BALANCED SCORECARD FRAMEWORK GUIDE

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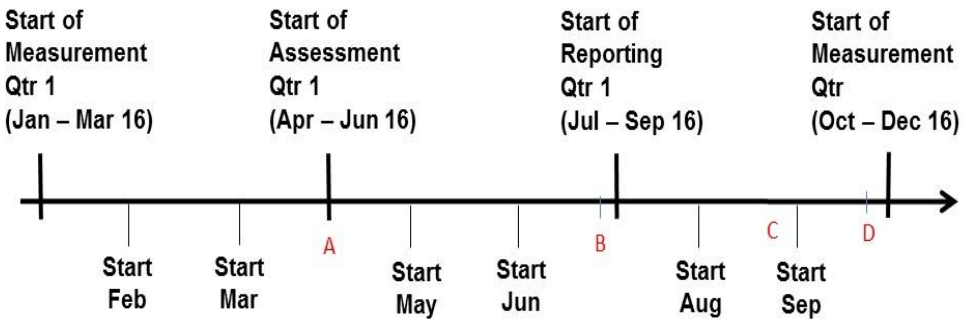
Document Version Control Log

Ver. No.	Change Summary	Change Owner	Date Approved
1-2015	Release of Balanced Scorecard Framework Guide for Supervisors and Advisers	Tanny Tan, RM&C	March 2015
1.1-2015	Update of Guide, - Incorporating the Pre-transaction Guide for Supervisor into this guide Update in accordance to MAS Response to feedback received dated 11 May 2015 and LIA Handbook Draft V1.7	Nancy Tiong / Tanny Tan, RM&C	July 2015
1-2015	Release of Balanced Scorecard Framework Guide for Supervisors and Advisers	Tanny Tan, RM&C	March 2015
1.1-2015	Update of Guide, - Incorporating the Pre-transaction Guide for Supervisor into this guide Update in accordance to MAS Response to feedback received dated 11 May 2015 and LIA Handbook Draft V1.7	Nancy Tiong / Tanny Tan, RM&C	July 2015
1.2-2015	Amendments - Para 3.2: Exclusion of Overseas Investors from BSC Framework - Para 3.4 and 3.5: Clarification on types of products and transactions which are included in the BSC framework - Para 5.3 : Clarification on renewals - Para 5.6: Clarification on Remuneration which will not be affected by BSC - Para 5.7: Clarification on variable income from renewals. - Para 9.2: Client survey forms will be posted/ emailed to clients. - Para 9.6: Remove - Para 9.7: Update transactions that will be excluded from Post Transaction Review. Updated as Para 9.6. - Para 10.6: Reference for list of CAT 1, CAT 2 and admin examples (Remove Annex 7) - Para 11.2: CSR form to be submitted to ISA and Business Support - Inserted Para 12.3 on claw back of commission - Para 15.1 Included Date of Issurance of Notice - Para 17: Update of BSC Timeline - Annex 4: Client Call Back Form Annex 8: Appeal Committee	Jason Lim / Tanny Tan, RM&C	December 2015
1.3-2015	Amendments Para 12.10 and 13.10 removed “Performance Bonuses”		
1-2016	Amendments - Para 17, BSC Timeline: (a) replaced “Advisers” with “Representatives”; (b) Amended the timeline to reflect the full year of 2016 - Annex 8, Appeal Process Flowchart (a) Amended designation of Ms Lindy Tan from Head of Operations to Chief Operating Officer; and (b) Amended Head of RM&C from Silas Tan to Kelly Lam	Teo Puay Hoon/ Kelly Lam, RM&C	June 2016

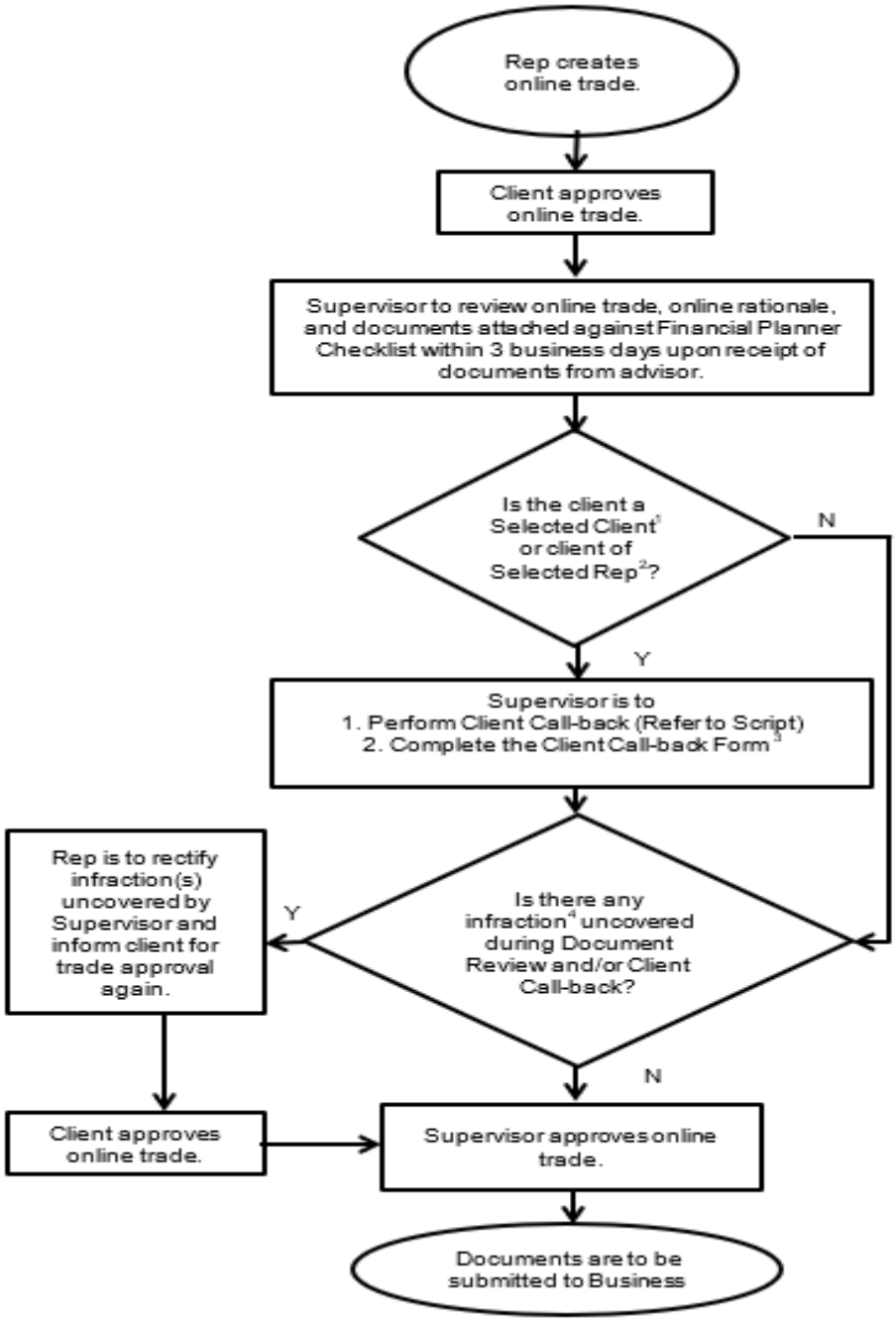
Ver. No.	Change Summary	Change Owner	Date Approved
1.1-2016	Update of Guide, Incorporating the MAS recent published on the "Frequently Asked Questionson the Balanced Scorecard ["BSC"] Framework" effective 28 Nov'2016	Teo Puay Hoon/ Kelly Lam, RM&C	June 2017
1-2017	Amendments - Para 4, Principles: Included transactions that required Supervisors to conduct pre-transaction checks and call-back to Selected Clients.	Anna Lam/ Kelly Lam, RM&C	June 2017
1-2018	Update of Guide - Para 12 "Representative's Grading Table", expanded to provide clarity on the calculation of BSC grade taking ref from MAS Notice N20 (pg 15) - Inclusion of Para 16 **"Findings on mystery shopping exercise"**	Anna Lam, RM&C	Feb 2018
1-2018	Included points 13.4 and 13.5 – "Up your Grade" and Annex 10 Inserted Para 12. Adminstrative Lapses Amendments to point 13.12 – Consequences of Representative with a BSC Grade "E"	Anna Lam, RM&C	July 2018
1-2020	Update of - Appeal Process - Annex 8 and 9	Teo Puay Hoon, RM&C	Mar 2020
1-2021	Update of - Appeal Process - Annex 8 and 9	Janet Tay RM&C	Jan 2021
1-2022	Included "Exchange Traded Funds ("ETFs")" in points 3.3, 3.4 and 5.5 Included in points 3.5 and 4.1 the following paragraph: "<u>ETFs</u> • New subscriptions for ETFs (Lump Sum and RSP) • Top Ups to existing funds / portfolio" Amendments from - "representative" to "Representative" for whole document - "supervisor" to "Supervisor" for whole document - "next Comm Run" to "next Commission Run" in point 13.3 - "Up Your Grade" to "Ace Your Grade" in point 13.4, 13.5 & Annex 10 Amended point 9.2ii - Client Surveys as follows: "RM&C will conduct client surveys on every sampled transaction, in a written~~/email~~ format which is posted~~/emailed~~ to the client. The survey will be treated as closed if RM&C does not receive any response from the client within one month from the date the survey is posted/~~emailed~~." Updated point 13.5 to 13.12 on the consequences of Representative with grade B or worse and/or in 2 consecutive quarters.	Teo Puay Hoon, RM&C	Jan 2022

Ver. No.	Change Summary	Change Owner	Date Approved
	Updated point 19: BSC Timeline. Old BSC Timeline is as below:		

BSC Timeline For Supervisors and Representatives



	Description of Workflow	Owner	Frequency
A	Commencement of Audit for incepted transactions in Measurement Quarter 1.	RM&C	
B	RM&C will email and share the audit findings with FSDs, cc BD.	RM&C	End of each assessment quarter
C	RM&C to disseminate report on the BSC grades and amount of remuneration to be recovered to all Representatives and Supervisors.	RM&C	1 week before the end of each Reporting Quarter, starting 30 Jun 2016.
D	RM&C to provide list of selected Representatives and Representatives with BSC grade B and worse to FSDs/FSMs by email.	RM&C	Quarterly, within 5 business days before the start of every quarter, starting 1 Oct 2016.

Ver. No.	Change Summary	Change Owner	Date Approved
	Amended Annex 2 - Pre-transaction process flowchart for Online Trade Approval on process flow. Old process flow is as below: 		

Ver. No.	Change Summary	Change Owner	Date Approved
	Amended Annex 3 - Client Call-back Script for Direct Supervisor. Old Client Call-back Script for Direct Supervisor is as below:		

1	Good morning / afternoon, may I speak to Mr / Ms (Name of Client) please? My name is (name), Financial Services Director/ Manager of (Name of Representative), and I am calling from PIAS. I would like to conduct a feedback on the policy / investment which you have recently bought. The purpose of this call will allow us to assess the level of service of my representative so that we can continue to serve you better. Is this a convenient time to speak with you? *(Pause and wait for reply)* If client is ok, proceed to questions 2 and 3 below, otherwise go to point 4.
2	This should take about 5 minutes. Before we proceed, may I verify your NRIC please?
3	a. May I confirm that you have recently purchased (product name) from (Name of Representative) on (date). b. Did (Name of Representative) disclose and explain the key product features, risk and limitations of the recommended product/plan (refer to page 2 of Client Call-back form) to you? c. Did (Name of Representative) ask you questions in order to understand your financial situation, investment objective and risk appetite (if applicable) before recommending the product(s) to you? d. Did (Name of Representative) explain to you why the product is suitable for you? e. Did (Name of Representative) furnish you with the sales documents, e.g. BIPS, PHS f. Do you have any other feedback about (Name of Representative)? I have come to the end of the call. Thank you very much for your time Mr / Ms (Name of client). If you have any queries, please feel free to contact your representative. Have a pleasant day.
4	Mr / Ms (Name of Client), your confirmation is very important to us. When will it be a convenient time for me to contact you again? Mr / Ms (Name of Client), I will contact your again on (stated date and time). Thank you.

Ver. No.	Change Summary	Change Owner	Date Approved
	Replaced Annex 4 - Client Call-Back Form. Old Client Call-Back Form is as below:		

To be completed and submitted to Business Support as soon as possible but no later than 7 business days (for Unit Trust) or 14 business days (for insurance products) upon the receipt of document from representative.

Name of Rep: _____ PS Code: _____
Branch: _____

Part A
Name of Client: _____ Transaction Date: _____
Client's NRIC: _____

S/N	Name of Insurance / Investment	Investment/ Premium Amount	Category of Products
1.			
2.			
3.			

Select where applicable
☐ Selected Client (Client who meets any two of the following criteria)
- ☐ Clients who are aged 62 and above;
- ☐ Clients who do not have minimum of 'N' or 'O' levels;
- ☐ Clients who cannot communicate, read or write in English.

☐ Selected Representative

Part B
- Mode of contact with Client
  - ☐ Face to Face
  - ☐ Phone
    Office Extension number: _____
    Duration of call: _____

	First Attempt	Second Attempt	Third Attempt
Date / Time			

- Language used to communicate with Client: _____
  - ☐ Client is uncontactable. Reason: _____.

Part C (Basis of Approval)
☐ Client acknowledged that proper fact find and needs analysis was conducted before product recommendation.
☐ Client is aware of the **key product features, risk and limitations***.
☐ Client acknowledged that the recommendation is suitable for him/her and confirmed that the recommendation is within his/her affordability, risk profile and he/she had set aside emergency funds for liquidity purposes.
☐ Client is aware of the transaction costs and / or possible disadvantages of switching (if applicable).
☐ Client acknowledged receipt of the relevant sales documents.

Part D
Remarks (if any)
_____
_____

Validated and Approved by:-

_____
Signature
Name of Supervisor:
Date:

** Please refer to next page for guide to key product features, risk and limitation of the different product categories.*

Ver. No.	Change Summary	Change Owner	Date Approved
	Replaced Annex 5 - Client Service Recovery ("CSR") Acknowledgement Letter. Old CSR form is as below:		

24. Annex 5 - Client Service Recovery ("CSR") form

I _____ (Insert Name of Client) of _____ [Insert NRIC/ Passport No.] acknowledge that my Adviser _____ [Insert name of Adviser] has met up with me on ____/ ____/ _____ [Insert date of meeting] to conduct relevant needs analysis and/or clarify and explain the features, benefits, limitations/ risks and basis of recommendation of the following product(s).

Details of product(s) (Name of Product, Investment/ Premium amount and Date of purchase) Basis of recommendation/ Clarifications on features and limitations of the recommended product(s)		
I acknowledged that my Adviser has conducted relevant needs analysis and/or disclosed and explained the benefits, risks/ limitations of the products and the basis of recommendation clearly to me in _____ (Insert Communicated Language), which I am conversant in. I am satisfied with the product(s) purchased.		
_____ Signature of Client Date: _____	_____ Signature of Adviser Date: _____	_____ Signature of Supervisor Date: _____

The completed CSR form is to be submitted to ISA Unit (copy) and Business Support (original) upon completion of the Client Service Recovery. Kindly attach any relevant documents (e.g. updated Financial Planner) if required.

Amended Annex 8 - Appeal Process Flowchart on one of the Appeal Committee Member from "Tina Nguyen (Aviva People Business Partner)" to "Lee Eik Hong (Lead, Inventing Tomorrow)"

Ver. No.	Change Summary	Change Owner	Date Approved
	Replaced Annex 9 – Appeal Request Form. Old Appeal Request Form is as below: **28. Annex 9 - Appeal Request Form** PIAS BSC Appeal Form General (a) All Appeal requests have to be submitted within T + 7 days from the receipt of BSC Grades from RM&C department. (b) Any Appeal requests submitted after the stipulated timeframe will not be considered. (c) Ground for Appeal is restricted to factual evidence. Representative: / Branch Director: Rep Code: / Branch: Client: / BDM -n-charge: Product(s) Purchased : 1. 2. / Transaction Date: Click here to enter a date. BSC Measurement Quarter: Please specify : BSC Qtr _____/YY____ Infraction(s) for Appeal: (Please indicate the infractions assigned in the BSC Audit Report) Category 1 ☐ Category 2 ☐ Supervisor Grade for Appeal: (Please indicate the Supervisor Grade assigned in the Performance Report) Satisfactory ☐ Fair ☐ Unsatisfactory ☐ Rep/Supervisor Justifications for Appeal: (Please indicate the grounds for Appeal) Rep's Signature / Date Branch Director Comment(s): (Branch Director to state justification to support Rep/Sup's Appeal") Branch Director's Signature / Date BDM's Comment(s): (BDM to state justification to support Rep/Sup's Appeal") BDM's Signature / Date		
2-2022	Removed "Cases under complaint investigation" from Point 9.6: 9.6 Other than transactions which falls out of BSC framework (refer to para. 3.6), the following transactions will also be **excluded** from the post- transaction review: • Fund switches with no charges • ~~Cases under complaint investigation~~	Teo Puay Hoon, RM&C	Apr 2022

Ver. No.	Change Summary	Change Owner	Date Approved
3-2022	Point 18.1 – Appeal Added the sentence: PIAS Representatives may only appeal on infractions where their BSC Grade is impacted i.e. for PIAS Representatives accorded with BSC Grade B or worse only. Annex 3 - Client Call-back Script for Direct Supervisor Replaced below:	Teo Puay Hoon, RM&C	Jun 2022

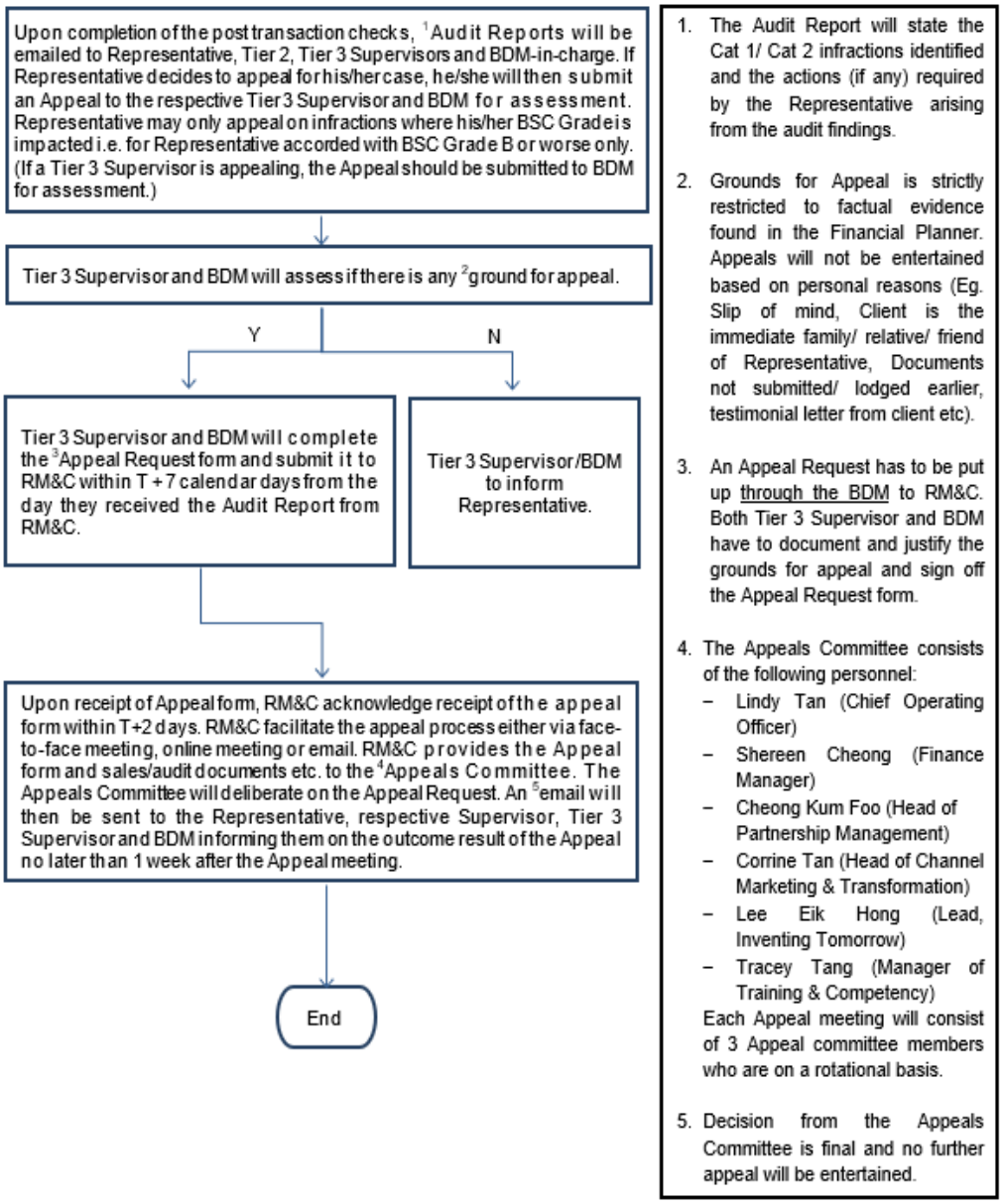
3	a. May I confirm that you have recently purchased (name of product) from (name of Representative) on (date)? b. Did (name of Representative) ask you questions to understand your financial situation, investment objective and risk appetite before recommending (name of product) to you? c. Did (name of Representative) explain and highlight the key product features, risk and limitations of (name of product) to you? d. Did (name of Representative) explain to you why (name of product) is suitable to you? e. Is (name of product) within your affordability? Did you set aside emergency funds for liquidity purposes? f. Did (name of Representative) explain on the transaction costs and possible disadvantages of switching/replacement of your existing policy/ies? **(if applicable)** g. Did (name of Representative) furnish you with the sales documents, e.g. PIAS Financial Planner? h. Did (name of Representative) explain to you that the premiums are deducted through CPF Medisave account and cash top-ups may be required in the event of failed deduction attempt(s) / insufficient funds / increase in premiums? **(applicable for policy/ies payable by CPF Medisave account only)** i. Do you have any feedback on (name of Representative)? I have come to the end of the call. Thank you very much for your time Mr /Ms /Mdm /Dr (name of Client). If you have any queries, please feel free to contact your Representative. Have a pleasant day.
4	Mr /Ms /Mdm/Dr (name of Client), your confirmation is very important to us. When will it be a convenient time for me to contact you again? Mr /Ms /Mdm/Dr (name of Client), I will contact you again on (agreed date and time). Thank you.

