

# The FINSA Client Advisor Test

**The new benchmark for being  
a compliant client advisor in the  
Swiss market**

# Content

1. The FINSA Client Advisor Test in a nutshell	3
2. The key obligations under FINSA	4
3. The problem that the FINSA Client Advisor Test addresses	5
4. The FINSA Client Advisor Test – the solution to the problem	6
5. The content of the FINSA Client Advisor Test	8
6. How can the FINSA Client Advisor Test be accessed?	10
Contacts	12





# 1. The FINSA Client Advisor Test in a nutshell

The Swiss Financial Services Act (FINSA) requires that client advisors of non-Swiss Financial Market Supervisory Authority (FINMA) regulated financial service providers are entered in a client advisor register. The requirements for such entry are, in particular, proof of the required knowledge of financial services and the know-how related to behavioural rules under FINSA. The FINSA Client Advisor Test is the only tool that comprehensively confirms that a client advisor has the knowledge and know-how required according to Art. 6 FINSA.

The FINSA Client Advisor Test can also be used for other purposes, such as human resources processes (job candidates, promotions, job transfers, etc.), self-evaluation and recurring tests of own capabilities. It's also a useful tool for counterparty due diligence processes, such as external asset managers, trustees and investment advisors, as well as the evaluation of qualified managers of external asset managers and trustees.

The FINSA Client Advisor Test is accessible online 24 hours a day, making it a convenient way of proving the required financial services knowledge and know-how of the behavioural rules under FINSA. It can be accessed from any device and evaluates and certifies the test taker against an objective benchmark reflecting knowledge and know-how of the average client advisor in the Swiss market. The FINSA Client Advisor Test is split into different modules related to the financial services and financial instruments in the FINSA scope, including digital assets.

All Client Advisor Registries acknowledge the FINSA Client Advisor Test certificate as sufficient proof of knowledge and know-how of behavioural rules under FINSA.

The FINSA Client Advisor Test is the next generation of FINSA compliance tests and can be accessed under the following link:

