOREIGN LICENSED FIRM AND SINGAPORE ENTITY

- 4.1 Provide a brief description of the respective roles and responsibilities of the foreign Licensed Firm and the Singapore Entity.

- 4.2 State the measures to ensure compliance with the conditions for the approval.

- 4.3 Describe the potential conflicts of interest that may arise in the provision of FAS by the foreign Licensed Firm and explain in detail how such conflicts will be resolved or mitigated.

SECTION 5: 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 foreign Licensed Firm and its Recognised Representatives are considered to be fit and proper persons.

Honesty, Integrity and Reputation

5.1 Within the past 10 years, has the foreign Licensed Firm or any of its Recognised Representatives

	Yes	No
(a) been refused the right or restricted in its or his/her 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?	☐	☐
(b) 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?	☐	☐
(c) 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?	☐	☐
(d) 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?	☐	☐
(e) 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?	☐	☐
(f) 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?	☐	☐
(g) had any civil penalty enforcement action taken against it or him/her by the Authority or any other regulatory authority under any law in any jurisdiction?	☐	☐
(h) contravened or abetted another person in breach of any laws or regulations, business rules or codes of conduct, whether in Singapore or elsewhere?	☐	☐
(i) 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 an organised market or clearing facility, any professional body or government agency, whether in Singapore or elsewhere?	☐	☐

- | | | | |
|-----|--|--------------------------|--------------------------|
| (j) | been refused a fidelity or surety bond, whether in Singapore or elsewhere? | ☐ | ☐ |
| (k) | been or is a director, partner, substantial shareholder or concerned in the management of a business that has been censured, disciplined, prosecuted or convicted of a criminal offence, or been the subject of any disciplinary or criminal investigation or proceeding, in Singapore or elsewhere, in relation to any matter that took place while he was a director, partner, substantial shareholder or concerned in the management of the business? | ☐ | ☐ |
| (l) | been or is a director, partner, substantial shareholder or concerned in the management of a business that has been 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? | ☐ | ☐ |
| (m) | been a director, partner, substantial shareholder or concerned in the management of a business that has gone into insolvency, liquidation or administration during the period when, or within a period of one year after, he was a director, partner, substantial shareholder or concerned in the management of the business, whether in Singapore or elsewhere? | ☐ | ☐ |
| (n) | been dismissed or asked to resign from office, employment, a position of trust or a fiduciary appointment or similar position, whether in Singapore or elsewhere? | ☐ | ☐ |
| (o) | been or is subject to disciplinary proceedings by his/her current or former employer(s), whether in Singapore or elsewhere? | ☐ | ☐ |
| (p) | been disqualified from acting as a director or disqualified from acting in any managerial capacity, whether in Singapore or elsewhere? | ☐ | ☐ |
| (q) | been an officer found liable for an offence committed by a body corporate as a result of the offence having proved to have been committed with the consent or connivance of, or neglect attributable to, the officer, whether in Singapore or elsewhere? | ☐ | ☐ |

5.2 Has the foreign Licensed Firm or any of its Recognised Representatives

- | | | | |
|-----|---|--------------------------|--------------------------|
| (a) | had any judgment (in particular, that is associated with a finding of fraud, misrepresentation or dishonesty) entered against it or him/her 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? | ☐ | ☐ |
| (b) | accepted civil liability for fraud, misrepresentation or dishonesty under any law in any jurisdiction? | ☐ | ☐ |

Financial Soundness

5.3 Within the past 10 years, has the foreign Licensed Firm or any of its Recognised Representatives

	Yes	No
(a) been or is unable to fulfill any of its or his/her financial obligations, whether in Singapore or elsewhere?	☐	☐
(b) entered into a compromise or scheme of arrangement (including a debt repayment scheme) with its or his/her creditors, or made an assignment for the benefit of its or his/her creditors, being a compromise, scheme of arrangement or assignment that is still in operation, whether in Singapore or elsewhere?	☐	☐
(c) been or is subject to a judgment debt which is unsatisfied, either in whole or in part, whether in Singapore or elsewhere?	☐	☐
(d) been or is the subject of a bankruptcy petition, whether in Singapore or elsewhere?	☐	☐
(e) been adjudicated a bankrupt and the bankruptcy is undischarged, whether in Singapore or elsewhere?	☐	☐
(f) been or is the subject of a winding-up petition, whether in Singapore or elsewhere?	☐	☐
(g) been dissolved or is in the course of being wound-up, where the dissolution/winding-up does not relate to a voluntary winding-up, whether in Singapore or elsewhere?	☐	☐
(h) 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?	☐	☐
(i) been or is subject to any other process outside Singapore that is similar to those referred to in (d) to (h)?	☐	☐

