

COMPIAS TIMES

Issue #02-2020

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Telemarketers VS Introducers

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Can I engage a Telemarketer?

Can I engage an Introducer?

What if I want to engage an Introducer?

Is there any mandated script for Introducer?

Topic (2)

Calculating The No. of Balanced Scorecard Framework (“BSC”) Infractions

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How many infractions will I be accorded if I sold three(3) funds but under three(3) different PIAS Financial Planners with Cat 2 infractions?

How many infractions will I be accorded if I sold five(5) funds but included in one(1) Financial Planner with Cat 2 infractions?

What will happen if I sold two(2) plans to a Client which were incepted in different quarters using the same PIAS Financial Planner with Cat 2 infractions?





If you have any suggestions, feedback and/or topics you would like us to cover, please drop us a note at compliance@pias.asia
We look forward to hearing from you!

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Telemarketers VS Introducers

Differences Between Introducer And Telemarketer

	<u>Introducer</u>	<u>Telemarketer</u>
What is the definition?	Introducing any client to an introducee in relation to the provision of any type or types of financial advisory service by the introducee. Note: Acquisition of leads is considered as an introducing activity.	Promote, solicit or attempt to sell a product or services over the phone by individuals.
Who are they?	<ul style="list-style-type: none"> Individuals Corporates 	PIAS Licensed Representatives
Can provide financial advisory services?	No	Yes
Who can engage?	<div>  Under the MAS' Notice, only PIAS can engage and appoint introducer. </div> <div>  Branch and Representatives are strictly not allowed to engage introducer. </div>	<div>  Only PIAS Licensed Representatives are allowed to act as a telemarketer. </div> <div>  PIAS, Branch and Representatives are strictly not allowed to engage telemarketer. </div> <p>Rationale: The role of a licensed PIAS Representative in providing financial advisory services cannot be delegated to an external party.</p>

Appointment and Use of An Introducer



Hey Agent Bryant, do you need any leads? It is all on my table and I can call for you. I am selling three(3) leads for \$5.

Sounds like a good deal, Introducer Jenny!

Before I accept the leads, I must adhere to the below requirements.



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Telemarketers VS Introducers

Appointment And Use Of An Introducer

Step 1 → Check

- ❖ If the introducer is a Corporate, it **cannot** be its sole business activity;
- ❖ If the introducer is an Individual, it **cannot** be the individual’s full-time occupation;
- ❖ Introducer should not give rise to any actual or potential **conflict of interests** to PIAS; and
- ❖ Introducer should not tarnish the image of PIAS or Financial Advisory Industry

Step 2 → Submission Of Documents To AMU

<u>TYPE OF INTRODUCER</u>	<u>DOCUMENTS REQUIRED</u>
Individual	(a) Introducer Application form (Individual); (b) NRIC; (c) Personal bank account details ; and (d) Proof of employment or self-employment. 
Corporate	(a) Introducer Application form (Corporate); (b) Acra Bizfile (validity within last 6 months) (c) Company’s Bank account details ; and (d) Authorized personnel’s NRIC or passport. 

Step 3 → Written Agreement With PIAS

AMU will first proceed with due diligence and assessment. Upon successful application, PIAS will enter into written agreement with the introducer, setting out the scope of introducing activities to be carried out etc.

The introducer will have (a) Introducer agreement and (b) Introducer Script.





Telemarketers VS Introducers

Script Used By An Introducer

KEY SEGMENTS	INDIVIDUAL	CORPORATE
Introduction to Client/Prospects	<p>My name is <Name of Introducer>. I am acting as an appointed introducer for Professional Investment Advisory Services Pte Ltd (PIAS), an affiliate of Aviva group of companies. Their financial consultants are professional and able to provide sound and comprehensive financial advice at both individual and corporate levels.</p> <p>More importantly, as PIAS is not tied to any financial product providers, they are able to provide a range of products to suit your financial needs such as life, health and general insurance products as well as collective investment schemes (CIS).</p>	<p>My name is <Employee of Introducer Company>, and I am an employee of <Name of Introducer Company> acting as an appointed introducer for Professional Investment Advisory Services Pte Ltd (PIAS), an affiliate of Aviva group of companies. Their financial consultants are professional and able to provide sound and comprehensive financial advice at both individual and corporate levels.</p> <p>More importantly, as PIAS is not tied to any financial product providers, they are able to provide a range of products to suit your financial needs such as life, health and general insurance products as well as collective investment schemes (CIS).</p>
Duty Of An Introducer	<p>As an introducer, I am:</p> <ul style="list-style-type: none"> • <u>NOT</u> permitted to provide you with any advice or recommendations on any investment products; market any collective investment scheme; arrange any contract of insurance in respect of life policies, other than to the extent of carrying out introducing activities; • <u>NOT</u> allowed to receive or deal with any monies or property from you in relation to my introducing activity. 	
Remuneration By PIAS (If any)	<p>Under Regulation 31 of the Financial Advisers Regulations, I am required to disclose to you that:</p> <p>I will be receiving an introducing fee of <<u>X %</u>> of total commission received based on the successful sales of your investment amount in the investment product(s) recommended by PIAS.</p>	<p>Under Regulation 31 of the Financial Advisers Regulations, I am also required to disclose to you that:</p> <p>The entity I am representing, <Name of Introducer Company> will receive <<u>X %</u>> of the total commission received as introducer fee for every successful sale introduced to PIAS.</p>

