

**Certified Private Wealth Professional (CPWP)  
Module 2 – Ethics and Compliance  
Examination Handbook**

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## Introduction

The Enhanced Competency Framework (ECF) was developed by a Task Force chaired by the Hong Kong Monetary Authority to ensure individuals engaged in providing services to private wealth management (PWM) clients have an enhanced level competency in the technical, industry, product knowledge, ethics and compliance areas.

The ECF contains two modules – Module 1 on Technical, Industry and Product Knowledge; Module 2 on Ethics and Compliance. Relevant Practitioners will be certified by the Private Wealth Management Association (PWMA) as Certified Private Wealth Professional (CPWP). Module 2 is a compulsory module for the CPWP Certification. Coordinated with PWMA, HKIB is the initial provider for the Module 2 training programmes and examinations in Hong Kong.

## Certified Private Wealth Professional (CPWP) Module 2

The objectives of CPWP Module 2 on Ethics and Compliance are:

- To demonstrate an adequate understanding and practical application of legal and regulatory requirements, and ethics relevant for practitioners; and
- To demonstrate a broad-based view of risk governance, risk culture and risk management, and an understanding of the wider implications and long-term impact of own actions on various stakeholders.

It is advised that new entrants and existing PWM industry practitioners engaged by PWM institutions who are involved in customer-facing roles making personalized or customized solicitations or recommendations to customers in the provision of securities dealing and advisory service and/or portfolio management service to take the Module 2 training and / or examination.

The CPWP Module 2 is pitched at Level 5 of the Qualifications Framework. For the examination outline of Module 2, please refer to “Examination Structure” of this handbook.

## Examination Structure

### 1. Examination Mode and Format

The examination mode and format of the CPWP Module 2 Examination are set out as follows:

<b>Examination Mode</b>	Paper-based Examination
<b>Examination Duration</b>	1 Hour
<b>Question Type</b>	Multiple-choice Type Questions (MCQ)
<b>No. of Questions</b>	40
<b>Pass Mark</b>	70%
<b>Grading</b>	Pass / Fail / Absent

### 2. Examination Outline

The examination outline of the CPWP Module 2 on Ethics and Compliance is as follows:

<b>Chapter</b>	<b>Topic</b>
1	Legal and regulatory regime in Hong Kong
2	Regulatory requirements on sales of investment products
3	Relevant laws and regulations relating to client's engagement and relationship building
4	Code of Ethics and Conduct set by the PWMA
5	Fiduciary duties, ethical values and professional conduct
6	Practical application of legal and regulatory requirements
7	Controls and accountabilities, reporting and escalation policies
8	Risk management, risk governance and risk culture of PWM institutions

You may also refer to PWMA website <http://www.pwma.org.hk/> for detailed CPWP Module 2 Examination Syllabus.

## Entry and Completion Requirements

### 1. Entry Requirements

- ➔ The CPWP Module 2 Examination is open for all interested parties.
- ➔ If applicants wish to sit the examination for CPWP Certification purpose, they are advised to check with PWMA with regard to the registration requirements before enrolment in the CPWP Module 2 Examination.

### 2. Completion Requirements

- ➔ If applicants wish to sit the examination for CPWP Certification or other purposes, e.g. fulfillment of employer's requirements, they are advised to check with PWMA or their employers with regard to the completion requirements in advance.

## Examination Enrolment

### 1. Examination Timetable

- ➔ For the latest information of the CPWP Module 2 Examination enrolment period and examination dates, please contact HKIB or refer to the HKIB website at <http://www.hkib.org>.

### 2. Examination Enrolment

- ➔ Applicants can obtain the enrolment form: (i) from HKIB website; or (ii) in person from the counter of HKIB Head Office during office service hours.
- ➔ The information provided on the enrolment form must be true and clear. Applicant should submit the completed and signed enrolment form, together with the appropriate examination fee, to HKIB Head Office on or before the corresponding enrolment deadline.
- ➔ Enrolment forms can be returned by fax, by email, by hand or by registered mail to avoid loss in the mail, but attention must be paid to the enrolment period of the examination enrolment. Applicants applying by post are reminded to allow sufficient time for mailing. Applications received by HKIB after the corresponding enrolment deadline will NOT be accepted.