SECTION 6: MISCELLANEOUS

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

SECTION 7: DECLARATION

- 7.1 We are fully aware that Section 86(1), (3) and (4) of the Act provides as follows:
- “(1) ANY PERSON WHO FURNISHES THE AUTHORITY WITH ANY INFORMATION UNDER OR FOR THE PURPOSES OF ANY PROVISION OF THIS ACT SHALL USE DUE CARE TO ENSURE THAT THE INFORMATION IS NOT FALSE OR MISLEADING IN ANY MATERIAL PARTICULAR.”
- “(3) ANY PERSON WHO –
- (a) SIGNS ANY DOCUMENT LODGED WITH THE AUTHORITY; OR
- (b) LODGES WITH THE AUTHORITY ANY DOCUMENT BY ELECTRONIC MEANS USING ANY IDENTIFICATION OR IDENTIFYING CODE, PASSWORD OR OTHER AUTHENTICATION METHOD OR PROCEDURE ASSIGNED TO HIM BY THE AUTHORITY,
- SHALL USE DUE CARE TO ENSURE THAT THE DOCUMENT IS NOT FALSE OR MISLEADING IN ANY MATERIAL PARTICULAR.”
- “(4) ANY PERSON WHO CONTRAVENES SUBSECTION (1) OR (3) SHALL BE GUILTY OF AN OFFENCE AND SHALL BE LIABLE ON CONVICTION TO A FINE NOT EXCEEDING \$25,000 OR TO IMPRISONMENT FOR A TERM NOT EXCEEDING 2 YEARS OR TO BOTH.”
- 7.2 We are aware that the Authority may cancel the approval of the arrangement under the ASEAN Capital Market Professional Mobility Framework if the Singapore Entity fails to satisfy the Authority that the foreign Licensed Firm and its Recognised Representatives are fit and proper persons, if any of the other conditions to the approval are not satisfied by the Singapore Entity, the foreign Licensed Firm or its Recognised Representatives, or for any other reasons as specified in the approval letter issued by the Authority.
- 7.3 We have read the Fit and Proper Criteria in Section 5 and in submitting this form, we are satisfied that the foreign Licensed Firm and its Recognised Representatives are fit and proper persons based on the criteria stated in the Guidelines.
- 7.4 We confirm that the foreign Licensed Firm and its Recognised Representatives will not be conducting needs-based advice (i.e. advice that takes into account the client’s specific investment objectives, financial situation and particular needs) and soliciting for sales of the capital market products.
- 7.5 We declare that all information given in this application and in the attached annex(es) (if any) is true and correct.

_____	_____
Signature	Signature
_____	_____
Name of Director	Name of Director/Secretary*
_____	_____
Date (DD/MM/YYYY)	Date (DD/MM/YYYY)

* delete as appropriate

SECTION 8: CONTACT

8.1 Details of contact person to whom queries on the application can be directed.

Name: _____

Designation:

Telephone no.: _____

Fax no.: _____

E-mail address: _____

Philippines

**Information on the laws and regulations relevant to perform duty
as Recognised Representative in Philippines**

A. How to apply for approval

(1) Type of related Professionals in Host Country

Salesman of a Broker Dealer and/or Investment House - a natural person hired to buy and sell securities on a salary or commission basis properly endorsed to the Commission by the employing Broker Dealer or the Investment House, as the case may be.	Key officer/s of Fund Managers (Investment Company Advisers) involved in the management of the Fund and licensed as Certified Investment Solicitor – a natural person, duly licensed by the Commission and appointed by the Fund or the Fund Manager/ Mutual Fund Distributor to solicit, sell or offer to sell the shares or units of an Investment Company to the public.
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(2) Eligibility criteria

A Professional from other Signatory countries is eligible to obtain the ACMF Pass and become a Recognised Representative in the Philippines provided that:

- 1) he/she is licensed or registered or approved or authorised by the Home Regulator; and
- 2) he/she has no pending disciplinary action or has not been censured, reprimanded or fined
by a professional or regulatory body for negligence, incompetence, mismanagement, dereliction of duty or violation of law or regulation.

