

# Examination Rules and Regulations

Certified International Wealth Manager (CIWM)

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# **I GENERAL PROVISIONS**

## **Article 1 Objectives**

The objectives of these Rules and Regulations (hereinafter “The Rules”) are to stipulate all details of the administrative organisation, structure and procedures of the advanced professional examinations for the Certified International Wealth Manager (CIWM) established by the Articles of Association of The Association of International Wealth Management (AIWM).

## **Article 2 Establishment of the Examinations**

Advanced professional examinations for the Certified International Wealth Manager are organised by AIWM.

## **Article 3 Amendment**

Any amendment to these Rules shall be proposed by the board of AIWM and approved by a simple majority of votes.

## **Article 4 Definitions**

For purposes of these Rules, the terms below are defined as indicated.

Wealth Manager:	A professional who is primarily engaged in: (a) the analysis and evaluation of private clients’ needs; (b) the application of such analysis and evaluation to portfolio management and investment advice. In this regard, wealth manager includes private banker, portfolio manager, investment advisor, financial planner, etc.
AIWM Training Partners:	A partner training organization duly authorized by AIWM to deliver training in preparation for the CIWM.
Examination Syllabus:	Topics and sub-topics to be studied for the CIWM advanced professional examinations
ETB:	The Examinations and Test Board
CIE:	The Centre for International Examinations, Switzerland
SFAA:	The Swiss Financial Analysts Association
AZEK:	The Training Center of the SFAA

## **II STRUCTURE AND CONTENT OF THE EXAMINATIONS**

### **Article 5 Overall Structure**

- (1) The advanced professional examinations for the Certified International Wealth Manager (CIWM) as set forth in these Rules comprise:
  - (a) International (common) examinations (covering common components) centrally administered by AIWM, and
  - (b) A national/regional specific examination (covering national/regional specific components) administered jointly by AIWM and by each AIWM Training Partner (the content of which will be reviewed by the ETB), the ultimate responsibility of the national/regional specific examination remaining with the AIWM.
- (2) The international (common) examinations under (1) (a) above comprise two levels: a Foundation Examination and a Final Examination.

The Foundation Examinations will contain multiple choice, calculation, mini- case study questions which assess the knowledge and analytical skills of candidates on the fundamentals of finance.

The Final Examination will similarly contain multiple choice, calculation, practical case study questions which assess the knowledge and analytical skills of candidates on the specific topics related to Wealth Management.

### **Article 6 Eligibility to sit for the International Examinations**

There are two ways of sitting for the examinations to attain the designation CIWM:

- (1) Those candidates who do not already hold a qualification from an AIWM Accredited examination programme must sit and pass the International (common) Foundation and Final examinations as well as the national/regional specific examination.
- (2) Those candidates who have taken an AIWM-accredited examination programme need only sit and pass the Final Examination as well as the national/regional specific examination areas.

## Article 7 Topic Areas and Examination Hours

(1) The international (common) examinations comprise examinations areas as indicated in the table below.

Total examination hours will be fifteen: nine for the Foundation Examination and six for the Final Examination.

The Foundation Examination will consist of three papers and the Final Examination two, both exams covering the following topic areas with the duration of each examination being as indicated.

### Foundation Examination:

Topic Areas	Examination Duration (Minutes)
Financial Analysis and Financial Statement Analysis, Equity Valuation and Analysis, Corporate Finance	190
Fixed Income Valuation and Analysis, Economics	160
Derivative Valuation and Analysis, Portfolio Management	190
Total time	540 (i.e. 9 hours)

### Final Examination:

Topic Areas	Examination Duration (Minutes)
Wealth Management	180
Relationship Management, Behavioural Finance, Real Estate Valuation and Analysis	180
Total time	360 (i.e. 6 hours)

(2) The national/regional specific examination set by the relevant AIWM Training Partner and/or AIWM will be of at least three hours duration.

The topic areas to be addressed in the national/regional specific examination are those areas which are specific to the particular country/region: such as

- Laws and regulations relevant to wealth management and planning
- Taxation
- International and domestic wealth planning

(3) Total hours of the international (common) examinations (fifteen) and the national/regional specific examination (at least three) will be at minimum eighteen.

## **Article 8 Language**

Candidates may choose to participate in the international (common) examinations either in English or other available languages as determined by the AIWM.