- Inaccurate or incomplete applications for enrolment may not be accepted even though payment of the examination fee has been made. **NO** applications will be accepted after the corresponding enrolment deadline.
- Each applicant should submit **ONE** enrolment form only for each examination.
- The examination enrolments will be made on a first-come-first-served basis. HKIB reserves the right to reject late applications and / or any enrolments deemed inappropriate.
- Once HKIB has received the enrolment form, **NO** alterations of the examinations and examination arrangement will be allowed.
- HKIB reserves the right to change the examination dates and the enrolment deadlines at any time.
- Applicants are advised to retain a copy of the completed enrolment form for their own record.

### 3. Examination Fee and Payment

- The fees of CPWP Module 2 Examination and study guide should refer to the latest exam schedule at HKIB Website at <http://www.hkib.org>.
- Applicants should pay the examination fee:
  - (a) by cheque (post-dated cheque will not be accepted), and attach it to the enrolment form. Cheque should be made payable to "The Hong Kong Institute of Bankers". Please put your full name and contact phone number on the back of the cheque; **OR**
  - (b) by credit card payment. Please provide credit card information at Section E in the enrolment form.
- Enrolment form without payment instruction will **NOT** be processed.
- All payments must be settled before the examination. All paid fees will **NOT** be refunded or transferred under any circumstances.
- Applicants are advised to keep a payment record.
- Acknowledgement of the examination enrolment will be sent to candidates via e-mail within **7 full working days** of receiving the enrolment form. Candidates who fail to receive the acknowledgement within the above said period should inform the Institute immediately.
- HKIB reserves the right to adjust the fees of examination, study guide and / or administration surcharge (if applicable), at any time.

#### 4. Examination Attendance Notice

- ➔ Examination Attendance Notices (Attendance Notices) will be sent to candidates via **email ONLY** about **2 weeks** before the respective examination. Candidates are obligated to inform the Institute if they do not receive the Attendance Notice **1 week** before the examination.
- ➔ Candidates are required to print a copy of the Attendance Notice on a plain A4 paper before attending each examination.
- ➔ Candidates **MUST** produce their Attendance Notice in each examination, along with documentary proof of their identity that bears their current photograph (e.g. HKID card, Passport, etc.).
- ➔ The Attendance Notices are **NOT** allowed to be taken away from the examination venue after each examination. The invigilators will collect the Attendance Notices before the end of the concerned examination.

#### 5. Alteration / Transfer of Enrolment for the Examination

- ➔ HKIB reserves the right to cancel, postpone and/or reschedule the examinations.
- ➔ If an examination is rescheduled, HKIB will notify candidates of the new examination's date and time via email within 1 week of the original scheduled examination date. Under such circumstances, candidates are not required to re-register for the examination.
- ➔ Requests for alteration or transfer of enrolled examinations will **NOT** be accepted under any circumstances including sickness, business or travel arrangements, or for any other reasons.

#### 6. Examination Arrangement for Candidates with Special Needs

- ➔ Candidates with special needs can request for special examination arrangements in the CPWP Module 2 Examination. In this case, they are required to submit the documentary evidence such as medical proof issued by a registered medical practitioner, together with the written request, when applying for the examination.
- ➔ Any request for such arrangements may result in an additional charge.

#### 7. CPWP Grandfathering

- ➔ PWM practitioners with at least 10 years of relevant work experience may be eligible for "grandfathering". Relevant Practitioners who are "grandfathered" are required to pass the CPWP Module 2 Examination or complete the Ethics and Compliance training programmes. Please refer to PWMA "Guidelines for Grandfathering" for details on grandfathering eligibility criteria and requirements.