(3) Method for submitting applications

The attached firm of the applicant shall manually submit the application of the professional from other signatory-countries, together with the supporting documents to the Markets and Securities Regulation Department (MSRD) of the Philippine Securities and Exchange Commission (PH SEC).

(4) Place and time for submitting the application

Applications must be filed with or submitted to the MSRD of PH SEC anytime during business hours of any business day.

(5) Supporting documents

The following documents are required as supporting documents for the applications for the issuance of the ACMF Pass:

- a. Copy of the certificate of registration, license or authority of the Recognized Representative issued by the Home Regulator;
- b. Certificate of good standing issued by the Home Regulator;
- c. Endorsement by the attached Licensed Firm for the issuance of the ACMF Pass of the Recognised Representative. The endorsement shall be signed by the Associated Person or Compliance Officer or other officer with equivalent or higher rank of the attached firm.

Good standing shall mean having complied with all regulatory obligations, no pending disciplinary action or has not been censured, reprimanded or fined by a professional or regulatory body for negligence, incompetence, mismanagement, dereliction of duty or violation of law or regulation.

(6) Language of documents submitted by attached Licensed Firm

All information must be written in English Language.

(7) Procedure and period of approval

The Commission, through the MSRD, shall, within thirty (30) days after the filing of application for the issuance of ACMF PASS:

- (i) grant ACMF PASS if it determines that the eligibility requirements and supporting documents have been satisfied and complied with; or
- (ii) deny the application stating the reason/s for the denial.

(8) Application fees

None.

(9) Notification for commence and stop the activities

The Recognised Representatives may commence their activities under the ACMF Professional Mobility Framework upon issuance of their ACMF PASS by the Commission.

If, after due notice and hearing, the Commission finds that the Recognised Representative violated any law being implemented by the Commission or its rules or orders, or the ACMF PASS framework, including if he/she loses the eligibility requirement under the ACMF PASS framework, it shall revoke the ACMF PASS. Upon receipt of the order of suspension or revocation, the Recognised Representative shall stop his/her activities under the Framework.

(10) Validity period

The ACMF PASS is valid for two (2) years.

(11) List of related laws and regulations in Section A.

- Securities Regulation Code (SRC) and its Implementing Rules and Regulations
- Investment Company Act and its Implementing Rules and Regulations
- The Handbook on ACMF PASS
- SEC Guidelines on the Implementation of the ACMF PASS under the ASEAN Professional Mobility Framework

B. Renewal of approval (After first two (2) years under framework)

(12) Renewal of approval criteria

The ACMF Pass of Recognized Representative may be renewed provided that:

1. He still possesses a valid license or registration or approval or authorization from the Home Jurisdiction;
2. He has no pending disciplinary action or has not been censured, reprimanded or fined by a professional or regulatory body for negligence, incompetence, mismanagement, dereliction of duty or violation of law or regulation;
3. Has no pending complaint filed against him/her in the Host Jurisdiction.

(13) Validity period

The renewed ACMF Pass is valid for one (1) year and may be renewed yearly.

(14) Method for submitting renewal

The attached firm of the Recognized Representative shall submit to the Commission the application for renewal of the ACMF Pass not later than thirty (30) days before it expires.

(15) Place and Time for submitting renewal

The application for renewal of ACMF Pass shall be submitted to the Markets and Securities Regulation Department of the Commission manually and to be officially received by the Commission during office hours.

(16) Supporting documents

The following supporting documents are required for applications for the renewal of the ACMF Pass:

- a. Copy of the certificate of registration, license or authority of the Recognized Representative issued by the Home Regulator;
- b. Certificate of good standing issued by the Home Regulator;
- c. Endorsement by the attached Licensed Firm for the renewal of the ACMF Pass of the Recognised Representative. The endorsement shall be signed by the Associated Person or Compliance Officer or other officer with equivalent or higher rank of the attached firm.