## **Article 9 Examination Calendar and Venues**

- (1) The AIWM is responsible for deciding the schedule of examinations.
- (2) The examinations will be held at several locations on one/two occasions a year for both the Foundation Examination and the Final Examination as determined by AIWM.
- (3) The AIWM Training Partners are responsible for organising examinations in their respective country/region in accordance with guidelines separately adopted by the AIWM.
- (4) The AIWM may organise examinations in countries/regions where there is no AIWM Training Partner, pursuant to guidelines separately adopted by the AIWM.

## **III ADMINISTRATIVE ORGANISATION**

### **Article 10 Overall Structure**

- (1) The advanced professional examinations for the Certified International Wealth Manager (CIWM) is centrally administered by AIWM.
- (2) The AIWM Training Partners shall be responsible for a certain portion of the administration as stated under Article 14 below.
- (3) The AIWM may commission the Centre for the International Examinations (CIE) and/or other appropriate organisation(s) to undertake some of the examination administration.

### **Article 11 Role of the AIWM**

- (1) The AIWM's terms of reference with regard to the advanced professional examinations for the Certified International Wealth Manager (CIWM) are as follows:
  - a) to appoint members of the Examination and Test Board (ETB) and its Chairman;
  - b) to approve and implement amendments to the Rules and guidelines stipulated in the Rules;
  - c) to approve an administrative plan for the international (common) examinations each year including dates and locations.
  - d) to approve the national/regional specific examinations of AIWM Training Partners

- submitted for accreditation, and withdraw approval from the same;
- e) to accredit the programmes and qualifications whereby candidates who have successfully passed the related examinations may proceed directly to the Final Examination;
  - f) to rule on the exclusion of candidates from an AIWM Training Partner if the AIWM Training Partner is not complying with AIWM standards and conditions;
  - g) to approve examination results and confirm the awarding of certificates for the CIWM; and communicate such decisions to the AIWM Training Partners.
- (2) With respect to the advanced examinations for investment professionals, AIWM is responsible for international liaison and discussion with professional federations worldwide, with individual national/regional organisations, and with international or regional governmental/regulatory authorities.
- (3) The AIWM may agree to modifications by AIWM Training Partners in the application of these Rules only in cases where the Rules are constrained by national legislation in regard to obtaining and using the CIWM.

## **Article 12 The Examination and Test Board (ETB)**

### **(1) Organisation**

- a) The AIWM General Assembly may establish an Examination and Test Board made up of one or more individuals with the necessary qualifications to review and set examination and testing standards and to otherwise take responsibility for examinations, tests and accompanying certifications and accreditations. The AIWM General Assembly may also designate SFAA/AZEK as the appropriate parties to review and set examinations and testing standards, in whole or in part.
- b) The Chairman of ETB is appointed by AIWM for a period of three years after which the appointment may be renewed.
- c) The ETB may form sub-committee(s) to deal with particular matters and appoint members.
- d) The ETB shall meet from time to time face to face or by conference call or in writing.

### **(2) Terms of reference for the ETB:**

- a) to correspond and/or meet as often as required to ensure the efficient running of the examinations;
- b) to prepare an administrative plan for the international (common) examination each year including exam dates and locations;

- c) to establish detailed rules and guidelines concerning the examination setting and marking process based on the framework of the examinations as set forth in these Rules, and to organise and manage the overall examination process in accordance with such guidelines;
- d) to prepare the international (common) examination papers in due time pursuant to the guidelines stipulated under c) above.
- e) to oversee the marking of the international (common) examination papers and make sure it is completed in such a manner as to ensure rigour and uniformity in accordance with the standards/procedures in the guidelines stipulated under c) above;
- f) to determine the languages used in the examination papers;
- g) to review and accredit the following examinations/programmes and to recommend (or otherwise) the approval of these examinations/programmes to AIWM:
  - the content and organisation of national/regional specific examinations
  - the content and organisation of programmes whereby candidates who have successfully passed the related examinations may proceed directly to the Final Examination
- h) to report to the AIWM the results of the examination including the names of successful candidates eligible on this basis to receive the CIWM certificate, and to receive reports from AIWM Training Partners concerning their national/regional specific examinations which are to be passed to AIWM;
- i) The ETB may recommend to AIWM that candidates from an AIWM Training Partner be excluded from the examinations if they believe that AIWM Training Partner concerned is not complying with the ETB standards and conditions.
- j) to examine appeals from candidates
- k) to review the Rules and Regulations and Examination Syllabus for future improvement
- l) to review past examinations for future improvement.

