

Minimum Criterion for Prospective Education Providers

Overall objective of the criteria should to establish a transparent process by which potential education providers can be thoroughly evaluated to ensure that they will be able to conduct CFP education programs of the highest standard. Emphasis should be placed on attracting education providers with established track records of conducting advanced degree programs in financial services or professional certification programs in financial services and preferably financial planning. The education providers should not offer conflicting financial planning programs and should work with FPAS to actively promote the CFP as the highest standard in financial planning. This will therefore assist FPAS in achieving it's overall objectives.

1. Capital Requirement

A minimum paid up capital of \$200,000 in cash form.

2. Shareholdings

It must be predominantly owned by Singaporeans or Singapore Permanent Residents. A minimum of 51% interest owned by Singaporeans or Singapore PR would be deemed as 'predominantly owned'.

For a foreign owned company, they must execute a performance bond.

3. Corporate Entity

Main business activity to be conducting financial training and/or educational programs. Other business activities not to present conflicts of interest to primary role of being an education provider, i.e. a bank, securities company, IFA, insurance agency, membership association, etc.

4. Principal Officer

The Principal Officer of the organization must be a person of good standing. The criterion for the Principal Officer should encompass:

- o professional qualifications,

- not be an undischarged bankrupt,
- free from criminal records
- does not have directorship in companies/organisations that may present himself/herself in a position of conflict with role of being an education provider or with FPAS's objectives.
- Has not been cited by any organization for breach of conduct, code of ethics, etc.

Professional qualifications would entail:

- A degree awarded by a recognized university. A recognized university would be universities listed in the US Universities Yearbook and the Universities Yearbook outside of the US should be relevant to that of being an education provider.
- Either relevant academic experience teaching higher level financial programs or running an educational organization providing higher level financial programs OR
- Relevant industry experience, i.e. financial planner, private banker, etc.

5. Methods of delivery

The organization applying to be an educational provider must provide at least two options for learning:

- Self study modules
- Face-to-face lecture modules

6. Competencies

The organization must be able to display competency in the self-study modules by submitting a full copy of Module 1 – Foundations in Financial Planning as a sample for evaluation by the Certification Committee. FPAS will undertake confidentiality of such materials while under review through execution of a Non-Disclosure Agreement with the prospective organization.

Subsequent materials for Module 2 to 6 would have to be submitted to the Certification Committee for review and approval before the Education Provider is allowed to commence the courses.

Materials are to be under license from third party provider or original materials. If original materials, they are not to infringe on copy right of other education providers. Undertaking and indemnity to be given to this effect from new provider in order to protect FPAS from potential liability.

The organization must also submit a complete list of lecturers that it intends to use for the face-to-face lecture sessions. Full resumes of all intended lecturers are to be appended to the Certification Committee for evaluation purposes. The confidentiality of information will be preserved while under evaluation through FPAS execution of a Non-Disclosure Agreement.

7. Promotion of CFP Marks

The grant of appointment as an educational provider is on an exclusive basis. Successful applicants must agree to promote the CFP mark as the highest standard in financial planning. In order to achieve this, an organization that intends to be FPAS education provider must not be conducting other financial planning courses that would lead to a competing designation. The organization must be contractually bound to conduct CFP courses only as far as financial planning is concerned.

8. On successful appointment, education providers are expected to execute an escrow account for the fees collected from the students.

9. All applicants are to submit their pricing structure that would include:

- i) fees chargeable for self study modules
- ii) fees chargeable for face-to-face lectures
- iii) fees chargeable for any other form of study delivery that the organization intends to provide; for e.g. web-based learning etc.

Applicants while formulating their pricing should take into consideration the following:

- i) the preferred rates to be granted to employees of corporate members of FPAS

Procedures for applying to be an education provider

1. All applications are to be made in writing to FPAS.
2. All applications must be accompanied by a fee of \$1,000 (non-refundable) payable to FPAS.
3. Applications to be an education provider can be made on a quarterly basis and must be submitted on or before the last day of each quarter. For the definition of quarters, it will be the last day of March, June, September and December. The result of the applications will be made known by post at the end of each following quarter. Short-listed application does not imply appointment as an official education provider.
4. Short-listed applicants will be invited to make a presentation to the Certification Committee for further evaluation.
5. Within a month of presentation, the applicant will be informed whether FPAS would be continuing with the evaluation. Successful applicants will then be asked to fulfill a due diligence report for final evaluation by the Certification committee within a 60 day period.
6. Successful applicants would then be appointed as an education provider for a probationary period of 2 years. An audit would be conducted within the 2 years to determine whether a permanent contract of 3 years would be granted. Permanent contracts are renewable on a 3 yearly basis subject to an audit.