For More Information

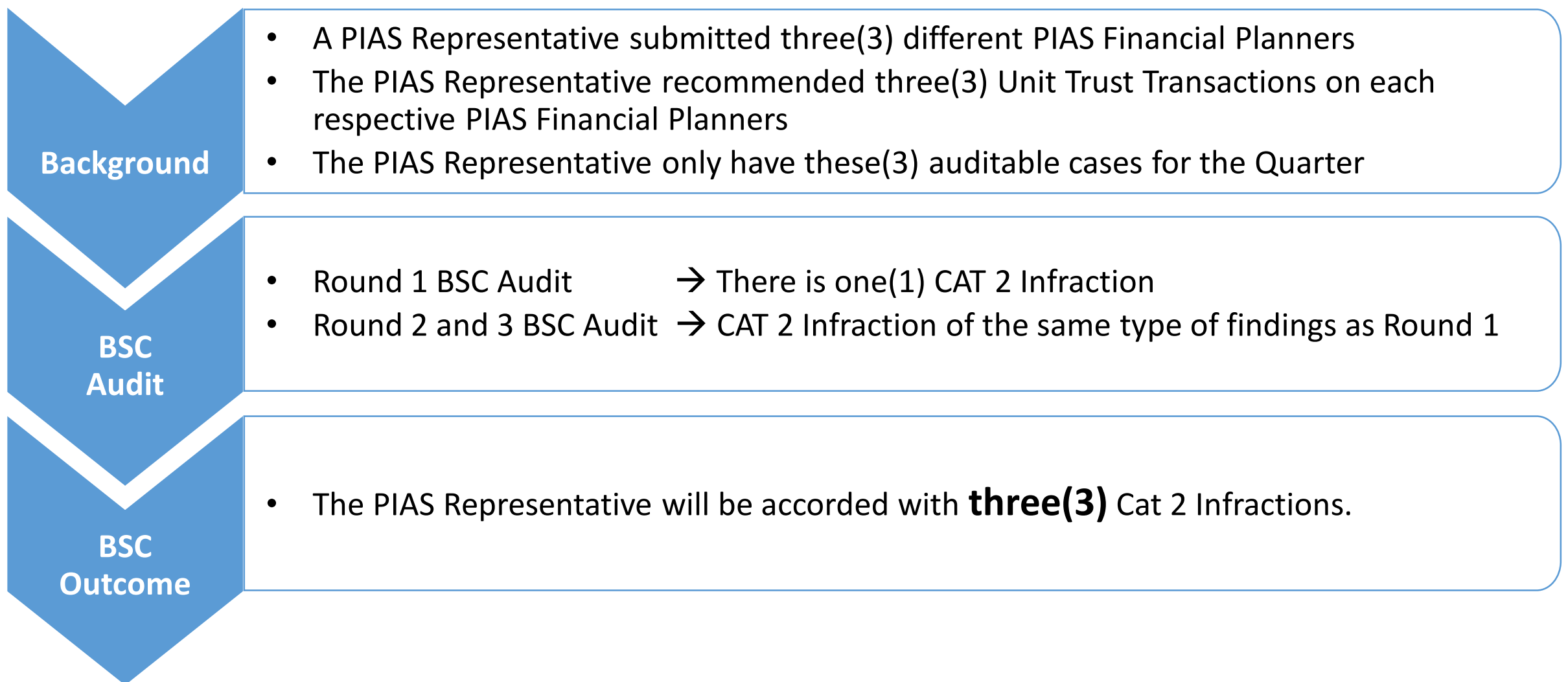
- FAA N-02: Notice On Appointment And Use Of Introducers By Financial Advisers
<https://www.mas.gov.sg/-/media/MAS/Sectors/Notices/CMG/Notice-FAA-N02/useofintroducers.pdf>
- Introducer Application Form & Introducer Script
[Home → PIAS Resource Library → Forms → Introducer]

