

AMF Instruction

Requirements relating to the professional competence of financial investment advisers, the updating of their knowledge, and reporting to the AMF on their activity and that of associations – DOC-2013-07

Reference texts: articles 325-1, 325-11-1, 325-19 and 325-23 of the AMF General Regulation

1. Professional competence of financial investment advisers

In application of article 325-1 of the AMF General Regulation, before commencing business, a financial investment adviser shall demonstrate that it has one of the following:

1° A national first-level degree in legal or economic studies, or another degree or credential of the same level appropriate for carrying out the transactions referred to in article L. 541-1 of the Monetary and Financial Code. This degree is listed in the national register of professional certifications referred to in article R. 335-12 of the Education Code. It belongs to one of the following specialised education nomenclatures referred to in article D. 311-4 of the Education Code: 122 (Economics), 128 (Law, political sciences), 313 (Finances, banking, insurance, real-estate) or 314 (Accounting, administration).

“Another degree or credential of the same level” shall mean foreign degrees or credentials recognised by the Centre ENIC-NARIC France (Centre international d'études pédagogiques - CIEP) based on a certificate of recognition.

2° Relevant professional training in carrying out the transactions mentioned in I of Article L. 541-1 of the Monetary and Financial Code;

This professional training of at least 150 hours must have been dispensed by an investment services provider, an association of financial investment advisers, or an accredited training organisation. This training shall include the themes listed in article 2 of this Instruction.

3° At least two years' professional experience in positions related to the conduct of transactions in the categories specified in I of Article L. 541-1 of the Monetary and Financial Code, gained during the five years before commencing business.

This professional experience must have been gained with an investment services provider, an insurance company, a tied agent, or an insurance intermediary.

1. of this Instruction shall not apply to the persons referred to in article L. 541-2 of the Monetary and Financial Code and article 325-10-1 of the AMF General Regulation who commenced business before the date of publication of this Instruction.

2. Updating of the knowledge of financial investment advisers

In accordance with article 325-19 of the AMF General Regulation, “The association shall seek to ensure that its members' knowledge is kept current by selecting or organising training programmes”.

The association shall select or organise all useful training programmes for its members.

In the training programmes selected or organised by the association, the following themes shall be addressed as a minimum:

General knowledge on financial investment advice

- the status of financial investment adviser
- financial instruments
- supervision of financial investment advisers (AMF, associations of financial investment advisers, etc.)

General knowledge on marketing methods for financial instruments

- direct marketing of banking or financial products and distance marketing of financial services
- investment services
- the rules governing offers of securities to the public
- the different types of risk (credit interest, rate, liquidity, volatility, market, counterparty, operational, issuer, currency)

Rules of business conduct for financial investment advisers

- confidentiality, personal data protection, and the recording and safekeeping of data
- conflicts of interest: prevention, management and treatment
- knowledge of the client and assessment of the client
- the requirement to verify the suitability of the product/service recommended

Organisation rules for financial investment advisers

- regulations relating to the fight against money laundering and the financing of terrorism
- client complaint handling.

3. Reporting to the AMF

3.1 Reporting to the AMF concerning the association's activity

In application of article 325-23 of the AMF General Regulation, by 31 May at the latest each year, each association of financial investment advisers shall send the AMF copies of its balance sheet and income statement for the year, as well as its activity report for the year, conforming to the template provided by the AMF. This information shall be sent by means of a secure link via the GECO extranet.

3.2 Reporting to the AMF concerning the activity of financial investment advisers

In application of part II of article 325-11-1 of the AMF General Regulation, by 30 April at the latest each year, the financial investment adviser shall send the professional association the annual information sheet items duly filled in, conforming to the template provided by the AMF via the professional association.

In accordance with article 325-23 of the AMF General Regulation, by 30 June at the latest each year, the professional association shall send the AMF the information sheet for each of its members, gathered in application of part II of article 325-11-1.