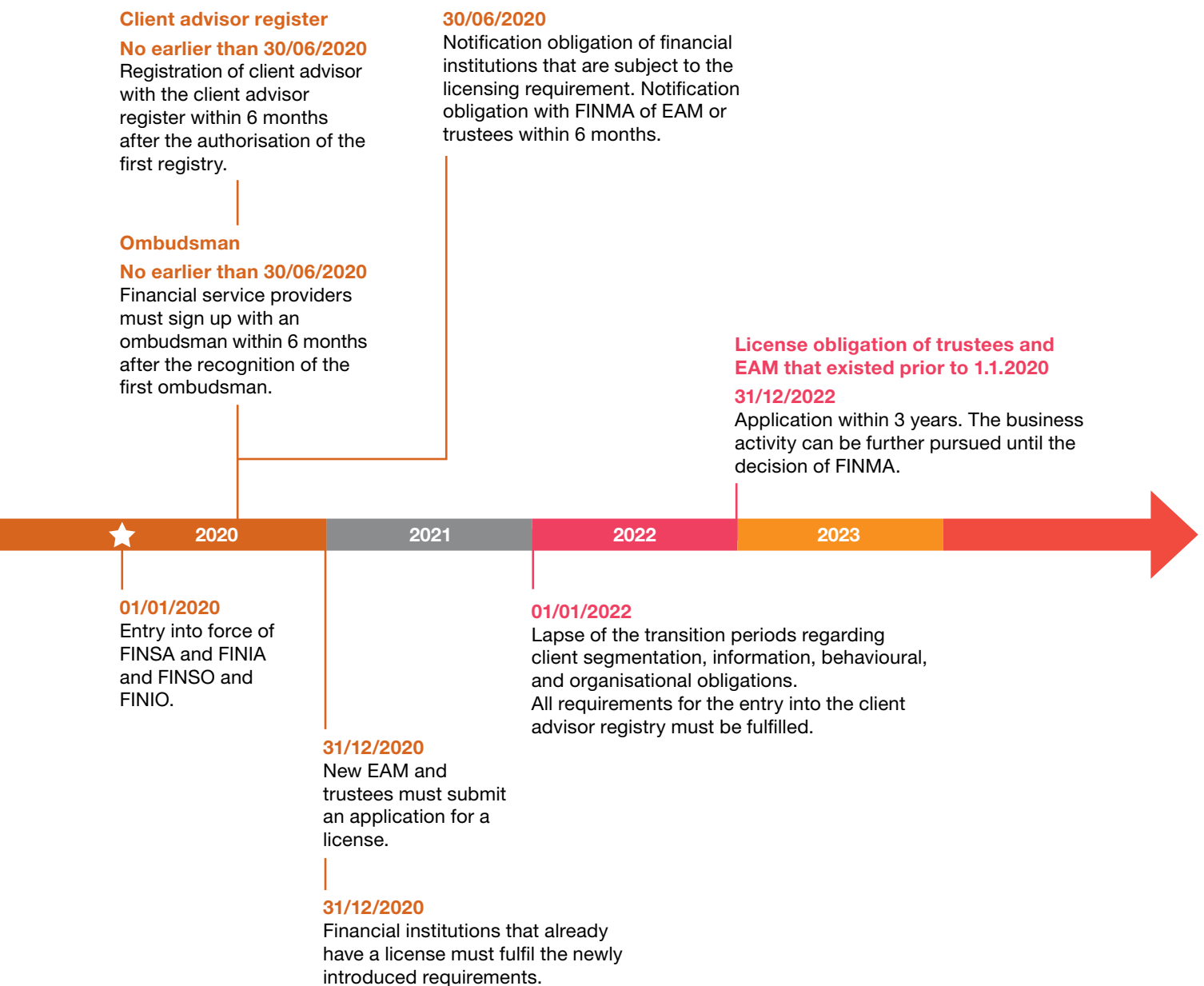
**[www.webassessor.com/finsaclientadvisorstest](http://www.webassessor.com/finsaclientadvisorstest)**

## 2. The key obligations under FINSA

The new Swiss Financial Services Act (FINSA) entered into force on 1 January 2020. FINSA will, for the first time, comprehensively regulate the provision of financial services in Switzerland. Although, there are

multiple transition periods that apply, some of the main obligations and requirements under FINSA will apply immediately.

Timeline for FINSA/FINIA compliance



### 3. The problem that the FINSA Client Advisor Test addresses

The following main material changes will be introduced by FINSA:

1. **Client Advisor Register:** One of the main material changes is the requirement that client advisors of non-Swiss Financial Market Supervisory Authority (FINMA) regulated financial service providers, such as domestic or foreign personal financial planners, investment advisors and other client advisors must be entered in the Client Advisor Register. The obligation to be entered in the Client Advisor Register also applies to the client advisors of foreign financial service providers with clients in Switzerland. The entry obligation will only apply to client advisors with private clients in Switzerland if the financial service provider is prudentially supervised in the foreign jurisdiction. If not, entry in the Client Advisor Register is also required if other clients, such as professional and institutional clients, are also served in Switzerland. One of the main requirements for entry in the Client Advisor Register is adequate knowledge of the financial services provided by the client advisors and the know-how of the related behavioural rules and regulations under FINSA. All Client Advisor Registries acknowledge the FINSA Client Advisor Test certificate as sufficient proof of knowledge and know-how of behavioural rules under FINSA.
2. **Adequate knowledge of financial services and know-how of related behavioural rules of client advisors of FINMA-supervised entities:** Client advisors employed by FINMA-supervised entities must also comply with regulatory requirements regarding education and training. Any FINMA-supervised entity must guarantee adequate training of their client advisors providing financial services. Adequate training, know-how of financial services and knowledge of the related behavioural rules and obligations are part of the organisational obligation and fit and proper requirement of any FINMA-supervised financial service provider.

