**Lesson 04**

**Section D – Working on the Graded Assignment**

Refer to **C369\_Graded\_Assignment.pdf**. This document describes the assignment that you will be working on for this module.

As we go through the lessons, you will be expected to come up with an online financial services business proposal, prototype and a static web page to demonstrate your business idea.

Before you can begin building your business idea, you will need to do some research and planning.

Answer the questions below to plan the details of your online financial business.

Note:

* This section is to provide some guidance in the graded assignment.
* Completion of this section in no way means that your assignment is completed.
* Refer to C369 Graded Assignment Part 1.pdf for details.

1. List down the sectors that MAS regulates (<https://www.mas.gov.sg/regulation>)

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| Banking, Capital Markets, Financial Advisory, Insurance, Payments. |

1. What are some of the types of services in each of the sectors? (<https://eservices.mas.gov.sg/fid/>)

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| **Sector** | **Financial service** |
| Banking | Local Bank  6  Qualifying Full Bank  10  Full Bank  20  Wholesale Bank  96  Merchant Bank  22  Finance Company  3  Money Broker  1  Representative Office (Banking)  33  Financial Holding Company (Banking)  1 |
| Capital Markets | Capital Markets Services Licensee  1140  Approved CIS Trustee  16  Registered Fund Management Company  287  Exempt Capital Markets Services Entity  122  Licensed Trust Company  63  Exempt Trust Company  28  Approved Exchange  4  Approved Holding Company  5  Approved Clearing House  4 |
| Financial Advisory | Licensed Financial Adviser  66  Exempt Financial Adviser  515 |
| Insurance | Direct Insurer (Life)  16  Direct Insurer (General)  51  Direct Insurer (Composite)  9  Reinsurer (Life)  3  Reinsurer (General)  39  Reinsurer (Composite)  9  Captive Insurer (Life)  1  Captive Insurer (General)  80  Captive Insurer (Composite)  4 |
| Payments | Credit and Charge Card Licensee  4  Money-changing Licensee  231  Standard Payment Institution  14  Major Payment Institution  186  Designated Payment System Operator  6  Designated Payment System Settlement Institution  6  Licensed Credit Bureau  2 |

1. Select 3 financial services that you find interesting and describe them in more detail.

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| **Financial Service** | **Description** |
| Licensed Financial Adviser | Personal financial advisors assess the financial needs of individuals and help them with decisions on investments (such as stocks and bonds), tax laws, and insurance. Advisors help clients plan for short- and long-term goals, such as budgeting for education expenses and saving for retirement through investments. |
| Exempt Financial Adviser | Financial advisors that assist only accredited investors. The details they offer must not serve the public capital market products or other investors. Advisors that offer services to related companies and this information isn't for the capital market products. |
| Money Broker | Money broking is defined as the business of arranging transactions between buyers and sellers in money with brokers acting as an intermediary in consideration of brokerage fees paid or to be paid, but does not include the buying or selling of foreign currencies by the broker as a principal in such markets. |

1. Based on the 3 financial services above, select the one you like best.

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| Licensed Financial Adviser |

1. Do more research on the service you selected and see how you can value-add to the service as part of your business idea.
2. Identify the financial service sector your business will be in
3. Describe the financial services you plan to offer
4. Describe and explain at least 2 regulations your business will need to comply to
5. Describe and explain at least 2 red flags in the transactions your business may encounter
6. Describe and explain how the features on your platform help to:
   * Protect consumers from frauds
   * Prevent money laundering

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| 1. The financial service sector my business is in is Wealth management in Financial Industry. 2. Financial Planning, Investment Advice, Retirement Planning, Tax Planning, Estate Planning, Insurance Planning, Business Financial Services. 3. Licensing Authorisation and Registration, Advisory and Sales 4. Unusual or Sudden Increase in Account Activity: A significant and unexplained increase in transactions, trading volume, or fund transfers can be a red flag. It may indicate unauthorized trading, market manipulation, or attempts to quickly move funds out of an account.   Inconsistent or Conflicting Information: If a client provides inconsistent or conflicting information about their financial situation, goals, or risk tolerance, it could be a warning sign. Discrepancies in documents, statements, or explanations should be thoroughly investigated to ensure accuracy and to identify any attempts to mislead or defraud.   1. Secure Socket Layer (SSL) Encryption: Implement SSL encryption on the website to ensure that all data transmitted between the user's browser and the website remains encrypted and protected against interception by unauthorized parties.   Two-Factor Authentication (2FA): Implement two-factor authentication for user logins to add an extra layer of security. This typically involves a combination of something the user knows (e.g., a password) and something the user possesses (e.g., a unique code sent to their mobile device). |