## Preparation of Examination

- Each candidate who has enrolled in the CPWP Module 2 Examination will be given ONE study guide (English version only) for preparation. The study guide will be sent to you by email upon confirmation of your application.
- Apart from reading the study guide, candidates are encouraged to take the CPWP Module 2 training programmes to gain better understanding of the topics.

## Examination Results

- Candidates can check their exam results via HKIB online platform with stipulated link and will receive their result slip by post within 4 weeks from the respective examination date. Results will not be revealed by telephone, fax or other electronic means.
- Candidates will be notified of their results by post and only with written notice. Results will NOT be revealed by telephone, fax or other electronic means.
- Candidates who sit the examination for CPWP Certification purpose should submit the result slip of CPWP Module 2 Examination issued by HKIB to PWMA for certification. Candidates are advised to check with PWMA with regard to the certification procedures and keep a copy of the result slip for record.
- Results will be withheld from candidates who have not paid in full any monies due or payable to the Institute, including but not limited to examination enrolment fees.
- NO reviews or appeals against examination results will be considered under any circumstances.



## General Regulations

An examination is governed by the Regulations in force at the time of the examination and not by the Regulations in force at the time when a candidate was initially registered, in case of any discrepancies between the two sets of Regulations. Candidates must comply with the regulations and timetable published in this examination handbook, enrolment form and HKIB website. Those who are in breach of the regulations may be disqualified from the examination.

- On all matters concerning the interpretation of the Regulations, HKIB has the final discretionary power and rights.
- All examination questions are set in English.
- For all multiple-choice type questions, candidates must use HB/2B pencil to answer the questions on the Answer Sheets.
- The examinations will be conducted and invigilated by responsible persons appointed by the Institute.
- Examination Attendance Notices (Attendance Notices) will be sent to candidates via email ONLY. Candidates are required to print a copy of the Attendance Notice on a plain A4 paper and MUST take their Attendance Notice to each examination, along with documentary proof of their identity that bears their current photograph (e.g. HKID card, Passport, etc.). The Attendance Notice will be collected by the invigilators before the end of the concerned examination.
- Candidates should arrive at the examination venue at least 15 minutes before the start of the examination. Candidates must not enter the examination room until instructed to do so.
- Candidates are not allowed to sit for the examination if they are unable to produce the Attendance Notice / documentary proof of their identity, or their documentary proof of their identity does not contain their current and clear photograph.
- All examinations will begin at the time stated in the Attendance Notice. Latecomers may be admitted during the first 15 minutes at the discretion of the invigilator, but not thereafter. All latecomers will not be given any extra time under any circumstances.
- Smoking, eating and drinking are not allowed in the examination room. All mobile phones and other electronic devices must be switched off.
- All bags, books and other personal belongings must be placed in a location as advised by the invigilator before the examination begins.
- During the examination, candidates must remain in seat. In case of emergency a candidate may be allowed to leave the examination room and return under supervision. If candidates have to call the invigilator during the examination for exceptional reasons, they must raise hand in silence. Candidates cannot take any materials or electronic devices from the examination room during absence.

- No other aids, such as books, dictionaries, computers (e.g. notebook, PC tablet), papers are permitted in the examination. No draft paper will be provided during the examination. Rough workings or notes made during the examination should be ruled through to indicate they do not form part of the answer.
- The packets of question papers will be opened in the presence of the candidates at the start of the examination. Candidates should remain silent and are not allowed to communicate with other students during the examinations. Candidates interfering with the proper conduct of the examinations will be warned by the invigilator or expelled from the examination room in a serious case. In such circumstance, a report will be submitted to the HKIB for disciplinary action consideration against the misconduct behavior. The disciplinary action includes but not limited to a disqualification of the candidature.
- No early departure from the examination room is allowed in the CPWP Module 2 Examination.
- Any candidate who attempts to copy from another candidate's answer sheet or any other source will be automatically disqualified. The most serious disciplinary action is lifetime ban from taking the examination.
- At the end of the examination, candidates must stop writing when instructed to do so by the invigilator. Candidates must return their question papers, answer sheets, supplementary sheets (if any) and Attendance Notices to the invigilators. Candidates must not detach or remove any part of the question papers or answer sheets. Candidates can neither copy whole or part of questions in any form nor take the question papers and answer sheets away after the examination. Any candidate who attempts to do so will be automatically disqualified.
- After the question papers have been handed out, candidates must not communicate or attempt to communicate with each other or other party outside the examination room using any electronic device until they have left the examination room.