The increased complexity of financial markets, financial instruments and the increased demand for compliance with related regulatory rules, triggered particularly by the new FINSA, result in more refined job application processes and ongoing training requirements of client advisors. These new requirements are in particular:

1. **Evaluation of job candidates for client advisor and other positions against a market benchmark:** Financial markets, financial products and compliance requirements are becoming ever more complex. So it's essential that candidates are properly assessed for client advisor job openings by means of an objective market standard to make sure that only the right candidates are hired.
2. **Ongoing reviews and checks of the knowledge of financial services and know-how of the related compliance obligations:** Regular reviews and checks in promotions or transfers to new roles type situations require a prior check that makes sure the new person is fit for the job.
3. **Self-evaluation and self-training:** Today, client advisors have and need a certain degree of self-drive and have to constantly update and upskill their capabilities and knowledge. In order to create an orderly self-development plan, they need a tool that helps them to self-evaluate where they are positioned in comparison to an object market standard, and in which main areas there is room for improvement.

The FINSA Client Advisor Test can also be deployed for activities in the context of the Swiss Financial Institutions Act (FINIA). These are:

1. **Quality check of external counterparties:** The quality of potential counterparties a bank, financial service provider or other entity plans to work with as an external asset manager, trustee or investment advisor or in any other function can be reliably and conveniently checked.
2. **Qualified managers of external asset managers and trustees:** The management of external asset managers and trustees can be evaluated to see whether it meets the qualification requirements defined in Art. 20 Swiss Financial Institutions Act (FINIA).



## 4. The FINSA Client Advisor Test – the solution to the problem

The FINSA Client Advisor Test addresses all these needs and requirements for adequate knowledge and know-how. It allows for the modular testing of all financial services, relating to all financial instruments, within the scope of FINSA. If required, the FINSA Client Advisor Test also checks the knowledge and know-how of financial services related to digital assets. Passing the FINSA Client Advisor Test means that the test taker has at least the same knowledge and know-how as the market benchmark.

The FINSA Client Advisor Test has been developed by leading legal advisors and finance experts and is conveniently accessible online 24 hours a day. The FINSA Client Advisor Test can be taken from home or any other location, on a smartphone or any other device of choice. It incorporates artificial intelligence and in-person proctoring and it guarantees with 100% accuracy that no exam irregularities can occur. Every test taker immediately gets a certificate showing their score and whether the exam has been passed.

The FINSA Client Advisor Test sets the new benchmark for FINSA-compliant education and knowledge of financial services. All Client Advisor Registries acknowledge the FINSA Client Advisor Test certificate as sufficient proof of knowledge and know-how of behavioural rules under FINSA.

It's possible to prepare for the FINSA Client Advisor Test. There are training materials available for each of the FINSA Client Advisor Test categories. Training materials are available either as an online training podcast amounting to approx. 26 hours or a PDF compilation of the slides presented on the online training.

You can access the online training under the following link:

**[www.cf-studies.ch/fidlegclientadvisory/overview](http://www.cf-studies.ch/fidlegclientadvisory/overview)**

It's also possible to train for the FINSA Client Advisor Test by subscribing to one of the practice exams. Practice exams can be taken for each version of the FINSA Client Advisor Test. The cost of a practice exam for each FINSA Client Advisor Test depends on the number of questions and ranges between USD 95 and USD 245.







## 5. The content of the FINSA Client Advisor Test

The FINSA Client Advisor Test is split into different modules that cover the financial services and financial instruments in the FINSA scope. There's also a separate section on digital assets that goes beyond digital assets as financial instruments. You'll find an overview of the key modules and sub-modules below.