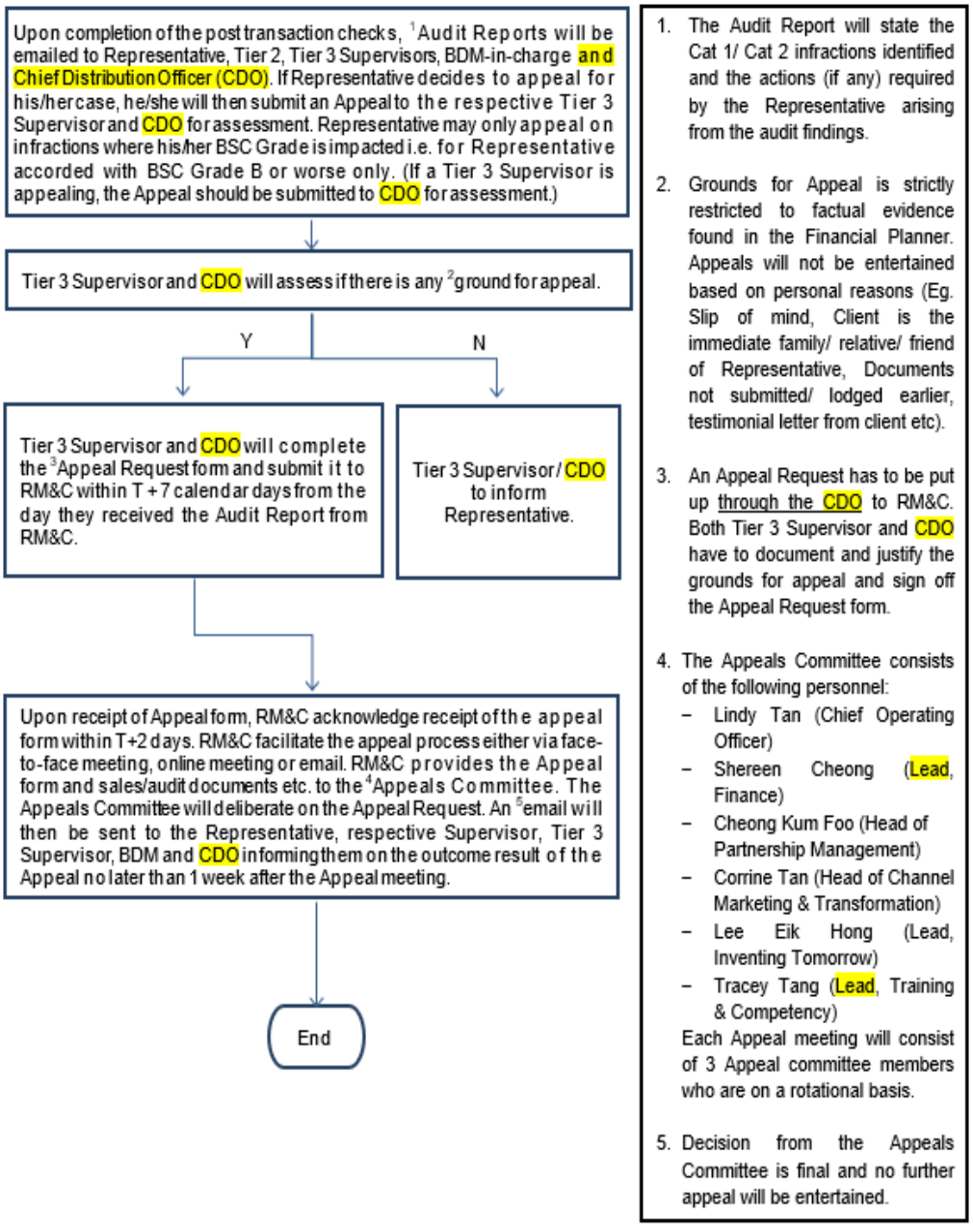
Ver. No.	Change Summary	Change Owner	Date Approved
	With:		

3	a. May I confirm that you have recently purchased (name of product) from (name of Representative) on (date)? b. Did (name of Representative) ask you questions to understand your financial situation, investment objective and risk appetite before recommending (name of product) to you? c. Did (name of Representative) explain and elaborate the main features of (name of product) to you? d. Did (name of Representative) explain and highlight the risk and limitations of (name of product) to you? e. Did (name of Representative) explain and elaborate key risks on premium financing? **(if applicable)** f. Did (name of Representative) explain to you why (name of product) is suitable to you? g. Is (name of product) within your affordability? Did you set aside emergency funds for liquidity purposes? h. **(For Insurance product/ Investment-linked insurance plan)** Did (name of Representative) inform you that there is a 14-day free look period, or you may cancel this insurance plan within 14 days from the date on which you receive the policy from the insurance company, and if so, you would be returned your monies or premiums? i. **(For Unit Trust)** Did (name of Representative) inform you that there is a 7-day cancellation period you would be returned your monies, including the sales charge? j. **(For Exchange Traded Fund-ETF)** Did (name of Representative) inform you that the transacted price of the ETF will depend on the prevailing market prices and may be higher or lower than the initial purchase price of the ETF? k. Did (name of Representative) explain on the transaction costs and possible disadvantages of switching/replacement of your existing policy/ies? **(if applicable)** l. **(For Selected Client who rejected to have Trusted Individual present during sales advisory process)** Did (name of Representative) inform you that a Trusted Individual is required to be present during the sales advisory process? Can I confirm with you that you have declined to have a Trusted Individual to be present? m. Did (name of Representative) furnish you with the sales documents, e.g. PIAS Financial Planner? n. Did (name of Representative) explain to you that the premiums are deducted through CPF Medisave account and cash top-ups may be required in the event of failed deduction attempt(s) / insufficient funds / increase in premiums? **(applicable for policy/ies payable by CPF Medisave account only)** o. Do you have any feedback on (name of Representative)? (e.g. offer of unauthorized gifts, aggressive selling, etc.) I have come to the end of the call. Thank you very much for your time Mr /Ms /Mdm /Dr (name of Client). If you have any queries, please feel free to contact your Representative. Have a pleasant day.
4	**(For Client who respond that he/she is not available/declines the call)** Mr /Ms /Mdm/Dr (name of Client), your confirmation is very important to us. When will it be a convenient time for me to contact you again? Mr /Ms /Mdm/Dr (name of Client), I will contact you again on (agreed date and time). Thank you.

Ver. No.	Change Summary	Change Owner	Date Approved
	Annex 8 – Appeal Process Flowchart – Appeal Process for Representatives Replaced below: Upon completion of the post transaction checks, [1]Audit Reports will be emailed to Representative, Tier 2, Tier 3 Supervisors and BDM-in-charge. If Representative decides to appeal for his/her case, he/she will then submit an Appeal to the respective Tier 3 Supervisor and BDM for assessment. (If a Tier 3 Supervisor is appealing, the Appeal should be submitted to BDM for assessment.) With: Upon completion of the post transaction checks, [1]Audit Reports will be emailed to Representative, Tier 2, Tier 3 Supervisors and BDM-in-charge. If Representative decides to appeal for his/her case, he/she will then submit an Appeal to the respective Tier 3 Supervisor and BDM for assessment. Representative may only appeal on infractions where his/her BSC Grade is impacted i.e. for Representative accorded with BSC Grade B or worse only. (If a Tier 3 Supervisor is appealing, the Appeal should be submitted to BDM for assessment.) Replaced below: RM&C hands the Appeal form and sales/audit documents etc to the [4]Appeals Committee. The Appeals Committee will deliberate on the Appeal Request. An [5]email will then be sent to the respective Supervisor, Tier 3 Supervisor and BDM informing them on the outcome result of the Appeal. With: Upon receipt of Appeal form, RM&C acknowledge receipt of the appeal form within T+2 days. RM&C facilitate the appeal process either via face-to-face meeting, online meeting or email. RM&C provides the Appeal form and sales/audit documents etc. to the [4]Appeals Committee. The Appeals Committee will deliberate on the Appeal Request. An [5]email will then be sent to the Representative, respective Supervisor, Tier 3 Supervisor and BDM informing them on the outcome result of the Appeal no later than 1 week after the Appeal meeting. Annex 8 – Appeal Process Flowchart – Appeal Process for Supervisor Replaced below: RM&C hands the Appeal form and sales/audit documents etc to the [9]Appeals Committee. The Appeals Committee will deliberate on the Appeal Request. An [10]email will then be sent to the respective Supervisor, Tier 3 Supervisor and BDM informing them on the outcome result of the Appeal. With: Upon receipt of Appeal form, RM&C acknowledge receipt of the appeal form within T+2 days. RM&C facilitate the appeal process either via face-to-face meeting, online meeting or email. RM&C provides the Appeal form and sales/audit documents etc. to the [9]Appeals Committee. The Appeals Committee will deliberate on the Appeal Request. An [10]email will then be sent to the Supervisor, Tier 3 Supervisor and BDM informing them on the outcome result of the Appeal no later than 1 week after the Appeal meeting.		

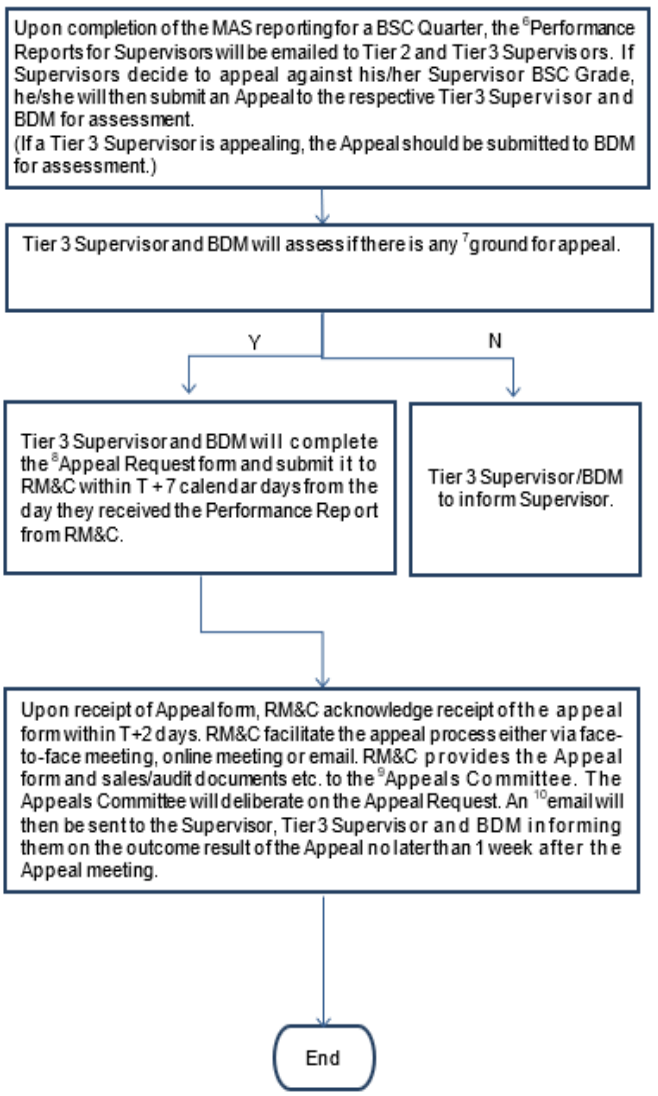
Ver. No.	Change Summary	Change Owner	Date Approved
4-2022	Amend Point 3.6 from: Transactions which are **excluded** from BSC framework are: • Group Insurance • General Insurance • Accident and Health • AI and OI transactions to: 3.6. Transactions which are **excluded** from BSC framework are: • Group Insurance • General Insurance • Accident and Health Insurance • AI and Corporate Customers' transactions • [2]Representatives' own transactions **4. Principles** 4.1. Supervisors are required to conduct pre-transaction checks such as documentation reviews for all transactions and call-back to [3]Selected Clients and clients of [4]Selected Representatives. In the context of this Guide, the call-back to Selected Clients and clients of Selected Representatives relates to: CIS • New subscriptions for Unit Trust (Lump Sum and RSP) • Top Ups to existing funds / portfolio • Switches within non-wrapped account with sales charges ETFs • New subscriptions for ETFs (Lump Sum and RSP) • Top Ups to existing funds / portfolio Life Policies • New policies (Single and Regular premium) with riders • New riders added to existing Main Life Policies • Increase in sum assured involving the injection of new monies • Top Ups to existing ILP sub funds [2]Although Representatives' own transactions are not subjected to BSC documentation review, in the event of commission clawback, Representatives' own transactions are included in the computation of specified variable income remuneration claw back. Amend definition of Selected Client from: [3]**Selected Client** refers to a client who meets any 2 of the following criteria: - i. 62 years of age or older; ii. does not have minimum 'N' or 'O' level certification; iii. cannot communicate, read or write in English to: [3]**Selected Client** refers to a client who meets any 2 of the following criteria: - i. aged 62 and above; ii. do not have a minimum of "N" or "O" levels; iii. cannot communicate, read or write in English	Teo Puay Hoon, RM&C	September 2022

Ver. No.	Change Summary	Change Owner	Date Approved
	Amend Annex 8 – Appeal Process Flowchart – Appeal Process for Representatives. Old Appeal Process Flowchart: **Appeal Process for Representatives**  		

Ver. No.	Change Summary	Change Owner	Date Approved
	Replaced With: **Appeal Process for Representatives**  1. The Audit Report will state the Cat 1/ Cat 2 infractions identified and the actions (if any) required by the Representative arising from the audit findings. 2. Grounds for Appeal is strictly restricted to factual evidence found in the Financial Planner. Appeals will not be entertained based on personal reasons (Eg. Slip of mind, Client is the immediate family/ relative/ friend of Representative, Documents not submitted/ lodged earlier, testimonial letter from client etc). 3. An Appeal Request has to be put up through the CDO to RM&C. Both Tier 3 Supervisor and CDO have to document and justify the grounds for appeal and sign off the Appeal Request form. 4. The Appeals Committee consists of the following personnel: – Lindy Tan (Chief Operating Officer) – Shereen Cheong (Lead, Finance) – Cheong Kum Foo (Head of Partnership Management) – Corrine Tan (Head of Channel Marketing & Transformation) – Lee Eik Hong (Lead, Inventing Tomorrow) – Tracey Tang (Lead, Training & Competency) Each Appeal meeting will consist of 3 Appeal committee members who are on a rotational basis. 5. Decision from the Appeals Committee is final and no further appeal will be entertained.		

Ver. No.	Change Summary	Change Owner	Date Approved
	Amend Annex 8 – Appeal Process Flowchart – Appeal Process for Supervisor. Old Appeal Process Flowchart:		

Appeal Process for Supervisor



6. The Performance Report will state the Supervisor BSC Grades and breakdown of the calculation of the Supervisors' Percentage Entitlement to Specified Variable Income.

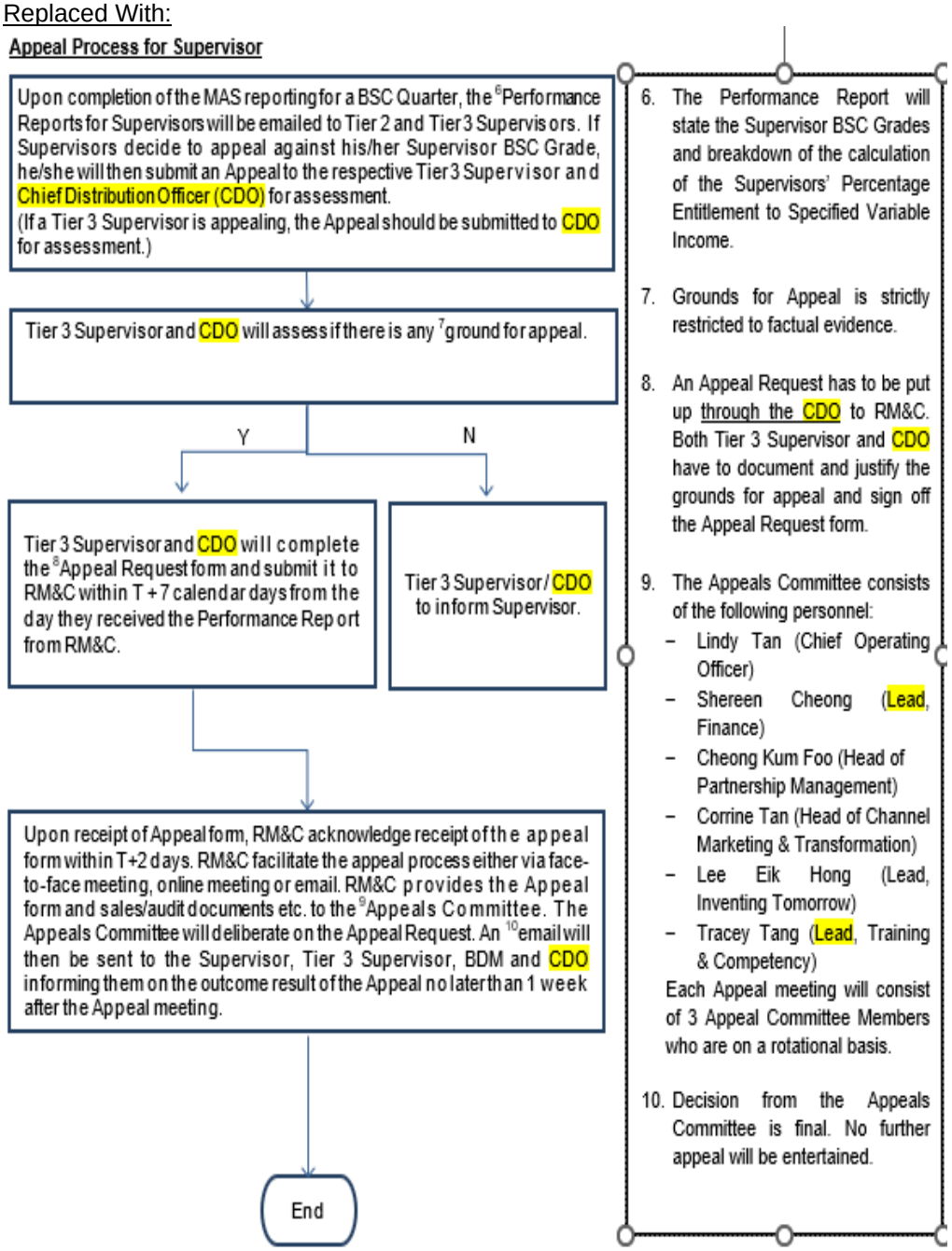
7. Grounds for Appeal is strictly restricted to factual evidence.

8. An Appeal Request has to be put up through the BDM to RM&C. Both Tier 3 Supervisor and BDM have to document and justify the grounds for appeal and sign off the Appeal Request form.

