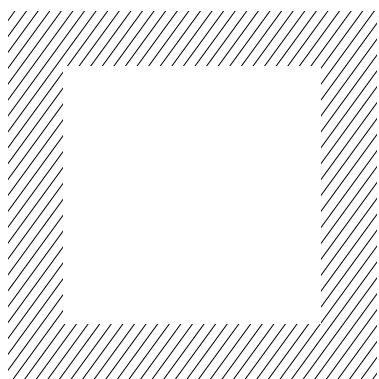


PRO

AMF EXAMINATION: TEST OF MINIMUM KNOWLEDGE

PROFESSIONALS CONCERNED
AND TEST PROCEDURES





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INTRODUCTION

Since 1st July 2010, the General Regulation of the Autorité des Marchés Financiers has required the implementation of a system making it possible to test the minimum knowledge of persons performing certain functions under the authority of an investment service provider or on their own account including portfolio asset management companies. Since 1st January 2020, this system has been extended to financial investment advisors.

This guide informs you of the procedures for testing the minimum knowledge of the professionals concerned.

1

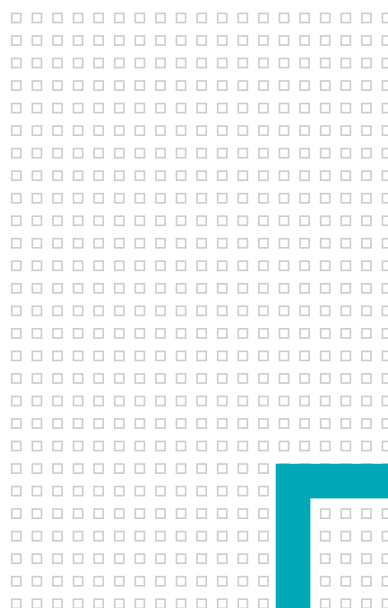
What is the system for testing the minimum level of knowledge?

The system for testing the minimum level of knowledge aims to ensure that the professionals concerned:

- have good knowledge of the financial, legislative and regulatory environment;
- have technical knowledge of financial instruments and of markets’ functioning and organisation; and
- can reply appropriately to clients’ demands and guide them if necessary.

In accordance with the General Regulation of the Autorité des Marchés Financiers, the minimum level of knowledge can be tested by passing the AMF examination. A person who passes the AMF examination is recognised as having acquired the minimum knowledge enabling them to perform one of the key functions¹. This ability to exercise is effective and remains valid in the event of a change of employer.

The test of the minimum level of knowledge can also be performed, for certain functions, by the employer,² if the latter so decides as part of an internal evaluation (“internal test”) according to a formalised procedure which could be inspected afterward by the Autorité des Marchés Financiers. Unlike the AMF examination, the internal test is valid only in the same group. If the person who has passed the internal evaluation changes group, they will have to take the internal test organised by their new employer, or take the AMF examination.



1– Listed on title 2
2– The internal test is not applicable to financial investment advisors.

2

Which professionals are concerned by the system for testing knowledge?

Those concerned are persons performing key functions, under the authority or on behalf of an investment service provider, including portfolio asset management companies (1) as well as financial investment advisors (2).

1 – Persons performing key functions, under the authority or on behalf of an investment service provider

Since 1st July 2010, the persons performing the following functions, under the authority or on behalf of an investment service provider including portfolio asset management companies, are concerned:

- salesperson: any natural person tasked with providing investment advice or information on financial instruments, investment services or ancillary services for clients;

- manager: any person authorised to take investment decisions under an individual management mandate or as part of the management of one or more collective investment products;
- head of financial instrument clearing: a natural person representing the clearing member before the clearing house with respect to transaction registration, risk organisation and control, and the related financial instrument clearing functions;
- head of post-trade services: a person who is directly responsible for custody account keeping, settlement, depositary functions, securities administration and securities services for issuers;
- financial analyst;
- financial instrument trader;
- compliance and internal control officer (RCCI);
- investment services compliance manager (RCSI).



WORTH KNOWING

From the date on which a person starts to perform one of the functions covered by the system, the investment service provider has a period of six months to carry out the test of their knowledge. Within this maximum period of six months, and until their knowledge has been tested, the investment service provider shall ensure that the person in question is supervised appropriately.

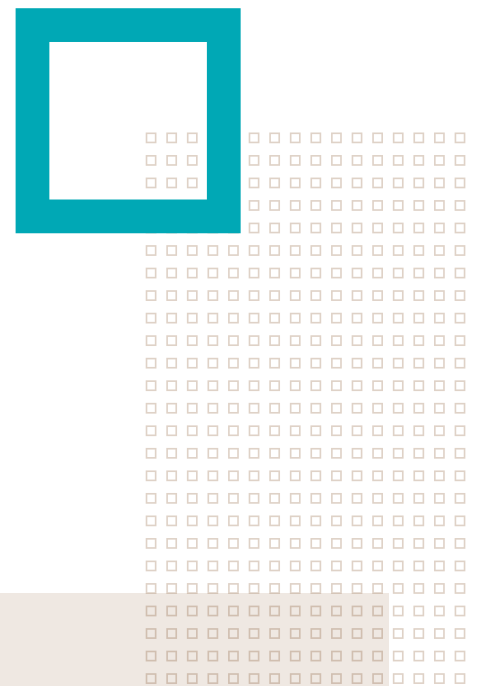
Exception: the persons concerned who were already in office before 1st July 2010 are exempted from the system for testing knowledge. This grandfather clause is acquired definitively as long as the employee is working in the same group.