### **Article 13 AIWM Training Partners**

- (1) AIWM Training Partners shall nominate the person(s) representing them and responsible for liaison with AIWM/ETB and other AIWM members.
- (2) The terms of reference of the AIWM Training Partners with regard to the advanced professional examinations for the Certified International Wealth Manager (CIWM) are as follows:
  - a) to decide on admission/rejection of candidates for the advanced professional examinations and to inform AIWM of candidate names in due time;

- b) to arrange a suitable venue for sitting the international (common) examinations as well as national/regional specific examination in their own country/region;
- c) to establish a precise description of national topics to be included in the national/regional specific examination under the supervision of the AIWM;
- d) to coordinate the preparation of national specific papers and their marking under the supervision of the AIWM;
- e) to prepare and send a report concerning the content and organisation of the national/regional specific examination to the ETB for its review and accreditation;
- f) to send the results of the national specific examination to the ETB for forwarding to AIWM; and
- g) to examine the complaints of candidates and to report same to the ETB

The above terms of reference are carried out under the supervision of the AIWM where appropriate.

- (3) The AIWM Training Partners are required to accept experts from the ETB (or their appointees) to examine the national examination arrangements, to make all records freely available, and to answer all connected questions.

#### **Article 14 Security**

All administrative organisations and their representatives shall be responsible for ensuring the security and strict confidentiality of the examination papers prior to candidates sitting the examinations.

#### **Article 15 Copyrights and treatment of relevant materials**

Copyright with respect to the Foundation and Final examination papers, and any other relevant publications shall belong to AIWM, respectively to its founding members where appropriate, and shall be indicated in these publications as appropriate. Treatment of these relevant materials shall be made pursuant to guidelines separately adopted by the AIWM and its founding members where appropriate. No AIWM Training Partner shall assert copyright in any such materials, (unless as a founding member, as above).

## **IV ADMISSION AND ENROLMENT FOR THE EXAMINATIONS**

### **Article 16 Announcement**

- (1) AIWM shall announce the dates and locations of the examinations and the deadlines for enrolment at least six months before the examination date.
- (2) AIWM shall duly inform the AIWM Training Partners about the details of the examinations held in each calendar year and shall ask them to inform it in due time of the number and names of the candidates enrolled.
- (3) AIWM shall distribute the materials related to the examinations to AIWM Training Partners at their request.

### **Article 17 Conditions for Admission**

- (1) The examinations are open to anyone working in the domain of financial analysis, portfolio management, private banking, wealth management, financial planning investment advice and investment in general, provided that the admission conditions detailed in Section (2) below are fulfilled.
- (2) The AIWM may decide candidacy requirements according to local conditions, which may include the candidate having a local professional or other membership status in good standing, a university degree or equivalent in professional work experience, etc.

### **Article 18 Enrolment Procedures**

- (1) Candidates wishing to enrol for the examinations shall submit enrolment forms, prepared by the AIWM, directly to the AIWM or to the relevant AIWM Training Partner. The AIWM Training Partner has the obligation to transfer all the information regarding candidates to the AIWM.
- (2) Candidates may enrol for either the full course of examinations (national/regional specific and international common Foundation and Final examinations) or just the Final and national/regional specific examinations but only in accordance with the provisions of Article 6 above.
- (3) Candidates may enrol for each paper of the international (common) examinations and the national/regional specific examination respectively as indicated in Article 7 above.

However, for the international (common) examination, candidates may only proceed to the Final Examination if they have passed all papers of the Foundation Examination or

are not obliged to pass the Foundation Examination under the provisions of Article 6(b) above.

- (4) Certain credentials (e.g. a reference or a certificate attesting to previous professional experience) may be requested at the time of enrolment either by the AIWM Training Partner or the ETB, details of which shall appear in examination announcements.
- (5) If an AIWM Training Partner decides not to accept an application for enrolment for whatever reason, the decision shall be forwarded to the applicant in writing and also to the ETB.