9. The Appeals Committee consists of the following personnel:
   - Lindy Tan (Chief Operating Officer)
   - Shereen Cheong (Finance Manager)
   - Cheong Kum Foo (Head of Partnership Management)
   - Corrine Tan (Head of Channel Marketing & Transformation)
   - Lee Eik Hong (Lead, Inventing Tomorrow)
   - Tracey Tang (Manager of Training & Competency)

   Each Appeal meeting will consist of 3 Appeal Committee Members who are on a rotational basis.

10. Decision from the Appeals Committee is final. No further appeal will be entertained.

Ver. No.	Change Summary	Change Owner	Date Approved
	Replaced With: **Appeal Process for Supervisor**  6. The Performance Report will state the Supervisor BSC Grades and breakdown of the calculation of the Supervisors' Percentage Entitlement to Specified Variable Income. 7. Grounds for Appeal is strictly restricted to factual evidence. 8. An Appeal Request has to be put up through the CDO to RM&C. Both Tier 3 Supervisor and CDO have to document and justify the grounds for appeal and sign off the Appeal Request form. 9. The Appeals Committee consists of the following personnel: – Lindy Tan (Chief Operating Officer) – Shereen Cheong (Lead, Finance) – Cheong Kum Foo (Head of Partnership Management) – Corrine Tan (Head of Channel Marketing & Transformation) – Lee Eik Hong (Lead, Inventing Tomorrow) – Tracey Tang (Lead, Training & Competency) Each Appeal meeting will consist of 3 Appeal Committee Members who are on a rotational basis. 10. Decision from the Appeals Committee is final. No further appeal will be entertained.		

Ver. No.	Change Summary	Change Owner	Date Approved
	Replaced Annex 9 – Appeal Request Form. Old Appeal Request Form is as below:		

PIAS PROFESSIONAL INVESTMENT ADVISORY SERVICES

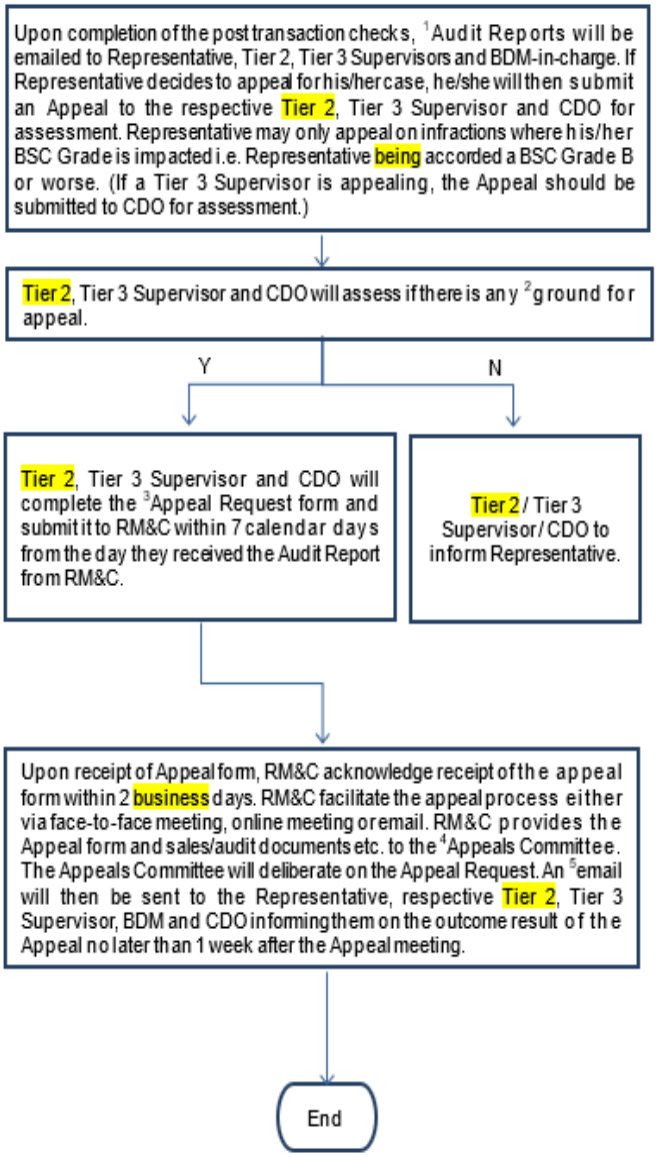
BSC Appeal Request Form

General
(a) All Appeal requests have to be submitted within T + 7 days from the receipt of BSC Grades from RM&C department.
(b) Any Appeal requests submitted after the stipulated timeframe will not be considered.
(c) Ground for Appeal is restricted to factual evidence.

Representative:		Branch Director:	
Rep Code:		Branch:	
Client:		BDM-in-charge:	
Product(s) Purchased :	1. 2.	Transaction Date:	Click here to enter a date.
BSC Measurement Quarter	Please specify : BSC Qtr _____/YY____		
Infraction(s) for Appeal:	*(Please indicate the infractions assigned in the BSC Audit Report)* Category 1 ☐ Category 2 ☐		
Supervisor Grade for Appeal:	*(Please indicate the Supervisor Grade assigned in the Performance Report)* Satisfactory ☐ Fair ☐ Unsatisfactory ☐		
Rep/Supervisor Justifications for Appeal:	*(Please indicate the grounds for Appeal)*		Rep/Supervisor's Signature / Date
Branch Director Comment(s):	*(Branch Director to state justification to support Rep/Sup's Appeal*)*		Branch Director's Signature / Date
BDM's Comment(s):	*(BDM to state justification to support Rep/Sup's Appeal*)*		BDM's Signature / Date

Version 1.4 - 04012022

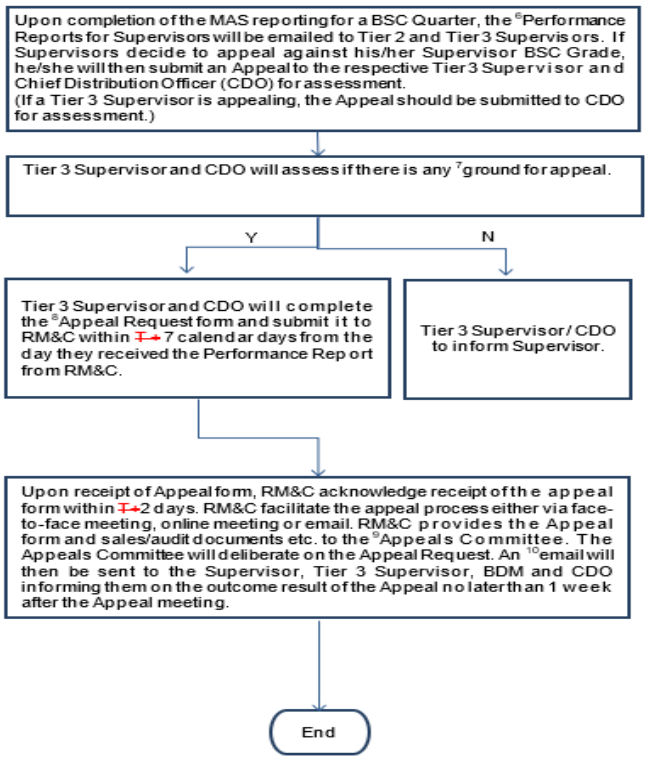
Ver. No.	Change Summary	Change Owner	Date Approved
5-2022	Updated Point 18.1 – Appeal. Old Point 18.1 as follows: When infractions are found, Representatives and Supervisors will be informed, given the opportunity to show cause within 7 days from the receipt of the audit report they are appealing against the BSC grading for the quarter with infraction(s). PIAS Representatives may only appeal on infractions where their BSC Grade is impacted i.e. for PIAS Representatives accorded with BSC Grade B or worse only. Amend Annex 8 – Appeal Process Flowchart – Appeal Process for Representatives. Old Appeal Process Flowchart: **27. Annex 8 - Appeal Process Flowchart** **Appeal Process for Representatives** Upon completion of the post transaction checks, [1]Audit Reports will be emailed to Representative, Tier 2, Tier 3 Supervisors, BDM-in-charge ~~and Chief Distribution Officer (CDO)~~. If Representative decides to appeal for his/her case, he/she will then submit an Appeal to the respective Tier 3 Supervisor and CDO for assessment. Representative may only appeal on infractions where his/her BSC Grade is impacted i.e. ~~for~~ Representative accorded with BSC Grade B or worse only. (If a Tier 3 Supervisor is appealing, the Appeal should be submitted to CDO for assessment.) ↓ Tier 3 Supervisor and CDO will assess if there is any [2]ground for appeal. Y → Tier 3 Supervisor and CDO will complete the [3]Appeal Request form and submit it to RM&C within ~~T+~~ 7 calendar days from the day they received the Audit Report from RM&C. N → Tier 3 Supervisor / CDO to inform Representative. ↓ Upon receipt of Appeal form, RM&C acknowledge receipt of the appeal form within ~~T+~~2 days. RM&C facilitate the appeal process either via face-to-face meeting, online meeting or email. RM&C provides the Appeal form and sales/audit documents etc. to the [4]Appeals Committee. The Appeals Committee will deliberate on the Appeal Request. An [5]email will then be sent to the Representative, respective Supervisor, Tier 3 Supervisor, BDM and CDO informing them on the outcome result of the Appeal no later than 1 week after the Appeal meeting. ↓ End 1. The Audit Report will state the Cat 1/ Cat 2 infractions identified and the actions (if any) required by the Representative arising from the audit findings. 2. Grounds for Appeal is strictly restricted to factual evidence found in the Financial Planner. Appeals will not be entertained based on personal reasons (Eg. Slip of mind, Client is the immediate family/ relative/ friend of Representative, Documents not submitted/ lodged earlier, testimonial letter from client etc). 3. An Appeal Request has to be put up through the CDO to RM&C. Both Tier 3 Supervisor and CDO have to document and justify the grounds for appeal and sign off the Appeal Request form. 4. The Appeals Committee consists of the following personnel: – Lindy Tan (Chief Operating Officer) – Shereen Cheong (Lead, Finance) – Cheong Kum Foo (Head of Partnership Management) – Corrine Tan (Head of Channel Marketing & Transformation) – Lee Eik Hong (Lead, Inventing Tomorrow) – Tracey Tang (Lead, Training & Competency) Each Appeal meeting will consist of 3 Appeal committee members who are on a rotational basis. 5. Decision from the Appeals Committee is final and no further appeal will be entertained.	Teo Puay Hoon, RM&C	November 2022

Ver. No.	Change Summary	Change Owner	Date Approved
	Replaced With: **Appeal Process for Representatives**  1. The Audit Report will state the Cat 1/ Cat 2 infractions identified and the actions (if any) required by the Representative arising from the audit findings. 2. Grounds for Appeal is strictly restricted to factual evidence found in the Financial Planner. Appeals will not be entertained based on personal reasons (Eg. Slip of mind, Client is the immediate family/ relative/ friend of Representative, Documents not submitted/ lodged earlier, testimonial letter from client etc). 3. An Appeal Request has to be put up through the CDO to RM&C. Tier 2, Tier 3 Supervisor and CDO have to document and justify the grounds for appeal and sign off the Appeal Request form. 4. The Appeals Committee consists of the following personnel: – Lindy Tan (Chief Operating Officer) – Shereen Cheong (Lead, Finance) – Cheong Kum Foo (Head of Partnership Management) – Corrine Tan (Head of Channel Marketing & Transformation) – Lee Eik Hong (Lead, Inventing Tomorrow) – Tracey Tang (Lead, Training & Competency) Each Appeal meeting will consist of 3 Appeal committee members who are on a rotational basis. 5. Decision from the Appeals Committee is final and no further appeal will be entertained.		

Ver. No.	Change Summary	Change Owner	Date Approved
	Amend Annex 8 – Appeal Process Flowchart – Appeal Process for Supervisor.		

Old Appeal Process Flowchart:

Appeal Process for Supervisor

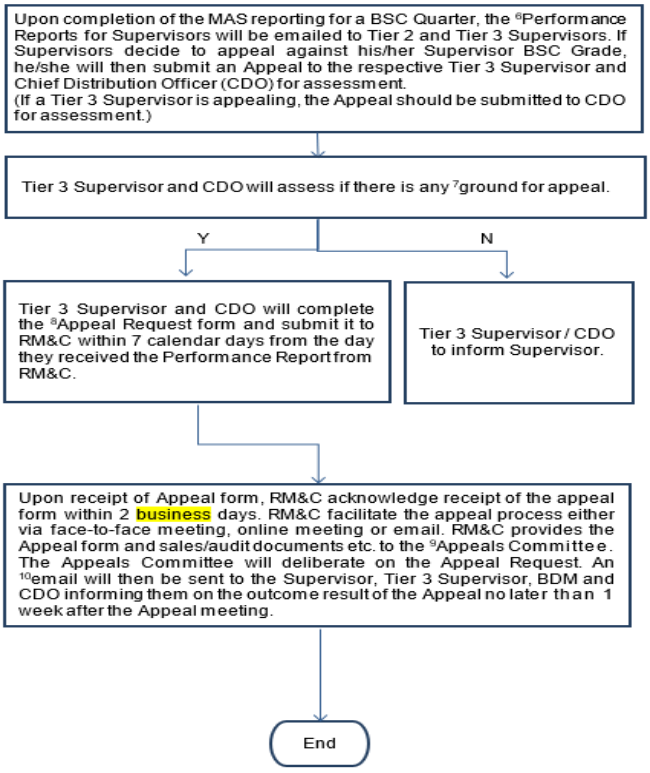


6. The Performance Report will state the Supervisor BSC Grades and breakdown of the calculation of the Supervisors' Percentage Entitlement to Specified Variable Income.
7. Grounds for Appeal is strictly restricted to factual evidence.
8. An Appeal Request has to be put up through the CDO to RM&C. Both Tier 3 Supervisor and CDO have to document and justify the grounds for appeal and sign off the Appeal Request form.
9. The Appeals Committee consists of the following personnel:
   - Lindy Tan (Chief Operating Officer)
   - Shereen Cheong (Lead, Finance)
   - Cheong Kum Foo (Head of Partnership Management)
   - Corrine Tan (Head of Channel Marketing & Transformation)
   - Lee Eik Hong (Lead, Inventing Tomorrow)
   - Tracey Tang (Lead, Training & Competency)

   Each Appeal meeting will consist of 3 Appeal Committee Members who are on a rotational basis.
10. Decision from the Appeals Committee is final. No further appeal will be entertained.

Replaced With:

Appeal Process for Supervisor



6. The Performance Report will state the Supervisor BSC Grades and breakdown of the calculation of the Supervisors' Percentage Entitlement to Specified Variable Income.
7. Grounds for Appeal is strictly restricted to factual evidence.
8. An Appeal Request has to be put up through the CDO to RM&C. Both Tier 3 Supervisor and CDO have to document and justify the grounds for appeal and sign off the Appeal Request form.
9. The Appeals Committee consists of the following personnel:
   - Lindy Tan (Chief Operating Officer)
   - Shereen Cheong (Lead, Finance)
   - Cheong Kum Foo (Head of Partnership Management)
   - Corrine Tan (Head of Channel Marketing & Transformation)
   - Lee Eik Hong (Lead, Inventing Tomorrow)
   - Tracey Tang (Lead, Training & Competency)

   Each Appeal meeting will consist of 3 Appeal Committee Members who are on a rotational basis.
10. Decision from the Appeals Committee is final. No further appeal will be entertained.

Ver. No.	Change Summary	Change Owner	Date Approved
	Amend Annex 9 – BSC Appeal Request Form. Old BSC Appeal Request Form (Page 1)		

PIAS PROFESSIONAL INVESTMENT ADVISORY SERVICES

Appeals Form (RM&C Department)

APPEALS FORM

Please read these instructions carefully:

- All appeals must be submitted to Risk Management & Compliance ("RM&C") department **within 7 calendar days** from the date of issuance of the disciplinary action(s) or the receipt of BSC Audit report from RM&C.
- FAR will receive a written acknowledgement within 2 business days.
- Appeal sent in to RM&C after 7 calendar days will not be entertained.
- This form must be signed and submitted by the affected FAR.
- The Appeals Form and any supporting documents submitted will be forwarded to the Chief Distribution Officer for endorsement.
- Upon endorsement, the Appeals Form and any supporting documents submitted will be forwarded to the Appeals Committee ("AC") for their consideration.
- For any appeals that are frivolous in nature, the respective AC reserves the right to increase the disciplinary action originally meted out.
- The Appeal hearing may be held by one of the following modes: face-to-face meeting, online meeting, or email.
- If held via a meeting, the FAR will be invited to the Appeal hearing and self-represent the case to the AC and **will have no more than 10 minutes to state their appeal**. He/she may get a Business Development staff or Supervisor to accompany him/her to the Appeal hearing.
- The Appeal may be heard by either the PIAS Appeals Committee or Singlife Group Appeals Committee as follow:

Appeals Committee	Type of Appeal
Disciplinary and Appeals Committee ("DAC"), i.e., PIAS Appeals Committee	Less serious market misconduct cases/ penalty • Letter of Warning arising from market conduct investigation • BSC grading of B and below (i.e., B or worse)#
Group Management Appeals Committee ("GMAC"), i.e., Singlife Group Appeals Committee	Serious market misconduct cases/ penalty • Letter of Suspension • Letter/Notice of Termination

No appeals for infraction that does not affect the BSC grading, i.e., no appeal if BSC grading is A.

1. PARTICULARS OF FINANCIAL ADVISER REPRESENTATIVES ["FAR"]	
Name of FAR	
PIAS Rep Code	
RNF Date	
Designation	
Contact Number	
Branch Name	
Name of Supervisor	

RM&C Appeals Form (Sep2022) Page **1** of **5**

Ver. No.	Change Summary	Change Owner	Date Approved
	Old BSC Appeal Request Form (Page 2)		

PIAS PROFESSIONAL INVESTMENT ADVISORY SERVICES

Appeals Form (RM&C Department)

2. Appeal For		
☐ BSC Grading		
BSC Quarter		
BSC Grade Accorded^	Rep:	☐ Grade B ☐ Grade C ☐ Grade D ☐ Grade E
	Sup:	☐ Satisfactory ☐ Fair ☐ Unsatisfactory
Transaction Details *Please state Client name, Product name (main plan) and Transaction date.*	1.	
	2.	
	3.	
	4.	
	5.	
☐ Other market misconduct cases/ penalty		
Disciplinary Letter *Tick as applicable*	☐ Letter of Advice	☐ Letter of Warning
	☐ Letter of Suspension	☐ Notice of Termination
Others *Please specify the details*		

3. Grounds for Appeal
☐ New evidence or evidence not otherwise considered during the course of investigations.
☐ Others:

al *RM&C Appeals Form (Sep2022)* Page **2** of **5**

Ver. No.	Change Summary	Change Owner	Date Approved
	Old BSC Appeal Request Form (Page 3)		

PIAS PROFESSIONAL INVESTMENT ADVISORY SERVICES

Appeals Form (RM&C Department)

3. Grounds for Appeal (con't)

Details on the ground(s) of appeal

Please state the new evidence or details of evidence not considered during BSC review/investigation and how the details could impact the assessment. Where new evidence is provided, you are to state the reason for not providing the evidence during the BSC review/investigation.

If you need more space to explain your situation, attach an additional sheet of paper

RM&C Appeals Form (Sep2022) Page **3** of **5**

Ver. No.	Change Summary	Change Owner	Date Approved
	Old BSC Appeal Request Form (Page 4)		

PIAS PROFESSIONAL INVESTMENT ADVISORY SERVICES

Appeals Form
(RM&C Department)

4. Direct Supervisor's Comments
Please provide comments based on factual evidence related to the case.
5. T3 Supervisor's Comments (if applicable)
Please provide comments based on factual evidence related to the case.