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2 – Financial investment advisors

From 1st January 2020, the persons performing the following functions must also provide evidence of a minimum level of knowledge:

- natural persons performing the job of financial investment advisor;
- natural persons empowered to manage or administer the legal entity accredited as financial investment advisor;
- persons employed to provide investment advisory services by the legal entity accredited as a financial investment advisor must provide evidence of the minimum level of knowledge.



WORTH KNOWING

The minimum level of knowledge of investment advisors is tested by passing the AMF examination.

Only the employees of the financial investment advisor (FIA) have a period of six months from the date on which they start their work to take the AMF examination. Within this maximum period of six months, until their knowledge has been tested, the FIA's employees shall be appropriately supervised, by the FIA (a natural person) or by another employee or manager of the FIA (legal entity) which employs them, if the latter has itself complied with the obligation of testing their minimum knowledge. The FIAs or FIA employees who cannot be supervised must have the certified examination to work as FIA.

Exception: financial investment advisors who, during the transition period between 1st January 2017 and 31 December 2019, have had their minimum knowledge tested by an authorised professional association shall be deemed to have passed the test of the knowledge of financial investment advisors.

3

What does the AMF examination consist of?

The AMF examination consists of a multiple-choice questionnaire and must be organised exclusively by an organisation certified by the Autorité des Marchés Financiers. It may be presented in French or English.

This 115-question examination covers the programme defined by the Autorité des Marchés Financiers with the approval of the Financial Skills Certification Board. It is organised around 12 themes.

The requirements for success in the examination are as follows: obtain at least 80% of correct answers

for questions relating to “financial culture” subjects (C) and 80% of correct answers for questions relating to “essential knowledge” subjects (A).

The 80% success rate for each of the two categories of questions makes it possible to ensure that the persons have a satisfactory level of knowledge for both types of questions without success in one category of questions being able to offset a lower level of knowledge for the second category of questions.

Themes of knowledge to be acquired	Level	Examples of key concepts to be acquired
French, European and international institutional and regulatory framework	C	Breakdown of competencies among the various supervisory authorities, the European regulatory framework, economic and monetary policy, the principal economic indicators, and the role of financial markets in the economy.
Ethics, compliance and ethical organisation of firms	A	Main rules of good conduct, conflict of interest management, the duty of whistleblowing, handling customer complaints, etc.
Financial security	A	The legal framework, the money laundering process, the role of TRACFIN, sanctions, FATCA, Sapin II Act, etc.
Market Abuse Regulation	A	The concept of inside information and the abstention obligations of the possessors of such information, insider dealing, price manipulation and dissemination of false information, relevant sanctions, etc.
Marketing of financial instruments: the rules concerning direct marketing of banking and financial products, distance selling and client advisory services	A and C	Rules and responsibilities regarding direct marketing, distance selling, client advisory services, advertising and marketing communication, etc.
Client relationship and information	A and C	Knowledge, evaluation and classification of the client, information to be given to clients regarding financial instruments and investment services; duty to act in the client's best interests, and more stringent measures for customer protection.
Financial instruments, crypto-assets and their risks	C	Various financial instruments, their risks and returns, and crypto-assets.
Collective investment management and third-party management	C	Third-party management actors, collective investment instruments, classification of CIUs and investment management, fees, sustainable finance, etc.
Market functioning and organisation	A and C	Types of orders on markets and order handling, participants, obligations of transparency, reporting, etc.
Post-trading and market infrastructures	C	National and international actors, organisation of post-trade activities, etc.
Issuance and corporate actions	C	Characteristics of the primary market, offers to the public, initial public offerings, crowdfunding, etc.
Basics of accounting and finance	C	Aspects of corporate balance sheets and profit and loss accounts, financial information obligations of listed companies, etc.



WORTH KNOWING

The French education system, via the “BTS” certificate in banking, is a certified organisation. Students enrolled for this “BTS” can accordingly take an optional “AMF examination” test. Furthermore, numerous universities and *Grandes Écoles* have established partnerships with an organisation certified by the AMF to propose this service to their students.

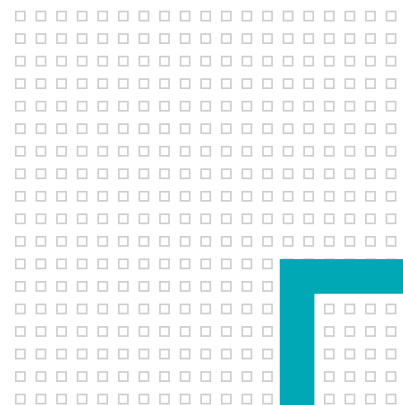
Taking the AMF examination can be financed via the “CPF” personal training account, irrespective of the candidate’s sector of activity, without being confined to persons working in a finance business within a financial sector. This new possibility should encourage job mobility. The AMF certification is registered on the national list of “CPF” personal training accounts, under the number 1451, in the Inventory of certifications and accreditations managed by the Commission Nationale de la Certification Professionnelle (“the CNCP inventory”).

4

Where can you take the AMF examination?

The AMF examination must be taken exclusively in one of the organisations certified by the Autorité des Marchés Financiers. The list of certified organisations is available on the AMF website, www.amf-france.org.

The certification of a training organisation is issued by the AMF Board, following approval by the Financial Skills Certification Board.



Contact us

If you have any question on the AMF examination?



Information is available on the AMF website
News & Publications > In Depth > AMF Examination.

You may also contact **Info Pro Service**
(the hotline for professionals) at **+33 1 7153 2005**.

You can also contact us by mail via the contact form on the AMF website.

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