

Continuous professional training (“ CPT ”)

How many CPT hours does a licensed person need to take under the new regime?

Posted on 01.06.2011

3.1 A minimum of 5 CPT hours per regulated activity (except Type 7 – providing automated trading services) per calendar year. However, if a person is licensed for more than one type of regulated activity within a group of regulated activities having the same competence requirements¹, he only needs to take 5 CPT hours altogether. For instance, an individual engaging in Types 1, 4 and/or 8 regulated activities has to take only 5 CPT hours per calendar year as these regulated activities are under the same competence group. However, if an individual carries on regulated activities of Type 1, 2 and 3, he has to take $5 \times 3 = 15$ CPT hours per calendar year.

¹ Groups of regulated activities with the same competence requirements:

Type of regulated activities
1 – dealing in securities
4 – advising on securities
8 – securities margin financing
2 – dealing in futures contracts
5 – advising on futures contracts
3 – leveraged foreign exchange trading
6 – advising on corporate finance
9 – asset management
10 – providing credit rating services

Nevertheless, if he can demonstrate that a particular training is relevant to more than one type of regulated activity or one group of regulated activities, he may apply the CPT hours to those regulated activities accordingly.

Is the requirement for a responsible officer different from that of a representative?

Posted on 24.03.2003

3.2 In terms of the number of CPT hours, there is no difference. However, in terms of the content, please refer to paragraphs 7.1 and 7.2 of the Guidelines on CPT for examples relevant to each level. At the end of the day, the important point to note is that the training topic must be relevant to the functions to be performed by the person.

Now that the requirement for reporting CPT compliance in the Annual Return is removed, how does a licensed corporation ensure that its representatives and responsible officers are in compliance with the CPT requirements?

Posted on 24.03.2003

3.3 Although the reporting requirement is removed, the representatives, responsible officers and their sponsoring corporation have to continue to retain records of all CPT activities undertaken for 3 years. The sponsoring corporation has to perform due diligence to ensure compliance by the individuals they engaged. The records must be made available upon request from the SFC.

Can the taking of online courses be accepted as CPT activities?

Posted on 24.03.2003

3.4 The taking of online courses will be considered as self-study. Provided that there are independent assessments, such as evaluation or test results, and sufficient records to demonstrate fulfilment and duration of training, they can be counted towards acceptable CPT activities. Of course, those online courses have to be of relevance to the licensees' functions.

Can the time I spent on SFC's development work be counted towards fulfilling the CPT requirements?

Posted on 16.05.2003

3.5 Yes, time spent in attending meetings or undertaking activities as members of SFC's committees and official working groups² can be counted towards CPT fulfilment. Below are some examples of these committees and working groups which are not exhaustive:

- Advisory Committee
- Regulatory Committees such as Academic and Accreditation Advisory Committee and Investor Education Advisory Committee
- Working Group on Review of Financial Regulatory Framework for Intermediaries

² Official working groups mean any formal working groups set up for the purpose of making decisions on a predetermined subject, meetings of which are presided by a chairman and with minutes.

- Industry Forum of the five brokerage associations