FAR Signature | T2 Supervisor Signature | T3 Supervisor Signature | Date

RM&C Appeals Form (Sep2022) Page **4** of **5**

Ver. No.	Change Summary	Change Owner	Date Approved
	Old BSC Appeal Request Form (Page 5) PIAS PROFESSIONAL INVESTMENT ADVISORY SERVICES — Appeals Form (RM&C Department) **For Office Use - Endorsement by Chief Distribution Officer** ☐ **Approved** ☐ **Not Approved** Name ..... CDO Signature ..... Date ..... *RM&C Appeals Form (Sep2022)* Page **5** of **5**		

Ver. No.	Change Summary	Change Owner	Date Approved
6-2023	<u>Amended Client Call-back Point 8.3ii</u> From: ii. <u>Client Call-back</u> - Where a Representative has made a recommendation to any Selected Client, a direct Supervisor is required to conduct client call-backs with the Selected Client in respect to the recommendations; and - Where a Representative is a Selected Representative, the direct Supervisor is required to conduct client call-backs with every client to whom the Selected Representative made any recommendation; - Client call-back is required to be conducted as soon as possible and no later than 7 business days (for CIS) or 14 business days (for all life polices) upon the receipt of document from Representative. Client call back form is to be completed and submitted to Business Support for lodgement. Failure to do so without a valid reason may result in disciplinary action taken against the Supervisor. To: ii. <u>Client Call-back</u> - Where a Representative has made a recommendation to any Selected Client, a direct Supervisor is required to conduct client call-backs with the Selected Client in respect to the recommendations; and - Where a Representative is a Selected Representative, the direct Supervisor is required to conduct client call-backs with every client to whom the Selected Representative made any recommendation; - Client call-back is required to be conducted by direct Supervisor before lodgement to Business Support. Client call back form is to be completed and submitted to Business Support for lodgement. Failure to do so without a valid reason may result in disciplinary action taken against the Supervisor.	Teo Puay Hoon, RM&C	May 2023

Ver. No.	Change Summary	Change Owner	Date Approved
	Amended Annex 4 – Client Call-Back Form Old Client Call-Back Form as below:		

PIAS PROFESSIONAL INVESTMENT ADVISORY SERVICES

Client Call-Back Form

This form should be completed by Supervisor and submitted to Business Support as soon as possible but no later than 7 business days (for CIS) or 14 business days (for insurance products) upon the receipt of document from FAR for all closed sales. This is to ensure that clients have understood their purchases. Supervisors are encouraged to perform the client call back via recorded line.

SECTION 1: PURPOSE				
☐ Selected Client	☐ Roadshow	☐ Door-to-Door	☐ Street Canvassing	☐ Close Monitoring
Name of FAR		FAR Code		
Branch				

SECTION 2: DETAILS OF EVENT (TO BE COMPLETED FOR ROADSHOWS/DTD/STREET CANVASSING)	
Date of Event	
Event Venue	

SECTION 3: DETAILS OF CLIENT						
Name of Client:			Identification No.			
Selected Client:	☐ Yes	☐ No	Spoken Language	☐ English	☐ Mandarin	☐ Dialect

SECTION 4: DETAILS OF PRODUCT PURCHASED			
S/N	Name of Product Purchased	Investment/ Premium Amount	Application Date

SECTION 5: DETAILS OF CLIENT CALL-BACK		
Call-Back to Client via (Please tick & indicate the contact no. and mode)		
☐ Home Number -	☐ Mobile Number -	☐ Office Number -

	First Attempt	Second Attempt	Third Attempt
Date / Time / Extension	/	/	/

☐ Client is uncontactable.

☐ Language used to communicate with Client: _____

PIAS Client Call-Back Form ver.2.1-2019 Page 1 of 4

Ver. No.	Change Summary	Change Owner	Date Approved

PIAS PROFESSIONAL INVESTMENT ADVISORY SERVICES

Client Call-Back Form

SECTION 5: DETAILS OF CLIENT CALL-BACK (CONT'D)

PLEASE TICK AND CONFIRM WITH CLIENT ON THE FOLLOWING:

- ☐ Client acknowledged that proper fact find and needs analysis was conducted before product recommendation.
- ☐ Client is aware of the **key product features, risk and limitations***
- ☐ Client acknowledged that the recommendation is suitable for him/her and confirmed that the recommendation is within his/her affordability, risk profile and he/she had set aside emergency funds for liquidity purposes.
- ☐ Client is aware of the transaction costs and / or possible disadvantages of switching **(if applicable).**
- ☐ Client acknowledged receipt of the relevant sales documents.

APPLICABLE FOR POLICY/POLICIES PAYABLE BY CPF MEDISAVE ACCOUNT ONLY:

- ☐ Client is aware that premiums are deducted through CPF Medisave account. Cash top-ups may be required in the event of failed deduction attempt(s) / insufficient funds / increase in premiums (e.g Integrated Shield Plans).

Remarks

Supervisor's Signature **Supervisor's Name** **Date**

PIAS Client Call-Back Form ver.2.1-2019 Page 2 of 4

Ver. No.	Change Summary	Change Owner	Date Approved
7-2023	<u>Removal of Appeal Committee Member from Appeal Process Flowchart</u> Point 4 & 9 - Lee Eik Hong (Lead, Inventing Tomorrow) <u>Removal of Point 13.12 and 14.10</u> 13.12 The BSC grade E Representative will not qualify for incentive trips and other forms of non-monetary incentives declared from time to time in the same Financial Year. 14.10 A Supervisor who has been assigned a Supervisor BSC grade of "Unsatisfactory" will not qualify for all benefits/ awards / incentives / trips / other forms of variable remuneration declared from time to time in the same Financial Year.	Teo Puay Hoon, RM&C	June 2023
8-2023	<u>Amended "Selected Client" definition at footnote of Point 4, Annex 1 and 2</u> From: [3]**Selected Client** refers to a client who meets any 2 of the following criteria: - i. aged 62 and above; ii. do not have a minimum of "N" or "O" levels; iii. cannot communicate, read or write in English To: [3]**Selected Client** refers to a client who meets any 2 of the following criteria: - i. is 62 years of age or older; ii. is not proficient in spoken or written English; iii. has below GCE 'O' level or 'N' level certifications, or equivalent academic qualifications	Teo Puay Hoon, RM&C	November 2023
	<u>Amended Point 3 of Annex 1 and 2</u> From: Client call-back is to be conducted as soon as possible but no later than 7 business days (for Unit Trust) or 14 business days (for insurance products) upon the receipt of document from Representative. Client call-back form is to be submitted to Business Support for lodgment upon completion. To: Client call-back is required to be conducted by direct Supervisor before lodgement to Business Support. Client call-back form is to be completed and submitted to Business Support for lodgment.		
	Amended Annex 8 - Appeal Process Flowchart For Representatives and Supervisors		
9-2024	<u>Included Point 13 – MAS Misconduct Reporting</u> Included Point 13.1, 13.2, 13.3, 13.4 and 13.5.	Teo Puay Hoon, RM&C	February 2024
	<u>Amended Point 19 – Appeal</u> Removed the sentence: PIAS Representatives can only appeal on infractions where their BSC grading is impacted i.e. PIAS Representative accorded with a BSC Grade B or worse. <u>Amended Annex 8 & 9 – Appeal Process Flowchart</u> Annex 8 - Removed the sentence from first box: Representative may only appeal on infractions where his/her BSC Grade is impacted i.e. Representative being accorded a BSC Grade B or worse. Annex 8 & 9 - Removed one of the Appeal Committee: Victoria Chia and replaced with Mabel Chew; and - Amended "no later than 1 week" to "no later than 7 business days" for notification of Appeal outcome to Representative and relevant parties. (Follow Group MCG)		

Ver. No.	Change Summary	Change Owner	Date Approved
10-2024	Included Point 14.8 to "Consequences of Representative with a BSC Grade "B" or worse in two consecutive quarters (Selected Representative status)"	Teo Puay Hoon, RM&C	Dec 2024
11-2025	Annex 8 - Appeal Process Flowchart For Representatives and Supervisors Amended Appeal Committee Member from Ms Tracey Tang to Ms Melinda Ngoh.	Teo Puay Hoon, RM&C	Jan 2025
12-2025	Point 14.11 - CS of a BSC grade E Representative Included the below sentences to define a "Closed Sale" in Close Supervision of Grade E Rep: *****A closed sale is one where the Representative has performed a fact-find, a needs analysis and provided a recommendation on an #investment product to the client, and the client has accepted the recommendation to purchase the #investment product. #Investment product includes Life policy, and exclude Accident and Health policy ("A&H") and Long-Term Accident and Health policy ("LT A&H").	Teo Puay Hoon, RM&C	Feb 2025

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1. Introduction

1.1. As part of the Financial Advisory Industry Review ("FAIR") initiatives, the Balanced Scorecard ("BSC") framework will be implemented with effect from 01 April 2015. As stipulated in the BSC Framework, a financial adviser should instil a strong culture of fair dealing where Representatives conduct proper fact-finds and risk profiling analysis, so as to provide their clients with quality advice and appropriate recommendations. Hence, a significant proportion of a Representative's remuneration should be subject to the Representative's performance on the non-sales KPIs.

2. Objective

2.1. The objective of the BSC framework is to align the interests of the Financial Adviser industry and consumers. It aims to promote good behaviour and encourage Representatives to provide quality advice and suitable recommendations for their customers.

3. Applicability

3.1. The BSC Framework applies to FA firms and Representatives that are required to comply with:

- Section 27 of the Financial Advisers Act (FAA) which requires FA firms and Representatives to have a reasonable basis for recommending any investment product to a client; and
- FAA-N16 Notice on Recommendations on Investment Products which sets out the standards to be maintained by FA firms and Representatives with respect to recommendations made on investment products.

3.2. BSC framework is targeted at retail individual clients. The provision of FA services to Accredited Investors [1]("AI"), and non-individual clients are exempted from the framework.

3.3. Investment products that will be subjected to BSC framework include all Collective Investment Scheme ("CIS"), Exchange Traded Funds ("ETFs") and Life policies. Scope of BSC will be any purchase of investment product by the client, and includes, in the case of any life policy, any increase in the sum assured involving injection of new funds or any addition of riders to the life policy, and which Representatives gave advice and received commission from such transactions.

3.4. For the avoidance of doubt, CIS, ETFs and Life policies included in the BSC framework will include the following product types:

<u>CIS</u>
- Unit Trust

- Exchange Traded Funds ("ETFs")

<u>Life Policies</u>
- Investment Linked Policies ("ILP")
- Life wrapper
- Whole Life
- Term
- Endowment
- Annuity

[1]Valid AI declaration form with supporting documents required to justify a Client's Status

3.5. Types of transactions which will be included in the BSC framework include:

CIS
- New subscriptions for Unit Trust (Lump Sum and RSP)
- Top Ups to existing funds / portfolio
- Switches within non-wrapped account with sales charges

ETFs
- New subscriptions for ETFs (Lump Sum and RSP)
- Top Ups to existing funds / portfolio

Life Policies
- New policies (Single and Regular premium) with riders
- New riders added to existing Main Life Policies
- Increase in sum assured involving the injection of new monies
- Top Ups to existing ILP sub funds

3.6. Transactions which are **excluded** from BSC framework are:
- Group Insurance
- General Insurance
- Accident and Health Insurance
- AI and Corporate Customers' transactions
- [2]Representatives' own transactions

4. Principles

4.1. Supervisors are required to conduct pre-transaction checks such as documentation reviews for all transactions and call-back to [3]Selected Clients and clients of [4]Selected Representatives. In the context of this Guide, the call-back to Selected Clients and clients of Selected Representatives relates to:

CIS
- New subscriptions for Unit Trust (Lump Sum and RSP)
- Top Ups to existing funds / portfolio
- Switches within non-wrapped account with sales charges

ETFs
- New subscriptions for ETFs (Lump Sum and RSP)
- Top Ups to existing funds / portfolio

Life Policies
- New policies (Single and Regular premium) with riders
- New riders added to existing Main Life Policies
- Increase in sum assured involving the injection of new monies
- Top Ups to existing ILP sub funds

[2]Although Representatives' own transactions are not subjected to BSC documentation review, in the event of commission clawback, Representatives' own transactions are included in the computation of specified variable income remuneration claw back.

[3]**Selected Client** refers to a client who meets any 2 of the following criteria: -
iv. is 62 years of age or older;
v. is not proficient in spoken or written English;
vi. has below GCE 'O' level or 'N' level certifications, or equivalent academic qualifications

[4]**Selected Representative** refer to Representatives who have been assigned a BSC grade B or worse under the BSC framework consecutively for two calendar quarters preceding the measurement quarter. Eg. End Q4 2015 (assessment quarter for Q32015), we conclude that Rep has obtained BSC grade B in Q2 and Q3 of 2015. He will be identified as a Selected Rep for measurement quarter of Q12016.

Infractions on documentation review and call-back to clients discovered in the pre-transaction stage will not be factored into the Representative's performance on non-sales KPIs as all infractions found during this stage will have to be rectified by the Representatives before the transactions are executed.

4.2. Sample checks on post-transaction policies (fact-find form, application form dated, issued and premium paid from 01 Apr 2015) will be conducted quarterly.

4.3. Representatives will be graded quarterly on the quality of their sales advice for their portfolio of sales in a quarter. Grades will be awarded based on the percentage or absolute number of sampled cases with infractions in that quarter.

[MAS FAQ Qn5]

If an FA Representative was assigned the following BSC grades:

(A) First calendar quarter of the year - BSC grade "B" or worse; second calendar quarter - BSC grade "B" or worse; and third calendar quarter - BSC grade "A".

(B) First calendar quarter of the year - BSC grade "B" or worse; second calendar quarter - not assigned a BSC grade as the FA representative did not effect any transaction in that quarter; and third calendar quarter – BSC grade "B" or worse.

Should he be regarded as a selected representative in the third and fourth calendar quarters?

(A) In this case, the representative will be classified as a selected representative in the third calendar quarter only. He will not be considered as a selected representative in the fourth calendar quarter.

(B) The representative will not be classified as a selected representative in the third calendar quarter given that he had only been assigned a single BSC grade (i.e. for the first calendar quarter of the year). However, he will be considered as a selected representative in the fourth calendar quarter. This is because in assessing whether a representative meets the definition of a "selected representative", the financial adviser should refer to the preceding two calendar quarters with BSC grades, notwithstanding that both calendar quarters are not consecutive (i.e. first and third calendar quarter of the year).

[MAS FAQ Qn6]

According to the definition of selected client, a client will not be considered as a selected client if a financial adviser has assessed the client to have adequate investment experience and knowledge to transact in the investment product recommended. For a client who is purchasing a particular investment product where he has been assessed to have satisfied the Customer Knowledge Assessment (CKA) for this product based on his past investment experience[1], can the financial adviser consider the client as possessing adequate investment experience and knowledge to transact in this product for the purpose of determining if the client is a selected client?

Yes, in determining if a client is a selected client, the financial adviser can rely on the outcome of the CKA to assess if the client has adequate investment experience and knowledge to transact in a particular investment product.

[1] Under the MAS Notice FAA-N16 on Recommendations on Investment Products (FAA-N16), a client who possesses the following investment experience will be assessed as possessing the knowledge or experience in a Specified Investment Product (SIP) that is neither listed for quotation nor quoted on a securities market or futures market (unlisted SIP) for the purpose of the satisfaction of the Customer Knowledge Assessment (CKA) in the SIP concerned:
(i) for transactions in collective investment schemes (CIS) and investment-linked life insurance policies (ILPs), the client has transacted in CIS or ILPs at least six times in the preceding three years; or
(ii) for transactions in unlisted SIPs (excluding CIS and ILPs), the client has transacted in any unlisted SIPs (excluding CIS and ILPs) at least six times in the preceding three years.

Confidential

5. Variable Income

5.1. The BSC Framework applies to all variable income that is tied to sales volume. As defined by MAS, variable income refers to the amount of remuneration provided or to be provided to the Representative, whether on a periodic basis or otherwise, which varies and is directly dependent, wholly or partly, on one or more of the following:

(i) the volume or value of investment products in relation to which FA services are provided by the Representative to clients;

(ii) the volume or value of agreements, transactions or arrangements relating to any investment product, entered into by clients to whom the Representative provided any FA service;

(iii) the volume of fees or charges relating to any investment product, paid by clients to whom the Representative provided any FA service; or

(iv) the volume or premiums relating to any life policy, paid by clients to whom the Representative provided any FA service.

5.2. Applicable to Life Insurance industry, variable income refers to all commissions, overriding commissions and bonuses tied to the total portfolio of sales in any measurement quarter.

5.3. For product that pays renewals, the variable income shall be the commission paid and received by the Representative. Consistent with the rest of the life products and since the earned approach is used, if the policy lapsed or is terminated, there will be no deduction accordingly.

5.4. Other types of variable income include production-based bonus/ incentives/ allowances that are contractual and are directly tied to sales volume.

5.5. All variable income received from CIS, ETFs and Life policies, as listed in para 3.4 and 3.5, will be included in the BSC computation.

5.6. Remuneration which will not be subjected to BSC Framework computation are:

- Recurring commission from policies incepted before 1 Jan 2016
- Trailer fees and Wrapped fees
- Referral and Advisory fees
- Recruitment Allowances
- Quality-based bonuses related to post sale servicing, recruitment and agency building
- Business expense related allowances
- Remuneration which is of a fixed amount and paid regularly regardless of sales performance
- All other remuneration that are not payable within the first 6 years of New Business Sales

[MAS FAQ Qn3]

Are trailer fees and wrap fees subject to the BSC Framework?

The BSC framework is meant to apply to volume-based remuneration (i.e. variable income) that may result in product pushing or aggressive selling. MAS does not prescribe specifically the types of remuneration caught under the definition of "variable income" given the wide range of terminology used in the industry. Financial advisers should assess whether a particular type of remuneration falls within the definition of "variable income", taking into consideration whether such remuneration poses conflicts with clients' interests.

For example, financial advisers may pay certain fees[2] to the representative periodically for as long as the client remains invested (commonly known as trailer fees) or for as long as the client wishes to be able to switch between funds without having to incur additional fees (commonly known as wrap fees). The payment of such fees to the representative does not pose conflicts with the clients' interests given that (i) trailer fees encourage the representative to provide good post-sales services; and (ii) wrap fees do not motivate the representative to induce the client to make unnecessary switches between funds since the representative is paid a flat fee by the client for switches between funds. Given the alignment of interest between the representative and the client, such fees will not be subjected to the BSC framework.

6. Non-Sales Key Performance Indicators (KPIs)

6.1. There are 4 main non-sales KPIs under the BSC Framework:
1) Non-sales KPI 1 - Understanding a client's needs (i.e. sufficiency of the fact-find);
2) Non-sales KPI 2 - Suitability of product recommendations;
3) Non-sales KPI 3 - Adequacy of information disclosure; and
4) Non-sales KPI 4 - Standards of professionalism and ethical conduct in relation to the provision of financial advisory services.

6.2. The scope of non-sales KPI 1 to 3 covers the minimum standards governing the life insurance advisory process including the three aspects namely: know your client, needs analysis, and documentation and record keeping.

6.3. The scope of the non-sales KPI 4 refers to the quality of a Representative's knowledge and skills in performing his services with integrity, honesty and duty of care to his customers. Ethical conduct involves moral principles that govern the Representative's behaviour and actions. Examples of breaches in one's professionalism and ethical conduct are: misrepresentation, fraud, cheating, Criminal Breach of Trust, breach of confidentiality, conflict of interest and putting one's interest before his customers.

7. Proportion of Variable Income subject to the Non-Sales KPIs

7.1. **Representatives who are fully remunerated based on variable income only**
Performance on non-sales KPIs will be factored into 60% of variable income provided or to be provided to the Representative in the calendar quarter;

7.2. **Representatives who are remunerated with a fixed salary and a variable income**
Performance on non-sales KPIs will be factored into 100% of variable income provided or to be provided to the Representative in the calendar quarter;

[2] Such fees are calculated based on a percentage of total assets under advice by the Representative. The total assets under advice will fluctuate according to market value of those assets.

Confidential

7.3. **Supervisors who are fully remunerated based on variable income only**
60% of the variable income provided or to be provided to the Supervisor in the calendar quarter will be measured against his Representatives' performance under the BSC framework in the same quarter.

7.4. **Supervisors who are remunerated with a fixed salary and variable income component**
100% of the variable income provided or to be provided to the Supervisor in the calendar quarter will be measured against his Representatives' performance under the BSC framework in the same quarter.

7.5. **Supervisors who are not remunerated by way of any variable income** and regardless of how the Representatives under his supervision or management are remunerated, Supervisor's performance in a calendar quarter against the performance of his Representatives under the BSC framework in the same calendar quarter will be assessed and factored into any appraisal of the Supervisor, including remuneration and promotion reviews.

8. Pre-transaction Checks by Direct Supervisor

8.1. Under the BSC framework, a financial adviser should institute controls to check that its Representatives have followed through the financial adviser's prescribed advisory and sales process, including the proper collection of information from client, Representatives' recommendations meet the needs of the clients before a transaction is submitted to product manufacturers for processing and execution.

8.2. There is no need to perform pre-transaction checks on transactions effected by a Supervisor in the highest tier (i.e. FSDs) as such a Supervisor is expected to be competent in performing his/her advisory and sales roles.

8.3. The Pre-transaction checks by Supervisors will include the following:

i. Documentation Review
- A direct Supervisor is required to review all documentation, including fact-find, needs analysis and basis of every recommendation made by Representative under the direct Supervisor's supervision or management against the PIAS Financial Planner Checklist. For a copy of the Checklist, please refer to Docushare.