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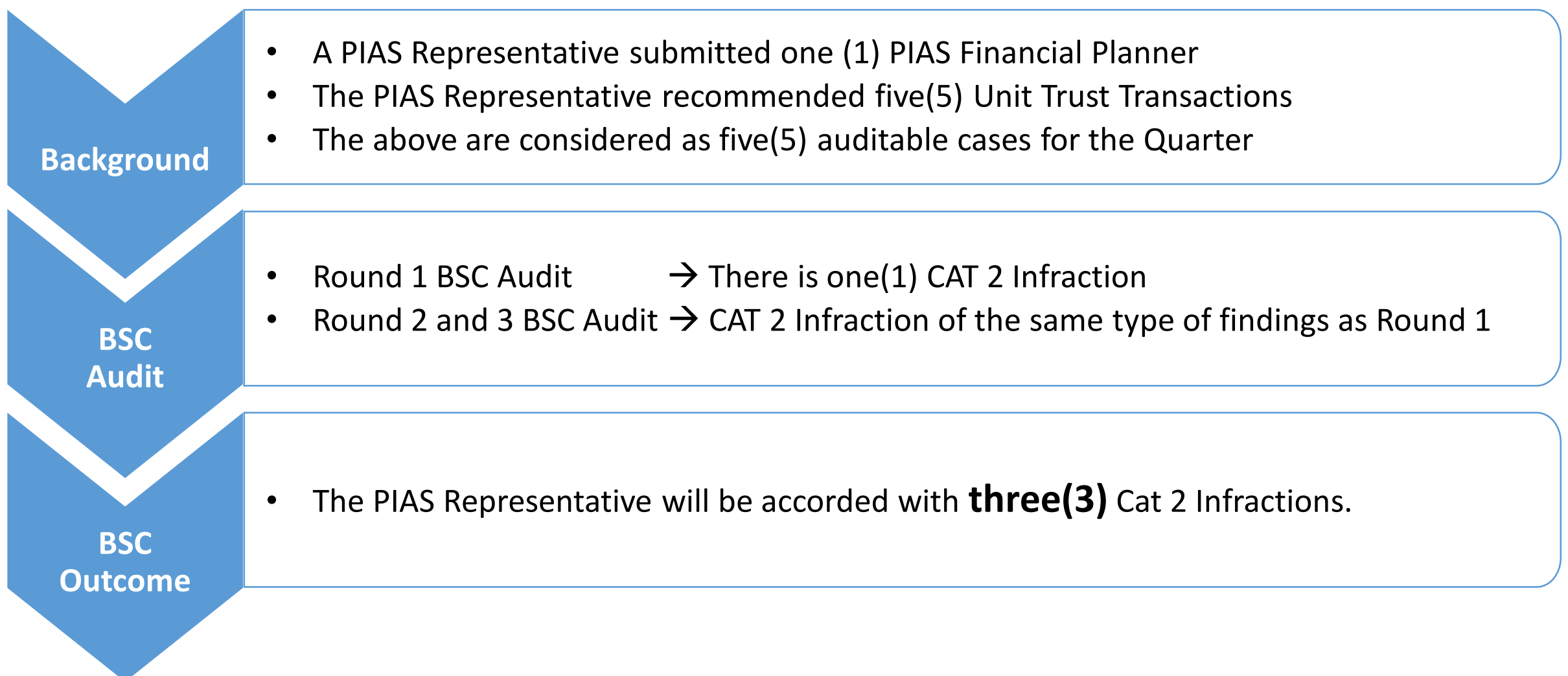
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Calculating The No. of Balanced Scorecard Framework (“BSC”) Infractions

Scenario #01



Scenario #02



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Calculating The No. of Balanced Scorecard Framework (“BSC”) Infractions

Scenario #03

Background

- A PIAS Representative submitted one(1) PIAS Financial Planner
- The PIAS Representative sold two(2) policies – one(1) Whole Life plan & one(1) Term plan
- The Whole Life plan was incepted in Quarter 3 [“Q3”] & Term plan was incepted in Quarter 4 [“Q4”]