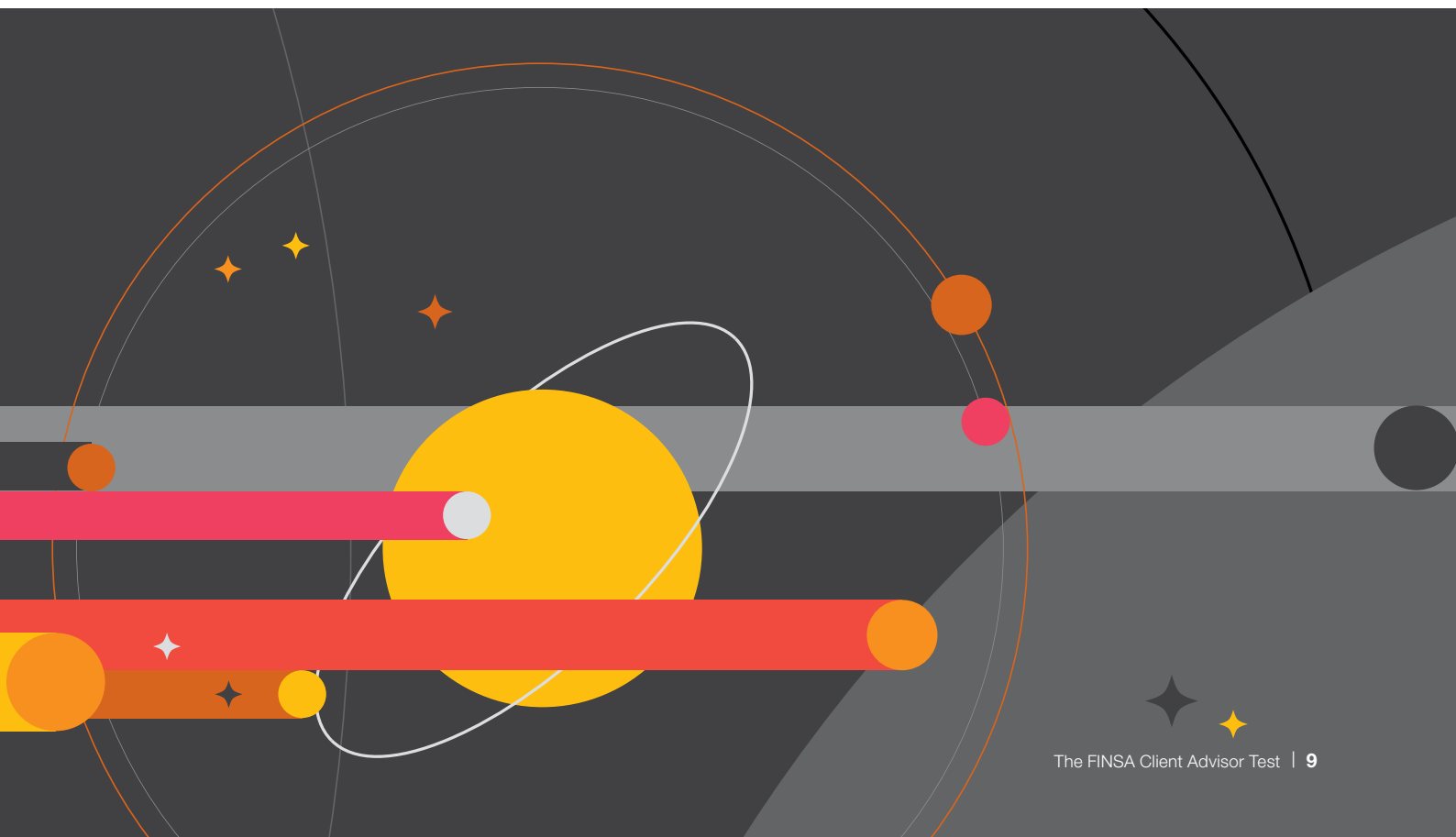
**Important:** Please note that you do not have to take all the modules, but only the ones applicable to the activity you would like to get entered into registry / get certified (e.g. fund distribution must take the following modules I.4, I.5, II.3, III.3).