#### **Article 19 Examination Fees**

- (1) Examination fees shall be paid by candidates to the AIWM or to the AIWM Training Partner (through which they submitted the application for enrolment) before sitting the examination.
- (2) Each AIWM Training Partner determines in coordination with the AIWM its policy on examination fees and payment/reimbursement according to local conditions and provided its financial obligations to the AIWM are fulfilled.

### **V EXAMINATION PROCEDURES AND RESULTS**

#### **Article 20 Examination Procedures**

- (1) Examinations shall be held on the dates and at the locations as determined by AIWM.
- (2) AIWM Training Partners shall be responsible for arranging and supervising the examinations to be held in their country/region in accordance with instructions from the ETB concerning the administration of examinations.
- (3) Misconduct whereby a candidate seeks to obtain unfair advantage by an act such as collaboration, misrepresentation, use of unauthorised material, etc. will result in the invalidation of his/her examination answers. In the case of serious violation, the ETB can invalidate all previously obtained results and exclude the candidate from participation in future examinations.

#### **Article 21 Marking Procedures**

- (1) Marking of examination papers shall be completed in accordance with the guidelines stipulated in Article 12(2) to ensure accuracy and uniformity among correctors.

- (2) The marking scale of the international (common) examination and final pass/fail decision with respect to each candidate sitting for the examinations shall be determined by the ETB, and similarly the marking scale and final pass/fail decision relating to the national/regional specific examination shall be determined by the CIWM partner under the supervision of the ETB.

## **Article 22 Examination Results**

- (1) Candidates will receive the results of the examinations on a grade and pass/fail basis from the AIWM directly or through their AIWM Training Partner.
- (2) The results of the national/regional specific examination shall be reported to the ETB and passed to AIWM for the purpose of ongoing review.
- (3) Candidates have 3 attempts per Examination paper. If the Examination paper has not been passed after the third attempt, candidates will no longer be able to sit the CIWM Examinations.
- (4) Public announcement of results of the international (common) examinations by the AIWM and AIWM Training Partners shall be made pursuant to guidelines separately adopted by the AIWM.

## **VI PROFESSIONAL QUALIFICATION**

### **Article 23 International Designation**

- (1) The CIWM will be awarded to candidates who satisfy the following conditions:
  - a) Successful completion of all parts of the advanced professional examinations (international and national/regional) in accordance with these Rules;
  - b) Registration as a member of AIWM to ensure compliance with its code of ethics and professional conduct worthy of being a holder of the CIWM.
  - c) Three years experience working in the domain of wealth management, private banking, portfolio management, investment advisement, financial planning, etc by the time of sitting for the CIWM examinations.
- (2) The certificate of the CIWM (“Diploma”) shall be co-signed by the Chairman of AIWM and by the Chairman of the ETB.
- (3) The names of the recipients of the CIWM will be published by AIWM in a publicly available register.

- (4) The AIWM or the AIWM Training Partners will inform their members of the names of those receiving the CIWM.
- (5) The holders of the CIWM shall have the right to use it in an appropriate manner to enhance the status and integrity of the CIWM as a professional qualification.
- (6) The AIWM shall engage in legal action to protect the names and marks with respect to the CIWM.

#### **Article 24    Withdrawal**

- (1) The AIWM shall withdraw a certificate of the CIWM obtained otherwise than in full compliance with the Rules.
- (2) AIWM shall withdraw or suspend a certificate given to anyone who does not comply with the code of ethics and professional conduct of the AIWM or the AIWM Training Partner he/she belongs to, based on a report from such partner and subsequent investigation by AIWM.
- (3) The AIWM shall publish withdrawals or suspensions of certificates.

### **VII    SUPPLEMENTARY PROVISIONS**

#### **Article 25    Complaints and Appeals**

- (1) Admission to the examination as a whole or to any level is a matter for the AIWM or the AIWM Training Partners. Complaints concerning the question of admission can be addressed to the AIWM or to the relevant AIWM Training Partner.
- (2) National procedures and laws/regulations shall apply with respect to complaints and appeals concerning examination results.
- (3) The laws of Switzerland shall apply in the event of any disputes with the courts of Zurich having jurisdiction.

#### **Article 26    Effective Dates**

These Rules will come into operation on December 3, 2007.

AIWM Chairman

ETB Chairman