Q3 BSC Audit

Whole Life Plan

- Round 1 BSC Audit → CAT 2 Infraction
- Round 2 BSC Audit → Pass

Q4 BSC Audit

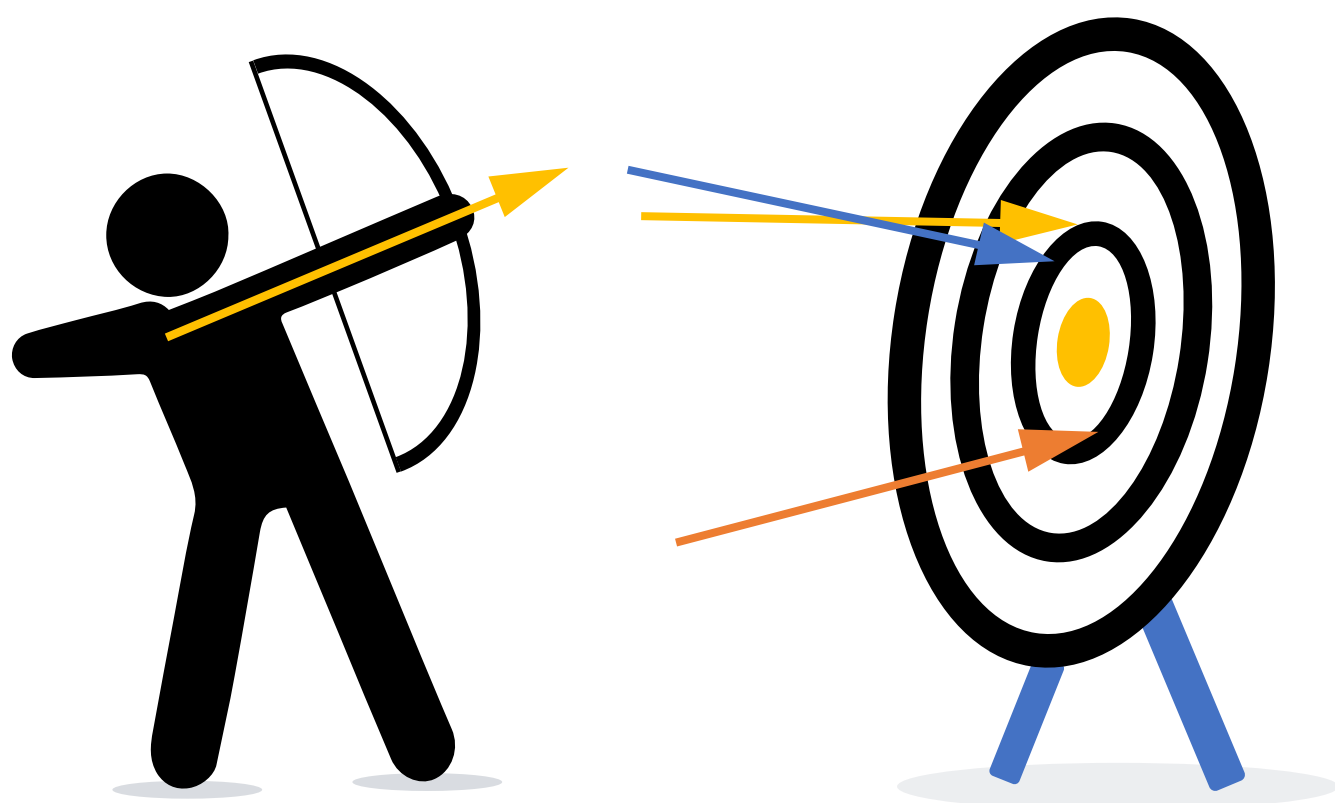
Term Plan

- Round 1 BSC Audit → CAT 2 Infraction
- Round 2 BSC Audit → Pass

BSC Outcome

- The PIAS Representative will be accorded with one(1) Cat 2 Infraction in both Q3 and Q4

Note: This is notwithstanding that a Client Service Recovery [“CSR”] has been performed in Q3 for the Whole Life plan



Investment Linked Product Additional Information

If there is a CAT 2 Infraction found in an Investment linked policy (ILP) consisting of five(5) sub funds, it will be classified as one(1) CAT 2 Infraction rather than five (5) CAT 2 infractions.