- Documentation Review is to be completed as soon as possible and no later than 3 business days upon receipt of documents from Representative. Failure to do so without a valid reason may result in disciplinary action taken against the Direct Supervisor.

ii. Client Call-back
- Where a Representative has made a recommendation to any Selected Client, a direct Supervisor is required to conduct client call-backs with the Selected Client in respect to the recommendations; and

- Where a Representative is a Selected Representative, the direct Supervisor is required to conduct client call-backs with every client to whom the Selected Representative made any recommendation;

- Client call-back is required to be conducted by direct Supervisor before lodgement to Business Support. Client call back form is to be completed and submitted to Business Support for lodgement. Failure to do so without a valid reason may result in disciplinary action taken against the Supervisor.

- Direct Supervisors need not conduct the client call-back to clients if the direct Supervisor was present during the advisory meeting between the Representative and his/her client.

8.4. For the pre-transaction checks process flow for manual and online submission, please refer to the flowchart in **Annex 1** and **2** respectively.

8.5. For guide on client call-back script, please refer to **Annex 3**.

8.6. For a copy of the client call-back form, please refer to **Annex 4**. Supervisors are expected to refer to the Docushare for the most updated copy of the Client call-back form. Supervisors are required to complete and submit the Client call-back form to the Company for record purpose.

[MAS FAQ Qn7] **Is a financial adviser required to perform pre-transaction checks for transactions effected by a supervisor in his capacity as a representative if he is not under the supervision of any other person, i.e. he is a supervisor in the highest tier?** There is no need to perform pre-transaction checks on transactions effected by a supervisor in the highest tier as such a supervisor is expected to be competent in performing his advisory and sales role. Notwithstanding this, post-transaction checks by the ISA Unit will still have to be conducted on transactions effected by such supervisors.
[MAS FAQ Qn8] **Is it necessary for a supervisor to conduct pre-transaction client call-back if the supervisor was present, together with the FA representative, during the advisory and sales process with the same client?** The supervisor is not required to conduct the pre-transaction call-back with a client if the supervisor was also present during the advisory meeting between the representative and the same client.
[MAS FAQ Qn9] **If the selected client is accompanied by another individual (commonly known as Trusted Individual) during the advisory and sales process, is the supervisor required to perform pre-transaction client call-back with the selected client? If so, will the call-back be made with the selected client or with the TrustedIndividual?** Yes, the supervisor is still required to perform pre-transaction client call-back. The pretransaction client call-back acts as an additional safeguard to ensure that the selected client understood his purchase based on the translation or explanation of the Trusted Individual and the call-back should be conducted on the selected client first where possible. In the event that the selected client requests the call-back to be conducted with the Trusted Individual, the supervisor should minimally check on the Trusted Individual's understanding of the product and seek confirmation with him that the correct understanding has been relayed to the selected client.
[MAS FAQ Qn15] **Where an FA representative or supervisor, on his own accord, uncovers and rectifies an infraction after the submission of a transaction to the product manufacturer for processing but before the transaction is accepted by the product manufacturer (in the case of an investment product other than a life insurance policy) or before the policy is issued, takes effect or the cover has commenced, whichever is the latest (in the case of a life insurance policy), is the financial adviser allowed to**

regard this as a non-infraction and not take this into consideration in its assessment of the BSC grade of the representative and/or supervisor?

In cases where the transaction has already been submitted to the product manufacturer but has yet to be effected and the representative or supervisor uncovers and rectifies an infraction during this period, the financial adviser has the discretion to not take the infraction into consideration in its assessment of the BSC grade of the representative and/or supervisor provided the financial adviser has assessed and is satisfied that the infraction is not serious and has no impact on the client's interest. For avoidance of doubt, any infractions uncovered after the transaction is submitted to the product manufacturer and effected should be factored into the BSC framework.

9. Post-transaction Review by Independent Sales Audit (ISA) Unit

9.1. RM&C, an ISA Unit, will conduct and complete post-transaction checks on the sampled transactions on a quarterly basis in order to review and assess the quality of financial advisory services provided by the Representative. Cases of infractions noted will be factored into the amount of variable income that the Representative is entitled to.

9.2. Post-transaction checks by ISA will include:

i. Documentation review
RM&C will review all documentation, including fact find, needs analysis and basis of recommendation, of every sampled transaction (Application form, Financial Planner dated, issued and premium paid from 1 April 2015.)

ii. Client surveys
RM&C will conduct client surveys on every sampled transaction, in a written format which is posted to the client. The survey will be treated as closed if RM&C does not receive any response from the client within one month from the date the survey is posted.

Post-transaction Audit Sampling Methodology

9.3. The Actual Transaction Count Method (based on the actual number of transactions effected in a measurement quarter) will be used by ISA Unit to determine the population for sampling.

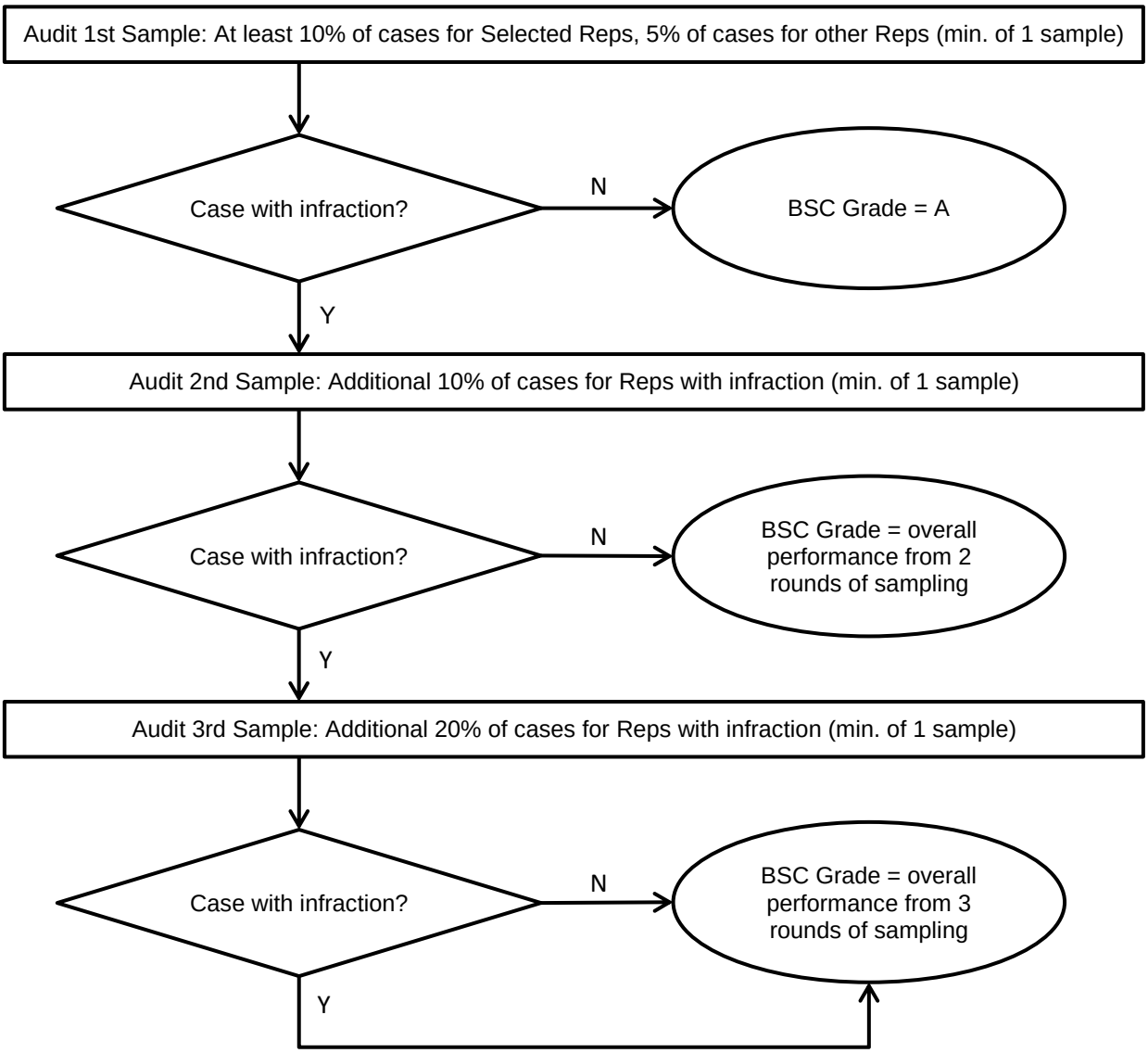
9.4. For any new Representative who has provided financial advisory service for less than 3 months, the Actual Transaction Count Method will also be used to determine the population for sampling.

9.5. The ISA unit will conduct post-transaction checks after the client's application for a transaction has been accepted by the product provider.

9.6. Other than transactions which falls out of BSC framework (refer to para. 3.6), the following transaction will also be **excluded** from the post- transaction review:

- Fund switches with no charges

9.7. RM&C will carry out up to 3 rounds of post-transaction checks in every calendar quarter for every Representatives.



[MAS FAQ Qn10]

Is it necessary for the ISA Unit to perform a second round of post transaction checks on an FA representative who is found to have committed a case of Category 1 infraction in the first round of checks given that the representative would have already been assigned a BSC grade "E"?

Any Category 1 infraction detected in the first round of post-transaction checks could be an indicator that the representative may have committed more cases of infractions. As such, this would warrant additional rounds of checks to be conducted.

[MAS FAQ Qn11]

When determining the sample size, how should the ISA Unit determine the number of samples to review if the resultant calculation is in decimals (e.g. 1.01 case)?

Where the resultant calculation is equal to or greater than 0.5, the ISA Unit is required to round up to the next whole number. For example, if the resultant calculation is equal to 1.5, the ISA Unit should sample two

transactions. However, where it falls below 0.5, the ISA Unit can choose to either round up or down, but this must be consistently applied in the calculation of sample size.
[MAS FAQ Qn12] **If pre-transaction client call-backs for transactions involving selected representatives or selected clients are performed by the ISA Unit, is it still necessary for the ISA Unit to conduct post-transaction client surveys?** Pre-transaction client call-backs are required to be performed for all transactions relating to selected clients or selected representatives. On the other hand, posttransaction client surveys involve conducting client surveys on a sampling basis on all transactions conducted by the representatives of the financial adviser. Given the difference, financial advisers should not do away with post-transaction client surveys. Where the ISA Unit has already performed pre-transaction client call-back for a sampled transaction, it will not be necessary for the ISA Unit to conduct posttransaction client survey for that particular sample.

10. Classification of Infractions

10.1. The ISA unit will classify every infraction committed by the Representative as a Category 1 ("Cat 1") or Category 2 ("Cat 2") infraction, by assessing the facts and circumstances (including any aggravating or mitigating factors) of the infraction.

10.2. Cat 1 infractions have material impact on the clients' interest or impinge on the fitness and propriety of the Representatives, and include

i. All penal code offences (Eg. Forgery, CBT, Cheating) related to FA services
ii. Mis-selling where the product was clearly unsuitable and beyond the client's affordability
iii. Churning of improper switches that detrimental to the interest of the client;
iv. Omission to disclose material product information that has an impact on client's decision
v. Failure to execute client's instructions without valid reasons resulting in client incurring material losses; or
vi. Wilful acts of misrepresentation, gross negligence or other serious misconduct

10.3. Cat 2 infractions have some impact on the clients' interests but are not Cat 1 infractions.

10.4. In determining whether it is a Cat 1 or Cat 2 infraction, the following factors will be assessed:

i. Did the client suffer financial losses?
ii. Did the client undertake unnecessary risk/ cost or suffer a penalty?
iii. Did the unprofessional act (against KPI 4) result in the client's interest being reduced?
iv. Was it detrimental to the client in any other way?
v. The severity/ extent of impact to the number(s) of affected clients.

10.5. For updated list of examples of Cat 1 and Cat 2 infractions, please refer to Docushare.

[MAS FAQ Qn14]

Is a financial adviser allowed to reclassify a Category 1 infraction as a Category 2 infraction if the financial adviser compensates the client such that there is no material impact on the interests of the client? Similarly, if an infraction is discovered by the ISA unit but the client has exercised the free-look option, is the financial adviser allowed to regard this as a non-infraction?

Under the BSC framework, financial advisers are required to assess the performance of representatives based on the non-sales key performance indicators (KPIs) set out in Annex 1 of the MAS Notice FAA-N20 on Requirements for the Remuneration Framework for Representatives and Supervisors (BSC Framework) and Independent Sales Audit Unit (BSC Notice). The assessment of the performance of the representative and the quality of his FA service is independent of the measures taken by the financial adviser to rectify the infractions, including any compensation to clients or whether the client has exercised the free-look option.

11. Rectification of Infractions

11.1. All infractions uncovered by the ISA unit have to be rectified by the Representative. A Client Service Recovery ("CSR") form is to be completed for all cases with Cat 1 and 2 infractions.

11.2. The CSR is to be completed within 1 month from the date of the e-mail sent out by ISA unit. The completed CSR form has to be submitted to ISA unit (copy) and Business Support (original) for review and lodgement respectively.

11.3. For a copy of the CSR form, please refer to **Annex 5**. A copy of the CSR form will be sent to the Representative with the BSC Audit Report where rectification is required.

12. Adminstrative Lapses

12.1. Administrative lapses or oversights are errors that do not adversely affect clients or impinge on the fitness and propriety of the Representatives.

12.2. Rectification may be required by the Representative for the administrative lapses or oversights uncovered by the ISA unit. The CSR is to be completed within 1 month from the date of the e-mail sent out by ISA unit. The completed CSR form has to be submitted to ISA unit (copy) and Business Support (original) for review and lodgement respectively.

13. MAS Misconduct Reporting

13.1. Under MAS FAA-N14 : Notice on Reporting of Misconduct of Representatives by Financial Advisers, the Financial Advisers firm is required to file a misconduct reporting ("MRS") to the MAS upon discovery of any misconduct by Representative.

13.2. In line with the approach by Singlife Group, Singlife FA ('SFA') and PIAS ISA unit will file a MRS for any BSC Cat 2 Infractions uncovered during BSC review in the event that those findings are assessed to be a misconduct under FAA-N14. The filing of MRS shall take effect from BSC review for Q3 2023.

13.3. Similarly, for BSC Cat 1 infraction uncovered during BSC review, a MRS will be filed as the BSC Cat 1 infraction is considered as finding having a material impact on the client.

13.4. A copy of the misconduct report will be provided to Advisor Management & Quality Assurance department for record purposes.

13.5. Sample Case Study : Misconduct Filed On A Misrepresentation Act under FAA-N14

Type Of Product Purchased By A Client
Singapore Life Singlife Elite Term Rider: Total and Permanent Disability Advance Cover Plus II

Facts of Case

Under Section 12 : Basis Of Recommendations of the PIAS Financial Planner, PIAS Representative documented that the main plan provides coverage for Critical Illness. However, neither the main plan nor the rider provide Critical Illness coverage.

RM&C Assessment

As the PIAS Representative has erroneously documented that the main plan provides Critical Illness coverage where it does not, PIAS Representative is deemed to have contravened BSC Non-sales Key Performance Indicators, KPI 3: Adequacy of information disclosure. There is an element of false and/or misleading statement or representation by the PIAS Representative to Client. Therefore, the BSC case will be accorded with an infraction.

Excerpt of MAS FAA-N20 : Notice on Requirements for the Remuneration Framework for Representatives and Supervisors ("Balanced Scorecard Framework") and Independent Sales Audit Unit.

Notice on Requirements for the Remuneration Framework for Representatives and Supervisors ("Balanced Scorecard Framework") and Independent Sales Audit Unit 28

ANNEX 1

Non-sales Key Performance Indicators
Non-sales KPI 1: Understanding a client's needs • A representative must take reasonable steps[8] to conduct sufficient fact-find to understand the circumstances and needs of his clients. • In determining if a representative has taken reasonable steps to conduct sufficient fact-find to understand the circumstances and needs of a client, a financial adviser shall take into account the following list of factors (which are non-exhaustive) – (a) whether the representative has taken reasonable steps to collect all pertinent information from the client and correctly documented all the information collected from the fact-find process; (b) whether the representative conducted the fact-find with the client before or after giving advice or making a recommendation, or both (as the case may be); (c) whether the representative influenced the client's inputs or responses during the fact-find stage.
Non-sales KPI 2: Suitability of product recommendations • A representative must have a reasonable basis for any recommendation made to a client and take into account the client's financial objectives, investment horizon, risk profile, financial situation and particular circumstances and needs.
Non-sales KPI 3: Adequacy of information disclosure • A representative must have highlighted, explained and provided all material information in relation to the investment product or class of investment products to the client. • A representative must ensure that any statement or representation to the client is not false or misleading. • Material information to be highlighted, explained and provided to clients shall include, but is not limited to, the terms and conditions of the investment product, the benefits to be or likely to be derived from or the risks that may arise from purchasing the investment product, the premium, costs, expenses, investment

Misconduct Reporting to the MAS

As misrepresentation is construed as a misconduct under FAA-N14, PIAS ISA unit will be filing a MRS on this case.

Excerpt of MAS FAA-N14 : Notice on Reporting of Misconduct of Representatives by Financial Advisers.

Notice on Reporting of Misconduct of Representatives by Financial Advisers 2

Report on Misconduct of Representative

4 A financial adviser shall report to the Monetary Authority of Singapore [the "Authority"], in the manner specified in paragraph 6, upon discovery of any of the following types of misconduct committed by its representatives —

(a) Acts Involving Fraud, Dishonesty or Other Offences of a Similar Nature: cases where the financial adviser has reason to suspect that its representative has committed any offence involving cheating, dishonesty, fraud, forgery, misappropriation of monies or criminal breach of trust. For such cases, the financial adviser is expected to lodge a police report and submit to the Authority a copy of the police report, together with information (where available) relating to —

(i) the name of the police officer investigating the case; and

(ii) an update on the progress of the police investigation and result of the criminal proceeding (if any).

Where a financial adviser has not lodged a police report, it should notify the Authority of the reasons for its decision;

(b) Acts Involving Inappropriate Advice, Misrepresentation or Inadequate Disclosure of Information: cases where its representative —

(i) made a recommendation to a client without due consideration as to his investment objectives, financial situation or particular needs;

(ii) made a deceptive, false or misleading statement to a client; or

(iii) failed to disclose to a client all material information relating to any designated investment product recommended by him, as specified in Notice No. FAA-N03, Notice on Information to Clients and Product Information Disclosure;

14. Representatives' Grading Table

14.1. Grading table for Representatives

BSC Grade for a Representative for a calendar quarter	Percentage[1] ("x") or number of cases[2] with infractions in a calendar quarter[3]	Percentage of specified variable income at Representative is entitled to in the calendar quarter
A	X < 5% or 1 case with Cat 2 infraction	100%
B	5% ≤ X < 10% or 2 cases Cat 2 infractions	87.5%
C	10% ≤ X < 20% or 3 cases Cat 2 infractions	62.5%
D	20% ≤ X < 30% or 4 cases with Cat 2 infractions	37.5%
E	a) X ≥ 30% or 5 cases with Cat 2 infractions, or b)1 or more cases with Cat 1 infractions	12.5%

[1] The denominator to be used in the computation of the percentage of cases[2] with Category 2 infraction is calculated based on the sum of

(a) The total number of cases that would have been sampled in all three rounds of sampling even if the ISA unit may not have progressed to the second or third round of sampling in respect of a Representative; and

(b) The number of cases referred to a finding arising from any mystery shopping exercise, if any, and a substantiated complaint, if any.

[2] A "case" refers to:

(a) a sampled transaction;

(b) a finding arising from any mystery shopping exercise, if any

(c) a substantiated complaint, if any

The calculation is based on the number of cases with infractions, rather than the absolute number of infractions uncovered i.e., a case with multiple Category 2 infractions (e.g. KPI 1 and KPI 3) will be considered as one case with Category 2 infractions, whilst a case with both Category 1 and multiple Category 2 infractions will be considered as one case with Category 1 infraction.

[3] Where a Representative has committed only Category 2 infractions, ISA shall calculate the percentage and the number of cases with infractions in a calendar quarter. Where the percentage of cases with Category 2 infractions and the number of cases with Category 2 infraction differs, the better of the two grades will be assigned for the calendar quarter.

14.2. For examples on computation of Representative's variable income affected by the audit grade, please refer to **Annex 6**.

14.3. Variable income affected by the audit grade will be clawed back from the next Commission Run. All future commissions will be withheld until all outstanding amount has been cleared. In the event the Company is unable to claw back the outstanding amount, the Company will consider legal action against the Representative.

"Ace Your Grade" Training (Previously known as "Up Your Grade")

14.4. In line with the Corporate Announcement issued by Training and Competency ("T&C") department dated 1st June 2018 [Refer to **Annex 10** for Corporate Announcement], it is compulsory for a Representative with any BSC Infraction(s) to attend the "Ace Your Grade" training session. This is regardless if the Representative has attained an overall BSC Grade 'A' in the measurement quarter. In T&C's corporate announcement, please note that the training session(s) shall take effect for any of the Representatives who have obtained BSC infraction(s) stemming from BSC Q1 2018 onwards. (i.e based on Q1 2018's block of business onwards)

The PIAS Representative(s) is required to find out the availability of "Ace your Grade" training session from T&C department.