I.	<b>Financial instruments</b>	
1	Financial markets and economics	<ul style="list-style-type: none"> <li>Financial markets</li> <li>Monetary policy</li> <li>Foreign currencies</li> </ul>
2	Traditional asset classes: equity securities	<ul style="list-style-type: none"> <li>Characteristics of equity securities</li> <li>Fundamental analysis</li> <li>Technical analysis</li> </ul>
3	Traditional asset classes: fixed-income securities	<ul style="list-style-type: none"> <li>Features of fixed-income securities</li> <li>Yield</li> <li>Pricing of bonds</li> <li>Risk analysis</li> <li>Credit analysis</li> </ul>
4	Alternative asset classes	<ul style="list-style-type: none"> <li>Features and categories of alternative investments</li> <li>Hedge funds</li> <li>Private equity and venture capital</li> <li>Real estate</li> </ul>
5	Pooled investment vehicles	<ul style="list-style-type: none"> <li>Mutual funds</li> <li>Exchange traded funds</li> </ul>
6	Derivatives	<ul style="list-style-type: none"> <li>Derivative instruments</li> <li>Forwards and futures</li> <li>Swaps</li> <li>Options</li> <li>Option strategies</li> </ul>
7	Structured products	<ul style="list-style-type: none"> <li>Characteristics of structured products</li> <li>Classification of structured products</li> <li>Pay-out mechanics of structured products</li> <li>Risk categorisation</li> </ul>
II.	<b>Financial services</b>	
1	Private wealth management/investment advice	<ul style="list-style-type: none"> <li>Portfolio management process</li> <li>Portfolio theory</li> <li>Asset allocation</li> <li>Equity portfolio management</li> <li>Fixed income portfolio management</li> </ul>
2	Corporate banking/investment banking	<ul style="list-style-type: none"> <li>Financial analysis</li> <li>Corporate loans</li> <li>Investment banking</li> <li>Trade execution</li> </ul>
3	Fund distribution	<ul style="list-style-type: none"> <li>Funds</li> <li>Processes</li> </ul>



III.	<b>Legal and Compliance</b>	
1	Behavioural rules under FINSA	<ul style="list-style-type: none"> <li>• Introduction into contract law, financial market regulation and anti-money laundering</li> <li>• Scope of FINSA</li> <li>• Products affected</li> <li>• Financial services affected</li> <li>• Financial service providers and clients affected</li> <li>• Obligation to segment customers</li> <li>• Behavioural obligations</li> <li>• Client profile</li> <li>• Appropriateness and suitability test</li> <li>• Obligation to document and render account</li> <li>• Transparency obligations and duty of care</li> <li>• Conflicts of interest</li> <li>• Entry into the register of advisors</li> <li>• KIIDs and prospectuses</li> </ul>
IV.	<b>Digital assets</b>	
		<ul style="list-style-type: none"> <li>• Different forms of money</li> <li>• Cryptocurrency industry</li> <li>• Cryptocurrencies as an asset class</li> <li>• Regulation of cryptocurrencies in Switzerland</li> </ul>

The FINSA Client Advisor Test can take between 60 and 180 minutes and include between 30 and 90 questions, depending on the modules chosen by the test taker.



## 6. How can the FINSA Client Advisor Test be accessed?

The FINSA Client Advisor Test can be easily accessed online 24 hours a day, from anywhere in the world and using any device. Payment is possible by means of multiple payment methods or through pre-payment. Corporate discounts are available. The login page can be found under the following link:

**[www.webassessor.com/finsaclientadvisorstest](http://www.webassessor.com/finsaclientadvisorstest)**







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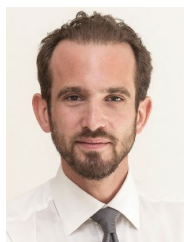
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