(17) Language of documents submitted by attached Licensed Firm

English Language

(18) Procedure and Period of approval

The Commission shall, within thirty (30) days after the filing of any application under these Guidelines: (i) grant renewal if it determines that the requirements and qualifications for renewal set forth in these Guidelines have been satisfied; or (ii) deny said renewal stating the reason/s for the denial.

(19) Renewal fee

As of the moment, there will be no renewal fee.

(20) Lists of related law and regulations in section B.

- Securities Regulation Code (SRC) and its Implementing Rules and Regulations
- Investment Company Act and its Implementing Rules and Regulations
- ACMF Professional Mobility Framework and the Handbook on ACMF PASS
- SEC Guidelines on the Implementation of the ACMF PASS under the ASEAN Professional Mobility Framework

C. Fit and proper /Prohibited characteristics of Professional

(21) Criteria and related requirement

Every registered Person/Professional, in the conduct of his business, shall:

1. Observe high standard of commercial honor and just and equitable principles of trade to serve as such, based on the following principles:
 - Honesty, fairness
 - Diligence
 - Capabilities
 - Information about Clients
 - Information for Clients
 - Conflicts of Interest
 - Compliance
2. Has no disciplinary history for the past ten (10) years or has not been censured, reprimanded or fined by a professional or regulatory body for negligence, incompetence, mismanagement or dereliction of duty;
3. Has not been dismissed or requested to resign from any position or office;
4. Has not caused the suspension of its license for failure to pay the required annual fee

(22) Effect of possessing of prohibited characteristics / fail to comply fit and proper criteria

The Commission shall, within thirty (30) days after the filing of any application shall deny or revoke said registration for failure to comply with the requirements and qualifications set under the respective Rules.

(23) Lists of related law and regulations in section C.

- Rule 5.7 of the Implementing Rules and Regulations of the Investment Company Act
- Rule 30.2 of the Implementing Rules and Regulations of the Securities Regulation Code

D. On-going obligation and notification of the significant changes to Professional or breaches

(24) Duty of Professional

- a. Every Recognized Representative, in the conduct of his business as such, shall observe high standards of commercial honor and just and equitable principles of trade.
- b. Report any change in the information provided in the application forms and other information that may be required under the rules or orders. Such report must be filed within seven (7) days from such change.
- c. Observe at all times the provisions of the Securities Regulation Code and its Implementing Rules and Regulations, Investment Company Act and its Implementing Rules and Regulations, and the ACMF PASS Framework.
- d. Demonstrate an on-going understanding of applicable regulatory requirements and rules.

(25) Notification requirement

Report any change in the information provided in the application forms and other information that may be required under the SRC and its IRR, Investment Company Act and its IRR, or orders and the ACMF PASS Framework and must be filed within seven (7) days from such change.

(26) Lists of related law and regulations in section D.

- Securities Regulation Code (SRC) and its Implementing Rules and Regulations
- Investment Company Act and its Implementing Rules and Regulations
- ACMF Professional Mobility Framework and the Handbook on ACMF PASS
- SEC Guidelines on the Implementation of the ACMF PASS under the ASEAN Professional Mobility Framework

E. Sanction / Termination of approval

(27) Criteria and related requirement

If, after due notice and hearing, the Commission finds that the Recognised Representative violated any law being implemented by the Commission or its rules or orders, or the ACMF PASS framework, including if he/she loses the eligibility requirement under the ACMF PASS framework, it shall revoke the ACMF PASS. Upon receipt of the order of suspension or revocation, the Recognised Representative shall stop his/her activities under the Framework.

Grounds for Termination of ACMF PASS

After due notice and hearing, the Commission may revoke the ACMF PASS for the following:

- The Recognized Representative violated any law being implemented by the Commission or its rules or orders, or the ACMF PASS Framework;
- Failure to comply with the directive of the Commission despite receipt of notice;
- Failure to comply with the regulatory requirements despite receipt of notice;
- Recognized Representative loses his/her eligibility under the ACMF PASS Framework and under SEC Guidelines on the Implementation of ACMF PASS.

(28) Lists of related law and regulations in section E.

- Securities Regulation Code (SRC) and its Implementing Rules and Regulations
- Investment Company Act and its Implementing Rules and Regulations
- ACMF Professional Mobility Framework and the Handbook on ACMF PASS
- SEC Guidelines on the Implementation of the ACMF PASS under the ASEAN Professional Mobility Framework