[MAS FAQ Qn16] **The Representatives' Grading Table sets out a percentage range of specified variable income that an FA representative is entitled to for each BSC grade. Are financial advisers free to determine the actual percentage that a representative is entitled to within the range for each grade?** Yes. The purpose of setting a range for each BSC grade is to provide financial advisers with the flexibility to decide on the actual percentage of the specified variable income that a representative is entitled to, based on the specific facts and circumstances of each case. For example, if the representative is assigned a BSC grade "B" or worse for the first time, the financial adviser may consider giving the representative a percentage8 entitlement that is at the higher end of the range for that grade. On the other hand, if this is not the first time that the representative has been assigned a BSC grade "B" or worse, the financial adviser may decide to give the representative a percentage entitlement that is at the lower end of the range for that grade.
[MAS FAQ Qn18] **If the transactions of an FA representative who has left the financial adviser (previous representative) are transferred to another representative (new representative) for on-going servicing and the financial adviser's practice is to pay the remaining variable income for those transactions to the new representative, will the new representative be entitled to receive the remaining variable income for these transactions, even if infractions are found in those transactions?** If the infractions detected were not due to lapses attributed to the services provided by the new representative, the new representative will be entitled to receive the remaining variable income for these transactions.

Consequences of Representative with a BSC Grade "B" or worse

14.5. A Representative who is assigned a BSC grade "B" or worse in a calendar quarter will be required to attend:

- a compulsory training programme i.e. "Ace Your Grade" conducted by Training and Competency ("T&C") department to assist Representatives to improve their BSC Grade to A; and
- weekly coaching on a one-to-one basis conducted by the Supervisor, or another person with necessary competency to carry out the function, for **one month** to assist Representative to improve on overall sales advisory services, with added focus in areas of infractions committed

Consequences of Representative with a BSC Grade "B" or worse in two consecutive quarters (Selected Representative status)

14.6. A Representative with Selected Representative status (i.e. two consecutive quarters with BSC grade "B" or worse) will be required to attend:
- a compulsory training programme i.e. "Ace Your Grade" conducted by Training and Competency ("T&C") department to assist Representatives to improve their BSC Grade to A; and
- weekly coaching on a one-to-one basis conduct by the Supervisor, or another person with necessary competency to carry out the function, for **three months** to assist Representative to improve on overall sales advisory services, with added focus in areas of infractions committed.

14.7. The Selected Representative will be subjected to an increased BSC sampling size of 10% for 3 months.

14.8. As mentioned in Point 8.3(ii), a 100% Client Call-Backs to every Client whom the Selected Representative had made any recommendation will be conducted by the Supervisor, or another person with necessary competency to carry out the function, for **three months**. Client call-back is required to be conducted before lodgement to Business Support. Client call-back form is to be completed and submitted to Business Support for lodgement.

[MAS FAQ Qn27]

In respect of a selected representative who has been assessed as having a BSC grade "B" or worse for two consecutive measurement quarters, when should the increased sampling for the selected representative commence?

Where a representative is assessed as having a BSC grade "B" or worse for the two consecutive measurement quarters of, say January to March 2016 and April to June 2016, and the BSC grade for the second measurement quarter (i.e. April to June 2016) is assigned in the calendar quarter of July to September 2016, the financial adviser is required to implement the measures for selected representatives on this representative from 1 October 2016 (i.e. the financial adviser should implement increased posttransaction sampling size for the representative's transactions in the calendar quarter of July to September 2016, and pre-transaction call-backs for the representative's transactions in the calendar quarter of October to December 2016).

Consequences of Representative with a BSC Grade "E"

14.9. A Representative who is assigned a BSC grade "E" in a calendar quarter will be required to attend:
- a compulsory training programme i.e. "Ace Your Grade" conducted by Training and Competency ("T&C") department to assist Representatives to improve their BSC Grade to A; and
- weekly coaching on a one-to-one basis conducted by the Supervisor, or another person with necessary competency to carry out the function, for **one month** to assist Representative to improve on overall sales advisory services, with added focus in areas of infractions committed

14.10. The BSC grade E Representative will be placed under Close Supervision ("CS"). BDM will have oversight of the CS of every BSC grade E Representative.

14.11. CS of a BSC grade E Representative will include:
i. having his/her direct Supervisor to accompany him/her during the sales advisory process for a minimum of 5 *closed sales i.e. Joint-field work; and
ii. 100% BSC post-transaction checks by ISA unit on every transaction effected with a client by him/her for a minimum period of 3 months.

*A closed sale is one where the Representative has performed a fact-find, a needs analysis and provided a recommendation on an #investment product to the client, and the client has accepted the recommendation to purchase the #investment product.

#Investment product includes Life policy, and exclude Accident and Health policy ("A&H") and Long-Term Accident and Health policy ("LT A&H").

14.12. The BSC grade E Representative will not be allowed to perform any supervisory or managerial role for at least 1 year from the date he was assigned the BSC grade "E".

[MAS FAQ Qn26]

In respect of an FA representative who is assigned a BSC grade "E" for a measurement quarter, when should close supervision of the representative commence?

Where the BSC grade for a measurement quarter is only finalised in the first calendar quarter immediately subsequent to the measurement quarter, close supervision of the representative should commence at the beginning of the second calendar quarter immediately following the measurement quarter. For example if a representative is assigned a BSC grade "E" in the calendar quarter of April to June 2016 for the measurement quarter of January to March 2016, he will have to be put on close supervision from the beginning of the calendar quarter of July to September 2016.

14.13. Where the direct Supervisor of an E Representative has been assigned a BSC grade of "Unsatisfactory" in the same calendar quarter as the E Representative, the FSD or BDM (if direct Supervisor with a BSC grade of "Unsatisfactory" is a FSD) will be assigned to be responsible for conducting the supervisory role under paragraph 13.11 above.

15. Supervisors' Grading Table

15.1. If the Supervisor earns variable income in his capacity as a Representative, the total variable income that he is entitled to should be computed in the same manner as a Representative. Consequently, he will obtain a BSC grade for his performance as a Representative.

15.2. For the Supervisors who earn any form of variable income that is tied to the sales performance of the Representatives under their supervision, their specified variable income will be based on the weighted average percentage of specified variable income earned by all the Representatives under their supervision.

15.3. Supervisors who do not earn any variable income, will not be assigned any BSC grade. But the company will monitor the Supervisor's performance against how well Representatives under his supervision perform in relation to the non-sales KPIs and factor such assessments into the Supervisor's appraisal, including remuneration and promotion reviews.

15.4. The BSC grade for the Supervisor depends on the corresponding entitlement percentage of the total specified variable income as per the grading table below.

15.5. Grading table for Supervisors

Percentage of total specified variable income from all representatives under his supervision that a Supervisor is entitled to in a calendar quarter	**BSC grade for a Supervisor for a calendar quarter**
75% to 100%	Good
50% to less than 75%	Satisfactory
25% to less than 50%	Fair
0% to less than 25%	Unsatisfactory

15.6. For illustration on the computation of Supervisor's variable income and Supervisor's grading which are affected by the Representatives' audit grades, please refer to **Annex 7**.

Consequences of Supervisors with a BSC Supervisor Grade of "Satisfactory", "Fair" or "Unsatisfactory"

15.7. A Supervisor who has been assigned a Supervisor BSC grade of "Satisfactory", "Fair" or "Unsatisfactory" in any calendar quarter will be required to attend remedial training programme conducted by Training and Competency Department, to improve on overall Supervisor roles, with added focus in areas of infractions committed.

Consequences of Supervisors with a BSC Supervisor Grade of "Unsatisfactory"

15.8. A Supervisor who has been assigned a Supervisor BSC grade of "Unsatisfactory" in any calendar quarter will be reviewed by Business Development to ascertain whether the Supervisor's oversight of the Representatives under its management is adequate and where appropriate,

i. reduce the number of Representatives under his supervision or management; or
ii. Impose a moratorium on the recruitment of new Representatives by the Supervisor.

15.9. A Supervisor who has been assigned a Supervisor BSC grade of "Unsatisfactory" for 2 consecutive calendar quarters will not be allowed to perform any supervisory or managerial role for at least a year from the date he was assigned the "Unsatisfactory" grading.

[MAS FAQ Qn24]

For proxy or covering supervisors who assist other supervisors to sign off on transactions and who do not receive any variable income from such transactions, how are they affected if the transactions which they have signed off are found to have infractions?

The infractions uncovered will not affect the proxy or covering supervisors' remuneration if these supervisors do not receive any variable income from the transactions. However, we expect financial advisers to factor these infractions into the proxy or covering supervisors' appraisal or performance review since they had failed to detect the infractions.

16. Provision of BSC performance record to Representatives and Supervisors

16.1. A BSC Performance Record for each Representative and Supervisor in respect of his performance under the BSC framework will be provided to the respective individual in every calendar quarter by the end of two calendar quarters immediately subsequent to the measurement quarter. The BSC record shall minimally include details such as gross variable income, gross specified variable income, balanced scorecard grade, percentage entitlement to specified variable income, and amount of specified variable income that the Representative or Supervisor is entitled to.

17. Substantiated Complaints

17.1. Investigations will be conducted for complaints on transactions paid and issued from 1 January 2016 and relating to an advice or service rendered by the Representative, including advice rendered from 1 January 2016 for such riders/ top up to existing policies.

17.2. Substantiated complaints in relation to the performance of Representatives will also be reviewed and assessed against the non-sales KPIs and included in the computation of the BSC grade. Any infraction committed by the Representative arising from complaints will be factored into his performance under BSC framework in the calendar quarter which the complaint was substantiated.

17.3. Where a substantiated complaint is related to an incident which occurred in a calendar quarter (X) which is prior to the measurement quarter (Y) and where his variable income earned in X quarter is lower than his variable income in the Y quarter, an apportionment of his entitlement to his specified variable income will apply. However, if the variable income of X quarter is higher than that in Y quarter, no apportionment will be applied.

18. Findings from Mystery Shopping Exercise

18.1. Where a financial adviser conducts any mystery shopping exercise on or after 1 January 2016, or receives any information in relation to the findings of any mystery shopping exercise conducted by the Authority or any industry association on or after 1 January 2016, the financial adviser shall review and assess the findings of its mystery shopping exercise or the information received from the Authority or industry association, in relation to the quality of financial advisory services provided by its Representatives, against the non-sales KPIs, so as to determine –

(a) whether the findings of the mystery shopping exercise are substantiated; and

(b) based on such findings, whether its Representatives have committed any infraction in the calendar quarter.

18.2. Any infraction committed by the Representative and discovered in the circumstances set out in (a) and (b), the results will be taken into his/her performance under the balanced scorecard framework in the calendar quarter in which the review and assessment of the findings was completed[3].

19. Appeal

19.1. When infractions are found, Representatives and Supervisors will be informed, given the opportunity to show cause within 7 calendar days from the receipt of the BSC Audit Report that they are appealing against the BSC grading for the quarter.

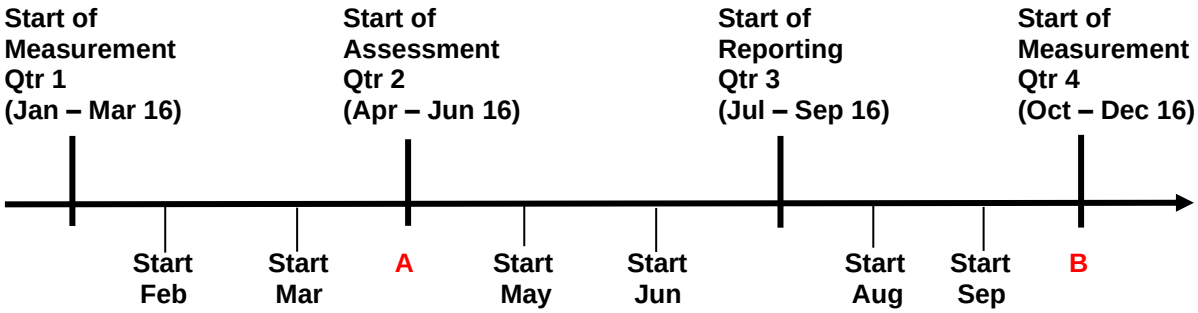
19.2. For Appeal process flow, please refer **Annex 8**.

19.3. For Appeal Request form, please refer to **Annex 9** or obtain the latest version from Docushare.

[3] For example, if the Company conducts a mystery shopping exercise in February 2016 and completes the review and assessment of the mystery shopping findings in July 2016, any infraction committed by the Representative will have to be factored into his performance under the balanced scorecard framework in the calendar quarter of 1 July 2016 to 30 September 2016.

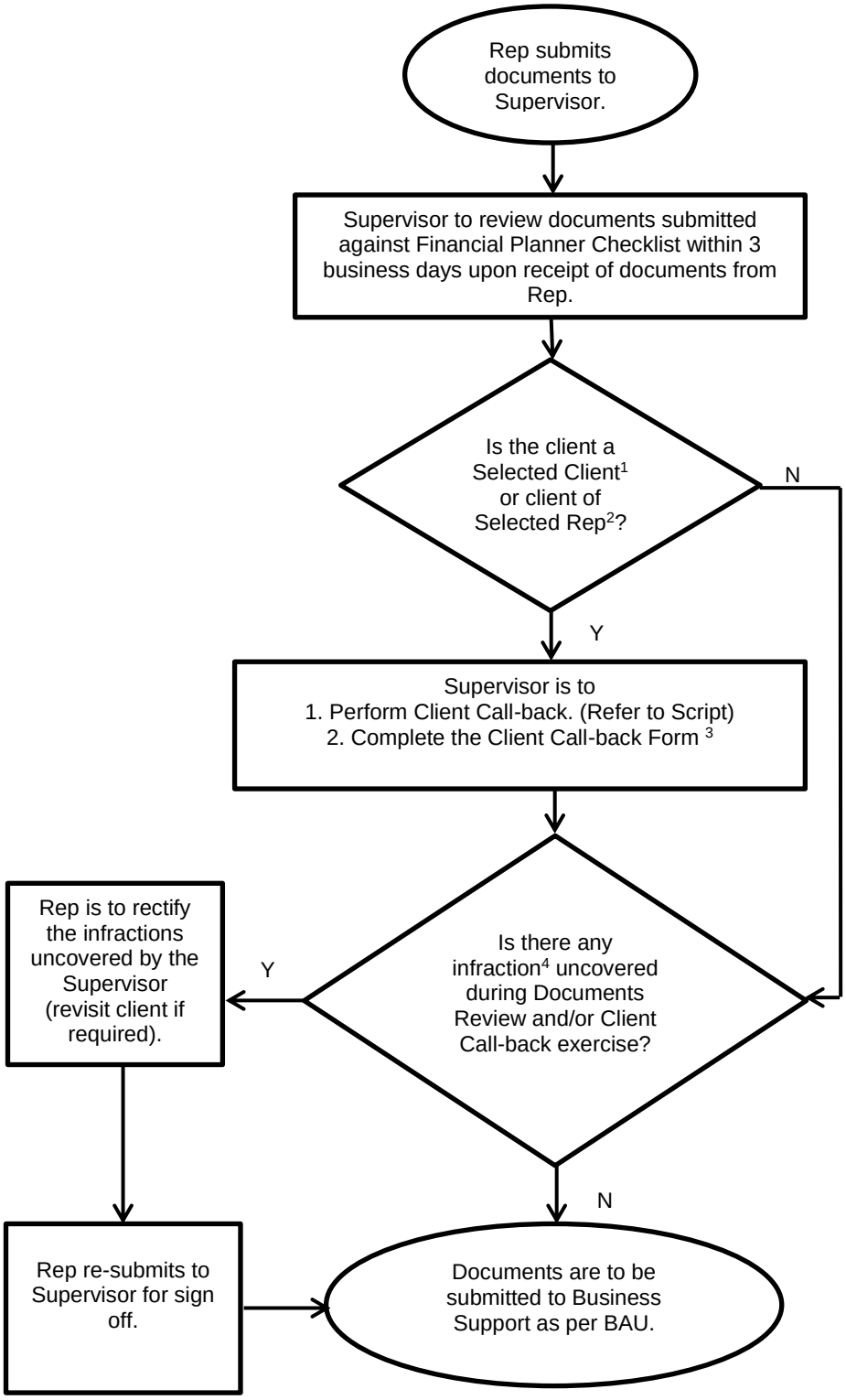
20. BSC Timeline

BSC Timeline For Supervisors and Representatives



	Description of Workflow	Owner	Frequency
A	Commencement of Audit for incepted transactions in Measurement Quarter 1	RM&C	-
B	RM&C disseminate report on BSC grades and amount of remuneration to be recovered to all Representatives and Supervisors.	RM&C	Within 1 week after end of each Reporting Quarter, 30 Sep 2016.

21. Annex 1 - Pre-transaction Process Flowchart for Manual Submission



Explanatory Notes:-

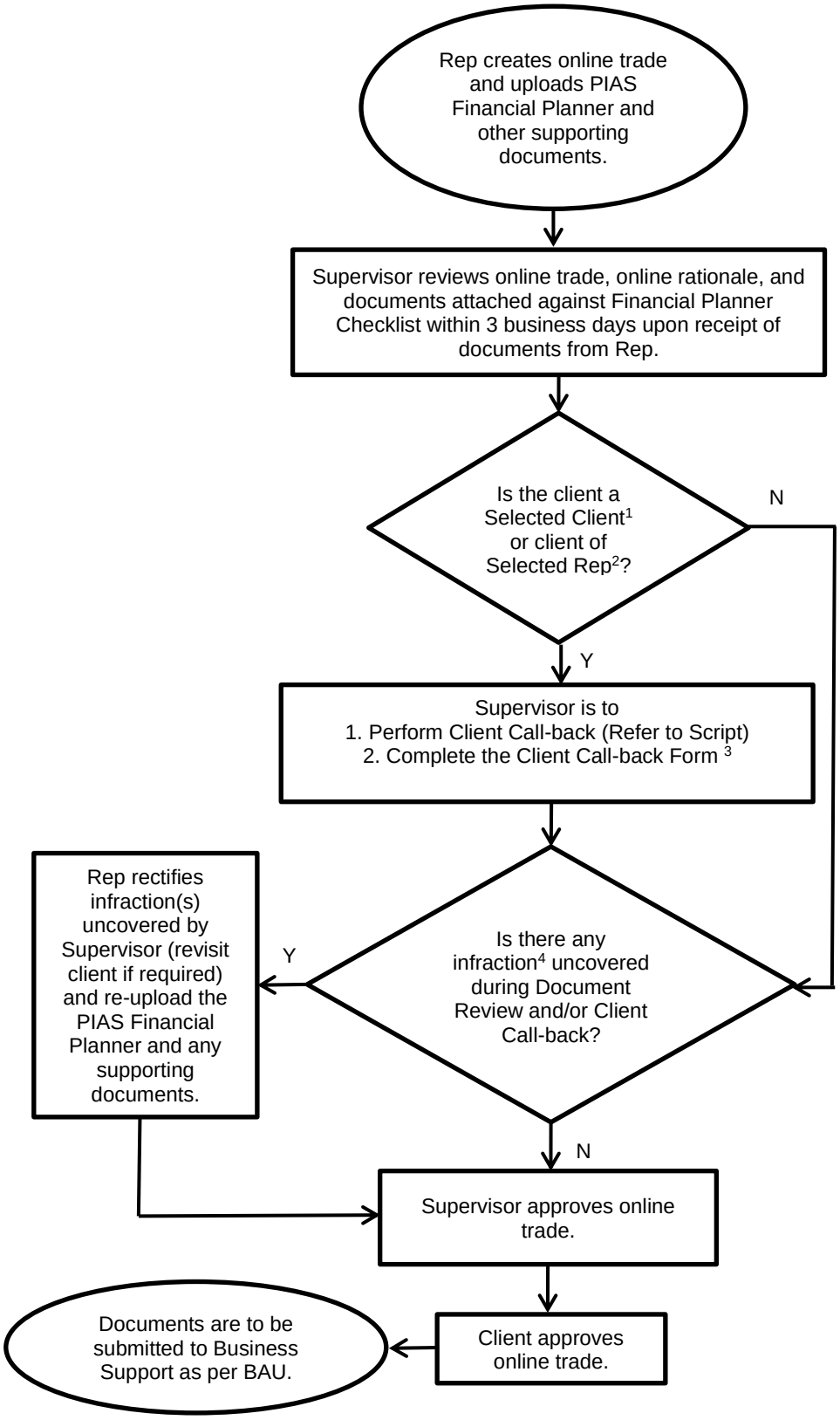
1. Selected Client
   (Client who meets <u>any two</u> of the following criteria)
   (a) Clients who is 62 years of age or older;
   (b) Clients who is not proficient in spoken or written English;
   (c) Clients who has below GCE 'O' level or 'N' level certifications, or equivalent academic qualifications.

