



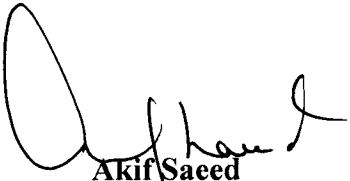
Securities and Exchange Commission of Pakistan
Securities Market Division

May 15, 2017

Circular No. 14 of 2017

With a view to inculcate good governance practices, promote investor protection and in order to have professional/skilled personnel providing advice/recommendation to investors, the Securities and Exchange Commission of Pakistan, in exercise of its powers conferred under section 169(2)(b) of the Securities Act, 2015, section 114(2)(ii) of the Futures Market Act, 2016 and Regulation 4(e) of the Securities and Futures Advisers (Licensing and Operations) Regulations, 2017 (the "Regulations"), hereby directs the following to ensure compliance with the below-mentioned requirements:

1. Within one year of grant of license, such employees of companies licensed as securities/futures advisers who are involved in providing advisory services to customers, shall be required to obtain the Financial Advisors Certification (FAC) offered by the Institute of Financial Markets (IFM). The Core module of FAC will be mandatory for all, while in the Advanced Module, there will be choice between Equity and Commodity advisory sub-modules based on the type of advisory being offered.
2. Senior management (chief executive/head of advisory business/head of sales, by whatever name called) of companies involved in advisory business shall obtain the Pakistan Markets and Regulations (PMR) certifications, in addition to the FAC, within one year of grant of license.
3. In case of an individual licensed as a securities/futures adviser, such person shall be required to obtain both PMR and FAC within one year of grant of license.
4. Individuals or employees of companies engaged in distribution of mutual fund units only would be required to acquire Mutual Fund Distributor Certifications within one year of grant of license.
5. All NBFCs licensed as investment advisers with the Commission would be required to arrange certifications for their staff within one year of the issuance of the circular. (as outlined in points 1 and 2 above).


Akif Saeed
Commissioner

Distribution: To all concerned