## Bad Weather Arrangement

In the event of bad weather on the examination day, candidates should visit the HKIB website at <http://www.hkib.org> for announcements about the latest arrangements and should pay attention to radio/television broadcasts about the weather conditions.

- If the typhoon signal No. 8 or above, or black rainstorm signal is hoisted or still in force on the date of examination at the following times, the below arrangements will apply accordingly:

Signal in force	Examination cancelled
At or after 6 am but before 10 am	Examination(s) starting at or after 8am but before 1pm will be cancelled.
At or after 10 am but before 2 pm	Examination(s) starting at or after 1pm but before 5pm will be cancelled.
At or after 2 pm	Examination(s) starts at or after 5pm will be cancelled.

- ➔ If the typhoon signal No. 8 or above, or black rainstorm signal is hoisted or still in force while the examination is in progress, the examination will continue as scheduled.
- ➔ If an examination is rescheduled, the HKIB will notify candidates of the new examination's date and time via email within 1 week of the original scheduled examination date. Under such circumstances, candidates are not required to re-register for the examination. Applications for refund and/or transfer of examination fee(s) will **NOT** be allowed.
- ➔ The HKIB reserves the right and absolute sole discretion to postpone, cancel and/or reschedule an examination.

## Policy of Personal Data Protection

The personal data provided by the candidate will be used for the examination administrative and communicative purposes. Failure to provide complete and accurate information may affect the provision of administrative services to the candidate. The Institute will keep the personal data provided confidential but may need to disclose it to appropriate personnel in the Institute and other relevant parties engaging in the provision of the examination services to the Institute. Candidates have the right to request access to and correction of their personal data. For details, candidates can contact the Institute or refer to the HKIB website.

Candidates are advised to read the Policy of Personal Data Protection in Appendix 1 to understand their rights and obligations in respect of the supply of personal data to HKIB and the ways in which HKIB may use or handle such data.

## Disclosure of Information

Upon receipt of consent from an applicant/candidate, HKIB will transfer, release, disclose and/or provide the applicant's/candidate's personal data (including but not limited to the Hong Kong Identity Card number and passport number), all personal data that he/she has previously supplied (if any) and any examination-related information, including the result of the examination and information on the candidate's conduct and behavior while taking the examination, to PWMA. Such data will be used by PWMA for monitoring and verifying purposes as well as any other related purposes of assisting them to perform and discharge their functions in the CPWP Certification.

## Addendums and Changes

HKIB reserves the right to make changes and additions to the examination regulations, the enrolment procedures, the information in this handbook and any policies related to CPWP Module 2 Examination without prior notice. HKIB shall bear no responsibility for any loss of candidates due to any change and addition made to the aforesaid subjects.

## Contact Information

### HKIB Head Office Address

3/F Guangdong Investment Tower, 148 Connaught Road Central, Hong Kong



### General Enquiry

Tel.: (852) 2153 7800

Facsimile: (852) 2544 9946

Email: [cs@hkib.org](mailto:cs@hkib.org)

### Membership Enquiry

Tel.: (852) 2153 7879

Email: [membership@hkib.org](mailto:membership@hkib.org)

### Examination Enquiry

Tel.: (852) 2153 7821

Email: [exam@hkib.org](mailto:exam@hkib.org)

### Training Enquiry

Tel.: (852) 2153 7800

Email: [programme@hkib.org](mailto:programme@hkib.org)

### Office Service Hours

Monday – Friday: 09:00 - 18:00

Saturday, Sunday & Public Holiday: Closed