2. Selected Rep are Representatives who have been assigned a BSC grade B or worse under the BSC framework consecutively for two calendar quarters immediately preceding the measurement quarter.

3. Client call-back is required to be conducted by direct Supervisor before lodgement to Business Support. Client call-back form is to be completed and submitted to Business Support for lodgment.

4. Infractions uncovered and appropriately rectified during the pre-transaction stage will not be factored into Rep's performance on non-sales KPIs.

22. Annex 2 - Pre-transaction Process Flowchart for Online Trade Approval



Explanatory Notes:-

1. Selected Client
   (Client who meets <u>any two</u> of the following criteria)
   (a) Clients who is 62 years of age or older;
   (b) Clients who is not proficient in spoken or written English;
   (c) Clients who has below GCE 'O' level or 'N' level certifications, or equivalent academic qualifications.

2. Selected Rep are Representatives who have been assigned a BSC grade B or worse under the BSC framework consecutively for two calendar quarters immediately preceding the measurement quarter.

3. Client call-back is required to be conducted by direct Supervisor before lodgement to Business Support. Client call-back form is to be completed and submitted to Business Support for lodgment.

4. Infractions uncovered and appropriately rectified during the pre-transaction stage will not be factored into Rep's performance on non-sales KPIs.

23. Annex 3 - Client Call-back Script for Direct Supervisor

This script is for your reference. You may amend this script as you deem appropriate, but still keeping in line with the spirit and objective of the call-back.

1	Good morning / afternoon, may I speak to Mr /Ms /Mdm /Dr (name of Client) please? My name is (name of Direct Supervisor), Financial Services Director/ Manager of (name of Representative), and I am calling from PIAS – Professional Investment Advisory Services. This is regarding your recent policy purchase of an insurance/ investment product from my Representative, (name of Representative). The purpose of this call is to allow us to assess the level of service of (name of Representative) so that we can continue to serve you better. Is this a convenient time to speak with you? *(Pause and wait for Client's reply)* If Client is agreeable, proceed to questions 2 and 3 below, otherwise go to question 4.
2	This call will take about 10 minutes of your time. Before we proceed, may I verify your NRIC please?
3	a. May I confirm that you have recently purchased (name of product) from (name of Representative) on (date)? b. Did (name of Representative) ask you questions to understand your financial situation, investment objective and risk appetite before recommending (name of product) to you? c. Did (name of Representative) explain and elaborate the main features of (name of product) to you? d. Did (name of Representative) explain and highlight the risk and limitations of (name of product) to you? e. Did (name of Representative) explain and elaborate key risks on premium financing? **(if applicable)** f. Did (name of Representative) explain to you why (name of product) is suitable to you? g. Is (name of product) within your affordability? Did you set aside emergency funds for liquidity purposes? h. **(For Insurance product/ Investment-linked insurance plan)** Did (name of Representative) inform you that there is a 14-day free look period, or you may cancel this insurance plan within 14 days from the date on which you receive the policy from the insurance company, and if so, you would be returned your monies or premiums? i. **(For Unit Trust)** Did (name of Representative) inform you that there is a 7-day cancellation period you would be returned your monies, including the sales charge? j. **(For Exchange Traded Fund-ETF)** Did (name of Representative) inform you that the transacted price of the ETF will depend on the prevailing market prices and may be higher or lower than the initial purchase price of the ETF? k. Did (name of Representative) explain on the transaction costs and possible disadvantages of switching/replacement of your existing policy/ies? **(if applicable)** l. **(For Selected Client who rejected to have Trusted Individual present during sales advisory process)** Did (name of Representative) inform you that a Trusted Individual is required to be present during the sales advisory process? Can I confirm with you that you have declined to have a Trusted Individual to be present? m. Did (name of Representative) furnish you with the sales documents, e.g. PIAS Financial Planner? n. Did (name of Representative) explain to you that the premiums are deducted through CPF Medisave account and cash top-ups may be required in the event of failed deduction attempt(s) / insufficient funds / increase in premiums? **(applicable for policy/ies payable by CPF Medisave account only)** o. Do you have any feedback on (name of Representative)? (e.g. offer of unauthorized gifts,

	aggressive selling, etc.) I have come to the end of the call. Thank you very much for your time Mr /Ms /Mdm /Dr (name of Client). If you have any queries, please feel free to contact your Representative. Have a pleasant day.
4	**(For Client who respond that he/she is not available/declines the call)** Mr /Ms /Mdm/Dr (name of Client), your confirmation is very important to us. When will it be a convenient time for me to contact you again? Mr /Ms /Mdm/Dr (name of Client), I will contact you again on (agreed date and time). Thank you.

24. Annex 4 - Client Call-Back Form

PIAS PROFESSIONAL INVESTMENT ADVISORY SERVICES

Client Call-Back Form

- This form should be completed by the Supervisor and submitted to Business Support for lodgement.
- **Supervisors are required to perform Client call back to Selected Client before lodgment of the case to Business Support. Refer to Annex for more information.**
- The call back is to ensure that clients have understood their purchases and Representative's recommendation.
- Supervisors are encouraged to perform the client call back via recorded line / SpiderGate.

SECTION 1: PURPOSE					
☐ Selected Client	☐ Roadshow	☐ Door-to-Door	☐ Street Canvassing	☐ Close Monitoring	☐ BSC/ Close Supervision
Name of FAR			**FAR Code**		
Branch					

SECTION 2: DETAILS OF EVENT (TO BE COMPLETED FOR ROADSHOWS/DTD/STREET CANVASSING)	
Date of Event	
Event Venue	

SECTION 3: DETAILS OF CLIENT						
Name of Client:			**Identification No.**			
Selected Client:	☐ Yes	☐ No	**Spoken Language**	☐ English	☐ Mandarin	☐ Dialect

SECTION 4: DETAILS OF PRODUCT PURCHASED			
S/N	**Name of Product Purchased**	**Investment/ Premium Amount**	**Application Date**

SECTION 5: DETAILS OF CLIENT CALL-BACK		
Call-Back to Client via (Please tick & indicate the contact no. and mode)		
☐ Home Number -	☐ Mobile Number -	☐ Office Number -

	First Attempt	**Second Attempt**	**Third Attempt**
Date / Time / Extension	/	/	/

☐ Client is uncontactable.

☐ Language used to communicate with Client: _____

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Annex 4 - Client Call-Back Form

PIAS PROFESSIONAL INVESTMENT ADVISORY SERVICES

Client Call-Back Form

SECTION 5: DETAILS OF CLIENT CALL-BACK (CONT'D)

PLEASE TICK AND CONFIRM WITH CLIENT ON THE FOLLOWING:

- ☐ Client acknowledged that proper fact find and needs analysis was conducted before product recommendation.
- ☐ Client is aware of the **key product features, risk and limitations***
- ☐ Client acknowledged that the recommendation is suitable for him/her and confirmed that the recommendation is within his/her affordability, risk profile and he/she had set aside emergency funds for liquidity purposes.
- ☐ Client is aware of the transaction costs and / or possible disadvantages of switching **(if applicable).**
- ☐ Client acknowledged receipt of the relevant sales documents.

APPLICABLE FOR POLICY/POLICIES PAYABLE BY CPF MEDISAVE ACCOUNT ONLY;

- ☐ Client is aware that premiums are deducted through CPF Medisave account. Cash top-ups may be required in the event of failed deduction attempt(s) / insufficient funds / increase in premiums (e.g Integrated Shield Plans).

Remarks

Supervisor's Signature	Supervisor's Name	Date

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Annex 4 - Client Call-Back Form

PIAS PROFESSIONAL INVESTMENT ADVISORY SERVICES

Client Call-Back Form

***General Guide (For reference only)**

Whole Life & Endowment Insurance Plans - Single/ Regular Premium

- This is a lump/regular sum payment insurance plan with savings element.
- The surrender value is made up of guaranteed and **NON-GUARANTEED** portions ***(not applicable for non-participating plans)***.
- Non-guaranteed bonus will become guaranteed only after the bonus is declared and vested. The yield at maturity is dependent on the profits of the insurance company ***(not applicable for non-participating plans)***.
- Insurance policies are long-term commitments. Ending it pre-maturely may involve high costs.
- Single Premium plan: Ensure that the client has no need for the money that he/she has paid for this policy during the term of the insurance plan.
- Regular Premium plan: the client must regularly pay the premium to keep the policy active.
- 14 days free look

Term Insurance

- This is a regular premium term insurance plan and for group insurance, it will include coverage for company employees' protection needs.
- There is **no surrender / cash value** for this policy since this is a non-participating plan.
- Insurance policies are long-term commitments. Ending it pre-maturely may involve high costs.
- The client must regularly pay the premium to keep the policy active.
- 14 days free look

Investment Linked Policies (ILP) - Single/ Regular Premium

- This is a single / regular premium payment insurance plan with investment element.
- ILPs usually do not have guaranteed cash values and the surrender value depends on the price of the units in the sub-fund which in turn depends on the sub-fund's performance.
- Insurance policies are long-term commitments. Ending it pre-maturely may involve high costs.
- The amount of the premium used for insurance coverage, charges and buying units are unbundled and transparent. They are disclosed in the Product Summary, Benefit Illustration and Policy Contract.
- Fees include Insurance coverage charges, Fund management fees, Policy/administration charges, Surrender charges, Bid-Offer Spread and Fund Switching Charge.
- 14 days free look

Investment (Collective Investment Scheme)

- This is a Unit Trust (UT) investment.
- The funds are invested into stocks, bonds and other financial instruments including derivatives where performance is affected by prevailing market conditions. As such it is not possible to predict whether the Net Asset Value (NAV) of the fund will rise or fall.
  In the worst case scenario, it is possible for a total loss of the initial capital invested.
- Marketing fact sheets and brochures may make references to targeted / potential fund payouts. ***Note that these payouts are not guaranteed*** and one may receive low or no payouts.
- Fees include an initial sales charge, annual management fees, performance fees (where applicable), redemption fee (where applicable), administration fee, trustee fees and platform fees.
- Past Performance, prediction, projection or forecast is not necessarily indicative of future performance.
- The fund prospectus & marketing fact sheets should be read before making a decision to purchase the fund.
- Where currency conversion is involved to purchase the UT, there is element of foreign exchange risk.
- 7 days cancellation

Annex 4 - Client Call-Back Form

PIAS PROFESSIONAL INVESTMENT ADVISORY SERVICES

Client Call-Back Form

***通用指南（仅供参考）**

终身寿险和储蓄保险计划 – 单期 / 定期保费
• 这是具有储蓄性质的一次性 / 定期支付保费的保险计划。 • 退保金额由资本保证、**非资本保证**部分组成 ***（不适用于非参与式分红保险计划）***。 • 在余利经声明和授予后，非保本余利将成为保本余利。到期收益取决于保险公司的利润 ***（不适用于非参与式分红计划）***。 • 保单为长期承诺。提前退保可能产生高昂费用。 • 单期保费计划：确保客户在保险方案期限内对已支付保单的钱无其它需要。 • 定期保费计划：客户必须定期支付保费，以维持保单有效。 • 14 天免费审阅期

定期保险
• 这是一个定期保单。若是针对团体保险，将包括公司员工的保障需求。 • 因为这是非参与式分红计划，该险种***无退保费 / 解约金***。 • 保单为长期承诺。到期前结束可能涉及高昂费用。 • 客户必须定期支付保费，以维持保单有效。 • 14 天免费审阅期

投资联结保险(ILP) - 整付 / 定期保费
• 这是具有投资质的整付 / 定期支付保费的保险计划。 • ILPs 通常没有保本解约金和退保费用，这取决于附属基金的单位价值，并依次依赖于附属基金的表现。 • 保单为长期承诺。到期前结束可能涉及高昂费用。 • 用于保险范围、费用和购买单位的保费金额分类定价且透明。且在产品简介、利益说明和保单合约中予以公开。 • 费用包括保险费用、基金管理费、保单 / 管理费、退保费、买卖差价和基金转换费用。 • 14 天免费审阅期

投资（集体投资计划）
• 这是单位信托基金（UT）投资。 • 你的资金投入到股票、债券和其他包括衍生产品的金融工具，其性能受现行市场行情影响。因此，基金净资产价值（NAV）是否会上升或下降是无法预测的。 • 在最坏的情况下，初始资本投资可能遭受全部损失。 • 市场实况表和手册可对目标 / 潜在基金支出提供参考。请注意，这些支出无担保，收回的可能低于支出，或零收回。 • 费用包括首次销售费、年管理费、业绩费（如适用）、赎回费（如适用）、管理费、信托费和平台费。 • 过去业绩、预报、推测和预测不一定反映未来业绩。 • 在决定购买该基金前，应仔细阅读基金招股说明书及销售情况表。 • 倘若货币兑换涉及购买 UT，将存有外汇风险元素。 • 7 天撤销期

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Annex 4 - Client Call-Back Form

Annex to PIAS Client Call-Back Form

PIAS GUIDE ON CLIENT CALL BACK TO SELECTED CLIENT

Definition of a Selected Client

1. A Selected Client is one who meets any two of the following three criteria:
   i) 62 years of age or older
   ii) not proficient in spoken or written English
   iii) have below GCE 'O' level or 'N' level certifications, or equivalent academic qualifications

Role of PIAS Representative

2. To properly identify clients who meet the profile of a Selected Client during fact-find and complete *Section 2. Trusted Individual* of the PIAS Financial Planner accordingly.

Role of PIAS Supervisor

3. To perform Client call back to the Selected Client during the pre-transaction check. For avoidance of doubt, if the Selected Client was accompanied by a Trusted Individual during the advisory and sales process, the Supervisor is still required to perform the pre-transaction Client call-back.

4. To perform the Client call back to the Selected Client via recorded lines (e.g., call back via a recorded office line or SpiderGate account), before completing the Client Call Back form accordingly.

Scope of Call Back

5. The Client call back to the Selected Client is applicable to investment products, including life policies, under the Financial Advisers Act (FAA), and standalone A&H policies such as Medisave-approved policy.

6. For Accredited Investors who are identified to be Selected Client, PIAS Supervisors are also to perform call back to the Selected Client.

Call Back Requirements

7. During the call, PIAS Supervisor should cover the following (a) to (f), to ensure that the Selected Client understands the purchase and that the sales was conducted in a professional manner:
   a. The basis of the recommendation in question.
   b. The main features of the product being recommended (e.g., the premium payment term, the period and structure of the payout, whether the product is capital guaranteed/non-guaranteed, etc.)
   c. For Medisave-approved policies, client is aware that premiums are deducted through CPF Medisave account and cash top-ups may be required in the event of failed deduction attempt(s) / insufficient funds / increase in premiums.
   d. Key risks (e.g., market risk or capital risk) and limitations of the product (e.g., early termination of certain policies may result in policyholders receiving returns that are less than the premiums that they have paid).
   e. Existence of the free-look period.
   f. Whether PIAS Representative is unprofessional or unethical in his dealings with the Selected Client (e.g., offering unauthorized gifts, offering to pay the premium on behalf of the client, selling aggressively, improper switching, etc.)

Lodgement with Business Support

8. Upon successful call back, the Client Call Back form must be submitted together with the sales document to Business Support for lodgement.

9. If the Selected Client is uncontactable, PIAS Supervisor may treat the call back as closed after 3 unsuccessful call attempts across different timeslot and days*. The Client Call Back form, completed with the call attempt details and reasons, must be submitted together with the sales document to Business Support for lodgement.
   * Note: Please refer to FAQ below for the interval between each call attempt.

Enquiries

10. For enquiries or clarifications on the client call back requirements to Selected Client, please contact Risk Management & Compliance ("RM&C") department via email: pias.compliance@singlife.com

11. If you need assistance with your SpiderGate account to conduct the call back, please contact your BDM.

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Annex to PIAS Client Call-Back Form

FAQs

Q1. If the Client can speak fluent English but is unable to write English, is the Client deemed to be proficient in English?
The Client is deemed not proficient in English. To be considered proficient in English, the Client must be able to speak and write English. Please refer to the matrix below :

Speak English	Write English	English Language Proficiency
No	No	**Not Proficient**
Yes	No	**Not Proficient**
No	Yes	**Not Proficient**
Yes	Yes	**Proficient**

Q2. Is it necessary for a PIAS Supervisor to conduct pre-transaction Client call-back to the Selected Client if the PIAS Supervisor was present, together with the PIAS Representative, during the advisory and sales process with the same Selected Client?
No, the Client call back to the Selected Client is not required. PIAS Representative/Supervisor must ensure that a copy of the Joint Fieldwork report is submitted together with the sales document to Business Support for lodgement.

In the event the sales advisory was completed via Non-Face-to-Face ("NF2F") sales advisory mode, PIAS Supervisor must capture a screenshot of the NF2F. PIAS Representatives/Supervisors are reminded that the Trusted Individual must be present for NF2F Sales advisory with the Selected Client. For avoidance of doubt, the screenshot must show the Selected Client physically accompanied by the Trusted Individual and both PIAS Representative and PIAS Supervisor are present in the video call.

Q3. If the Selected Client was accompanied by a Trusted Individual during the sales advisory process, should the Client call-back be conducted with the Selected Client or with the Trusted Individual?
The call-back should be conducted on the Selected Client. This is to ensure that the Selected Client understood his/her purchase based on the translation or explanation of the Trusted Individual.

However, if the Selected Client requests the call-back to be conducted with the Trusted Individual, the PIAS Supervisor should check on the Trusted Individual's understanding of the product and seek confirmation with him/her that the correct understanding has been relayed to the Selected Client.

Upon completion of the call back with the Trusted Individual, Supervisor is to complete the Client Call Back form stating the details of both calls to the Selected Client and the Trusted Individual.

Q4. Is the Client call back to the Selected Client applicable only to transactions that fall under the scope of the Balance Scorecard Framework ("BSC")?
No, the Client call back to the Selected Client is applicable to investment products, including life policies, under the Financial Advisers Act (FAA), and standalone A&H policies such as Medisave-approved policy.

Q5. Are Accredited Investors who happened to be a Selected Client also subject to the Client call back by PIAS Supervisor?
Yes. For Accredited Investors who are identified to be Selected Client, PIAS Supervisors are also to perform call back to the Selected Client. PIAS Supervisors can identify if the Accredited Investor is a Selected Client via *Section C. Selected Client Declaration* of the Accredited Investor Declaration Form (For Individual).

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Annex 4 - Client Call-Back Form

Annex to PIAS Client Call-Back Form

Q6. If the Selected Client was prospected at retailers and public places or a client of a PIAS Representative under Close Monitoring and subjected to call back by the appointed independent external party, is the PIAS Supervisor still required to perform the Client call back to the Selected Client?

Yes. The Client call back to the Selected Client must be made by PIAS Supervisor and cannot be replaced by the call back made by the appointed independent external party.

During the sales advisory, PIAS Representatives should inform the Selected Client that they will receive two(2) separate calls from (a) PIAS Supervisor and (b) PIAS appointed independent external party.

Q7. Are there any guidelines on the interval between each call attempts?

The calls are to be made across different timeslot and days. Refer to the illustration below.

Attempt	Day/Time	Call Result
1st attempt	Monday / 10:00am	No Answer
	Monday / 10:10am	No Answer
2nd attempt	Tuesday / 2:00pm	No Answer
	Tuesday / 2:10pm	No Answer
3rd attempt	Wednesday / 6:30pm	No Answer
	Wednesday / 6:40pm	No Answer

Q8. Is it mandatory to perform the Client call back to the Selected Client via recorded line?

PIAS Supervisors are strongly encouraged to perform the client call back via recorded line and keep the audio recordings in the event of an audit or investigation.

PIAS Supervisors may wish to note that the MAS has issued a Consultation Paper (P007-2021) to improve transaction-related safeguards for retail clients, which requires all Client call back to be made via recorded lines. More information will be shared when the requirements are finalized.

Q9. Can the Client call back to the Selected Client be dismissed if the PIAS Supervisor is on leave?

In the event that the PIAS Supervisor is on leave, the proxy Supervisor is required to perform the Client call back to the Selected Client.

For enquiries or clarifications on the client call back requirements to Selected Client, please contact Risk Management & Compliance ("RM&C") department via email: pias.compliance@singlife.com

If you need assistance with your SpiderGate account to conduct the call back, please contact your BDM.

PIAS Client Call-Back Form ver.2.3-2023 - iii -

Internal

25. Annex 5 - Client Service Recovery ("CSR") Acknowledgement Letter

PIAS PROFESSIONAL INVESTMENT ADVISORY SERVICES

Client Service Recovery Acknowledgement Letter

To: Professional Investment Advisory Services Pte Ltd

I _____ (Insert Name of Client) of _____ [Insert NRIC/ Passport No.] acknowledge that my Adviser _____ [Insert name of Adviser] has met up with me on ____/ ____/ _____ [Insert date of meeting] to conduct relevant needs analysis and/or clarify and explain the features, benefits, limitations/ risks and basis of recommendation of the following product(s).

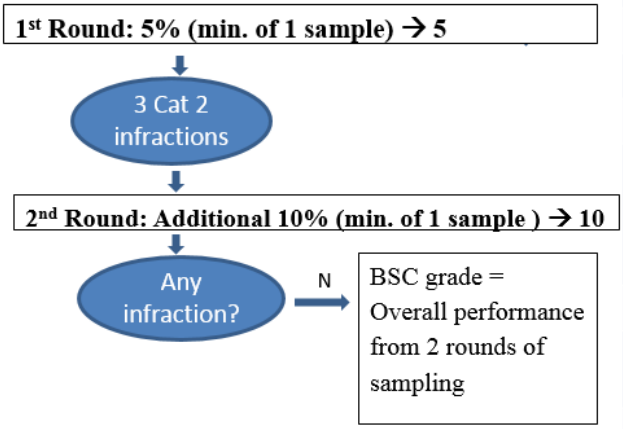
Details of product(s) (Name of Product, Investment/ Premium amount and Date of purchase) Basis of recommendation/ Clarifications on features and limitations of the recommended product(s)		
I acknowledged that my Adviser has conducted relevant needs analysis and/or disclosed and explained the benefits, risks/ limitations of the products and the basis of recommendation clearly to me in _____ (Insert Communicated Language), which I am conversant in. I am satisfied with the product(s) purchased.		
_____ Signature of Client Date: _____	_____ Signature of Adviser Date: _____	_____ Signature of Supervisor Date: _____

**The original form is to be returned to your BDM upon completion of the Client Service Recovery. Kindly attach any relevant documents (e.g. updated Financial Planner) if required.*

SETTING THE PROFESSIONAL STANDARD FOR FINANCIAL ADVICE IN SINGAPORE
Co. Reg. No. 200106346Z | FA Licence No. FA000008-4

26. Annex 6 - Examples of BSC Variable Income Computation for Representatives

Rep 1: Total sales sold in 1 quarter is 100

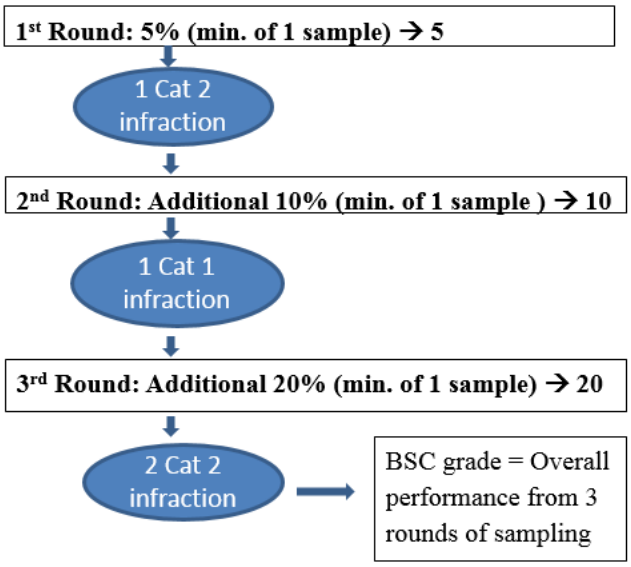


Assume Rep 1 Com for the quarter is $10,000, how much of his com will be affected?

$10,000 x 60% x (100% - 87.5%) = $750

Assuming no Cat 1 infraction	Example 1
1st Round Audit	5
No. of cases with Cat 2 Infraction	3
2nd Round Audit	10
No. of cases with Cat 2 Infraction	0
3rd Round Audit Though no infraction in 2nd round, sample size for 3rd round must be computed for scoring purposes. Actual review not required.	20
Total cases of Cat 2 Infraction	3
Total cases reviewed (from 3 rounds)	35 (5+10+20)
Grade based on absolute no. of infractions cases (Refer to BSC Grading Table)	Grade C (3 Cat 2)
% of Infraction Cases/ Total Audit Samples	3/35* 100% = 9%
Grade based on Infraction percentage	Grade B
Quarter Grade for Rep (Better of the 2 grades)	Grade B

Rep 2: Total sales sold in 1 quarter = 100

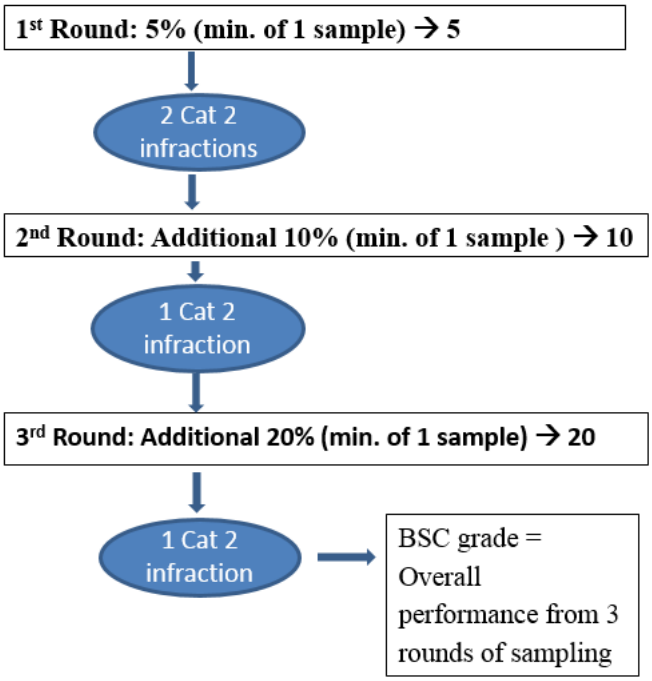


	Example 2
Total cases of Cat 2 Infraction	3
Total cases of Cat 1 Infraction	1
Total cases reviewed (from 3 rounds)	35 (5+10+20)
Grade based on absolute no. of infractions (Refer to BSC Grading Table)	E (1 Cat 1)
% of Infraction Cases/ Total Audit Samples	Not applicable
Grade based on Infraction percentage	Not applicable

Assume Rep 2 com for the quarter is $10,000, how much of his com will be affected?

$10,000 x 60% x (100% - 12.5%) = $5,250

Rep 3: Total sales sold in 1 quarter = 100



	Example 3
No of cases with Cat 2 Infractions (3 rounds)	4
No of cases with Cat 1 Infractions (3 rounds)	0
Total cases reviewed (3 rounds)	35 (5+10+20)
Grade based on no. of cases with Cat 2 infractions (per BSC table)	**Grade D**
% of cases with Cat 2 Infractions (No of cases with Cat 2 Infractions/ Total cases sampled)	4/35 * 100 = 11%
Grade based on % of cases with Cat 2 infractions (per BSC table)	**Grade C**
Quarter Grade for Rep (Better of the 2 grades)	**Grade C**

Assume Rep 3 com is $10,000, how much of his com will be affected?

$10,000 x 60% x (100% - 62.5%) = $2,250

27. Annex 7 - Examples for Supervisor's Variable Income and Grading Computation

Example 1: Impact on FSM's Variable Income for Quarter 1

Rep	FSM's variable income from respective Reps	Rep's BSC grade	Rep's entitled % of specified variable income under BSC	FSM's variable income subjected to BSC	FSM's entitlement to the variable income
Rep 1	$2,000	A	100%	$2,000 x 60% = $1,200	100% x $1,200 = $1,200
Rep 2	$2,000	E	12.5%	$2,000 x 60% = $1,200	12.5% x $1,200 = $150
Rep 3	$1,000	C	62.5%	$1,000 x 60% = $600	62.5% x $600 = $375
Total	$5,000			$3,000	**$1,725 ($1,200 + 150 + 375)**

Percentage of total variable income (subjected to BSC) that FSM is entitled in Quarter 1 = $1,725 / $3,000 = 57.5% **--> Satisfactory**

Example 2: Impact on FSD's Variable Income for Quarter 1

FSM/ Rep under FSD	FSD's variable income. based on respective Rep/ FSM	Rep's BSC grade	Rep's entitled % of specified variable income under BSC	FSD's variable income subjected to BSC	FSD's entitlement to variable income
Rep A under FSM 1	$2,000	A	100%	$2,000 x 60% = $1,200	100% x $1,200 = $1,200
Rep B under FSM 1	$1,000	E	12.5%	$1,000 x 60% = $600	12.5% x $600 = $75
Rep C under FSM 2	$1,000	C	62.5%	$1,000 x 60% = $600	62.5% x $600 = $375
FSM 1	$5,000	B	87.5%	$5,000 x 60% = $3,000	87.5% x $3,000 = $2,625
FSM 2	$10,000	B	87.5%	$10,000 x 60% = $6,000	87.5% x $6,000 = $5,250
Rep D under FSD	$1,000	C	62.5%	$1,000 x 60% = $600	62.5% x $600 = $375
Total	$20,000			$12,000	**$9,900**

Percentage of total variable income (subjected to BSC) that FSD is entitled in Quarter 1 = $9,900 / $12,000 = 82.5% **--> Good**

28. Annex 8 - Appeal Process Flowchart

Appeal Process for Representatives

Upon completion of the post transaction checks, [1]Audit Reports will be emailed to Representative, Tier 2, Tier 3 Supervisors and BDM-in-charge. If Representative decides to appeal for his/her case, he/she will then submit an Appeal to the respective Tier 2 and Tier 3 Supervisor for assessment.

↓

Tier 2 and Tier 3 Supervisor will assess if there is any [2]ground for appeal.

↓

Y → Tier 2 and Tier 3 Supervisor will complete the [3]Appeals Form and submit to RM&C within 7 calendar days from the day they received the Audit Report from RM&C.

N → Tier 2 / Tier 3 Supervisor to inform Representative.

↓

Upon receipt of Appeals Form, RM&C acknowledge receipt of the Appeals Form within 2 business days. The Appeals Form and any supporting documents submitted will be forwarded to the Chief Distribution Officer [CDO] for endorsement.

↓

Upon endorsement by CDO, the Appeals Form and any supporting documents submitted will be forwarded to the [4]Appeals Committee ("AC") for their consideration.

↓

RM&C facilitate the Appeal process either via face-to-face meeting, online meeting or email. RM&C provides the Appeals Form and sales/audit documents etc. to the Appeals Committee. The Appeals Committee will deliberate on the Appeal.

An [5]email will then be sent to the Representative, respective Tier 2, Tier 3 Supervisor, BDM and CDO informing them on the outcome of the Appeal no later than 7 business days after the Appeal meeting or upon receipt of outcome from Appeals Committee in the case of the Appeal process via email.

↓

End

1. The Audit Report will state the Cat 1/ Cat 2 infractions identified and the actions (if any) required by the Representative arising from the audit findings.

2. Grounds for Appeal is strictly restricted to factual evidence found in the Financial Planner. Appeals will not be entertained based on personal reasons (Eg. Slip of mind, Client is the immediate family/ relative/ friend of Representative, Documents not submitted/ lodged earlier, testimonial letter from client etc).

3. An Appeals Form has to be endorsed by CDO. Tier 2, Tier 3 Supervisor and CDO have to document and justify the grounds for Appeal and sign off on the Appeals Form.

4. The Appeals Committee consists of the following personnel:
   - Jennifer Ang (Vice President, Advisor Management & Quality Assurance)
   - Mabel Chew (Vice President, Distribution Sales Compensation)
   - Melinda Ngoh (Assistant Vice President, Training & Competency)

   Each Appeal meeting will consist of all 3 Appeals Committee members.

5. Decision from the Appeals Committee is final. No further Appeal will be entertained.

Appeal Process Flowchart

Appeal Process for Supervisor

Upon completion of the MAS reporting for a BSC Quarter, the [6]Performance Reports for Supervisors will be emailed to Tier 2 and Tier 3 Supervisors. If Supervisors decide to appeal against his/her Supervisor BSC Grade, he/she will then submit an Appeal to the respective Tier 3 Supervisor for assessment.

↓

Tier 3 Supervisor will assess if there is any [7]ground for appeal.

↓

Y → Tier 3 Supervisor will complete the [8]Appeals Form and submit to RM&C within 7 calendar days from the day they received the Performance Report from RM&C.

N → Tier 3 Supervisor to inform Supervisor.

↓

Upon receipt of Appeals Form, RM&C acknowledge receipt of the Appeals Form within 2 business days. The Appeals Form and any supporting documents submitted will be forwarded to the Chief Distribution Officer [CDO] for endorsement.

↓

Upon endorsement by CDO, the Appeals Form and any supporting documents submitted will be forwarded to the [4]Appeals Committee ("AC") for their consideration.

↓

RM&C facilitate the Appeal process either via face-to-face meeting, online meeting or email. RM&C provides the Appeals Form and sales/audit documents etc. to the Appeals Committee. The Appeals Committee will deliberate on the Appeal.

An [5]email will then be sent to the Supervisor, Tier 3 Supervisor, BDM and CDO informing them on the outcome of the Appeal no later than 7 business days after the Appeal meeting or upon receipt of outcome from Appeals Committee in the case of the Appeal process via email.

↓

End

6. The Performance Report will state the Supervisor BSC Grades and breakdown of the calculation of the Supervisors' Percentage Entitlement to Specified Variable Income.

7. Grounds for Appeal is strictly restricted to factual evidence.

8. An Appeals Form has to be endorsed by CDO. Both Tier 3 Supervisor and CDO have to document and justify the grounds for Appeal and sign off on the Appeals Form.

9. The Appeals Committee consists of the following personnel:
   - Jennifer Ang (Vice President, Advisor Management & Quality Assurance)
   - Mabel Chew (Vice President, Distribution Sales Compensation)
   - Melinda Ngoh (Assistant Vice President, Training & Competency)

   Each Appeal meeting will consist of all 3 Appeals Committee members.

10. Decision from the Appeals Committee is final. No further Appeal will be entertained.

29. Annex 9 – BSC Appeal Request Form

PIAS PROFESSIONAL INVESTMENT ADVISORY SERVICES

Appeals Form (RM&C Department)

APPEALS FORM

Please read these instructions carefully:

1. All appeals must be submitted to Risk Management & Compliance ("RM&C") department **within 7 calendar days** from the date of issuance of the disciplinary action(s) or the receipt of BSC Audit report from RM&C.
2. **Appeals will be only accepted if the following criteria are fulfilled:**
   a) **new evidence or evidence not otherwise considered during the investigation is being submitted; and**
   b) **the appeal is endorsed by both the T3 Supervisor and Chief Distribution Officer.**
3. FAR will receive a written acknowledgement within 2 business days.
4. Appeal sent in to RM&C after 7 calendar days will not be entertained.
5. This form must be signed and submitted by the affected FAR.
6. The Appeals Form and any supporting documents submitted will be forwarded to the Chief Distribution Officer for endorsement.
7. Upon endorsement, the Appeals Form and any supporting documents submitted will be forwarded to the respective Appeals Committee ("AC") for their consideration.
8. For any appeals that are frivolous in nature, the respective AC reserves the right to increase the disciplinary action originally meted out.
9. The Appeal hearing may be held by one of the following modes: face-to-face meeting, online meeting, or email.
10. If the Appeal hearing is held via a meeting, the FAR
    a) will be invited to the Appeal hearing and self-represent the case to the AC;
    b) will have no more than 10 minutes to state the reason of their appeal;
    c) may get a Business Development staff or Supervisor to accompany him/her to the Appeal hearing.
11. The Appeal may be heard by either the PIAS Appeals Committee or Singlife Group Appeals Committee as follow:

Appeals Committee	Type of Appeal
Disciplinary and Appeals Committee ("DAC"), i.e., PIAS Appeals Committee	Less serious market misconduct cases/ penalty on substantiated market conduct outcome for: • Letter of Warning arising from market conduct investigation • BSC grading of B and below (i.e., B or worse)# • Demotion • Ban from Awards/Incentives
Group Management Appeals Committee ("GMAC"), i.e., Singlife Group Appeals Committee	Serious market misconduct cases/ penalty on substantiated market conduct outcome for: • Letter of Suspension • Letter/Notice of Termination

No appeals for infraction that does not affect the BSC grading, i.e., appeal is not allowed if BSC grading is A.

Annex 9 – BSC Appeal Request Form

PIAS PROFESSIONAL INVESTMENT ADVISORY SERVICES

Appeals Form (RM&C Department)

1. Particulars of Financial Adviser Representatives ["FAR"]	
Name of FAR	
PIAS Rep Code	
RNF Date	
Designation	
Contact Number	
Branch Name	
Name of Supervisor	

2. Appeal For						
☐ BSC Grading						
BSC Quarter						
BSC Grade Accorded *Tick as applicable*	Rep:	☐ Grade B	☐ Grade C	☐ Grade D	☐ Grade E	☐ NA
	Sup:	☐ Satisfactory	☐ Fair	☐ Unsatisfactory		☐ NA
Transaction Details *Please state Client name, Product name (main plan) and Transaction date.*	1.					
	2.					
	3.					
	4.					
	5.					
☐ Other Market Misconduct Cases/ Penalty						
Disciplinary Letter *Tick as applicable*	☐ Letter of Warning	☐ Letter of Suspension	☐ Notice of Termination			
Others *Please specify the details*						

RM&C Appeals Form (Nov2022) Page **2** of **5**

Annex 9 – BSC Appeal Request Form

PIAS PROFESSIONAL INVESTMENT ADVISORY SERVICES

Appeals Form (RM&C Department)

3. Grounds for Appeal
Details on the ground(s) of appeal *Please state the new evidence or details of evidence not considered during BSC review/investigation and how the details could impact the assessment. Where new evidence is provided, you are to state the reason for not providing the evidence during the BSC review/investigation.*

If you need more space to explain your situation, attach an additional sheet of paper

RM&C Appeals Form (Nov2022) Page **3** of **5**

Annex 9 – BSC Appeal Request Form

PIAS
PROFESSIONAL INVESTMENT ADVISORY SERVICES

Appeals Form
(RM&C Department)

4. Direct Supervisor's Comments
Please provide comments based on factual evidence related to the case.

5. T3 Supervisor's Comments (if applicable)
Please provide comments based on factual evidence related to the case.

Annex 9 – BSC Appeal Request Form

PIAS PROFESSIONAL INVESTMENT ADVISORY SERVICES

Appeals Form (RM&C Department)

6. Preferred Mode
☐ Email (applicable if the disciplinary action does not entail a misconduct reporting with the MAS) ☐ Meeting (may be held physically or virtually)

FAR Signature | T2 Supervisor Signature | T3 Supervisor Signature | Date

For Office Use - Endorsement by Chief Distribution Officer
☐ Support the appeal ☐ Reject the appeal **Reasons For Supporting/Rejecting the Appeal**

Name | CDO Signature | Date

RM&C Appeals Form (Nov2022) Page **5** of **5**

30. Annex 10 – Corporate Announcement "Ace Your Grade"

Date of Announcement: 1 June 2018

PIAS PROFESSIONAL INVESTMENT ADVISORY SERVICES

SETTING THE PROFESSIONAL STANDARD FOR FINANCIAL ADVICE IN SINGAPORE

Dear Directors, Managers and Advisers,

Please be informed that 2018 Training & Competency Plan has been updated and it is now available in DocuShare.

Where to find from DocuShare?
**PIAS Resource Library » Guides & Manuals » T&C Guides & Manuals

Please take note of the 3 key changes to the plan.

1. **Penalty for non-fulfilment of CPD Hours Requirement**

   Representatives who do not fulfil CPD Hours Requirement will be deemed not fit and proper according to FAA Notice 13. With this, the following penalty will be imposed:
   Representatives who fall short of the required CPD hours by 31st December 2018 will be issued a Letter of Suspension, suspending new business for 2 months. Representatives must complete the required CPD hours before suspension can be lifted. Otherwise, the contract will be subject to termination.

2. **Reduction of Core CPD Hours and Increase of Supplementary CPD Hours**

   In line with the amendments to FAA N13, the number of Core Hours is reduced from 12 to 6 and the number of Supplementary Hours is increased from 16 to 22. The overall number of hours is maintained at 30.

3. **Balanced Score Card (BSC) and "Up Your Grade" Training**

   The company has observed an increased in number of BSC infractions. In an effort to ensure that Representatives with BSC Infraction(s) achieve greater competencies in achieving good BSC ratings, we have made it compulsory for them to attend the next available "Up Your Grade" training. This will take effect from BSC results reported from Q3 2018 (i.e. based on Q1 block of business) onwards.

Thank you and have a great day!

Kind Regards,

Training & Competency Department

Professional Investment Advisory Services Pte Ltd