

## Appendix 137 – GUIDELINES FOR THE ADMINISTRATION OF THE UNIT INVESTMENT TRUST FUND (UITF) CERTIFICATION PROGRAM

In line with the thrust of the Bangko Sentral to promote the development of the capital markets and to ensure investor protection, UITF Marketing Personnel are required to be certified through a UITF Certification Program (UCP) administered by a reputable financial services industry association/organization (FSIAO) acceptable to the Bangko Sentral.

The UCP is aimed at strengthening the qualification of UITF Marketing Personnel in order to ensure that they can provide sufficient information on UITFs to clients and promote delivery of safe and effective products and services, among others. The requirement is expected to advance the quality of UITF Marketing Personnel and their sales and marketing practices.

In order to ensure that the administration of UCP meets the expectations of the Bangko Sentral, the following guidelines shall be observed.

### **Section 1: Pre-requisites for the administration of the UCP**

1. In order to be recognized by the Bangko Sentral as an administrator of the UCP, the FSIAO should meet the following qualification standard:
  - a. It is formally organized as a FSIAO related to trust, investment funds, collective investment schemes and other related areas;
  - b. It has adequate financial and organizational resources, and the system, to execute the UCP;
  - c. It shall adopt a three-pronged process for the UCP which shall be composed of a qualifying examination, a requirement for continuing education, and the registration and registry to monitor and manage the certified UITF Marketing Personnel;
  - d. It shall adopt an acceptable and relevant curriculum that is aimed at advancing the quality of the UITF marketing personnel; and
  - e. It shall ensure that the UCP guidelines contain, at the minimum, provisions on the governance mechanism, operational requirements, complaints handling, and provisions on Data Privacy and/or confidentiality of information, among others.
2. The FSIAO, through its authorized representative, shall submit to the appropriate supervising department of the Bangko Sentral the following:
  - a. Letter of its intent to administer the UCP;
  - b. By-laws of the association/organization;

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- c. Notarized Secretary's Certificate on Board of Directors/Trustees' resolution approving the application;
  - d. Board-approved UCP guidelines; and
  - e. Certification that it meets the requirements enumerated in these Guidelines.
3. Only the FSIAO that meets the criteria and requirements enumerated in these Guidelines shall be recommended for approval.
4. Upon the recommendation of the appropriate supervising department of the Bangko Sentral, the appropriate approving authority shall act on the FSIA's application. If approved, the authority to administer the UCP shall remain valid until revoked.

**Section 2: Administration of the UCP**

- 1. The FSIAO shall be responsible for ensuring that the administration of UCP is properly conducted and in accordance with the Board-approved UCP guidelines.
- 2. The FSIAO shall maintain the integrity and confidentiality of the UCP.
- 3. The FSIAO shall report to the Bangko Sentral any significant development and/or concern in the administration of the UCP.
- 4. In case of significant changes in the UCP guidelines, the FSIAO shall submit to the appropriate supervising department of the Bangko Sentral the revised Board-approved UCP guidelines for clearance.
- 5. The FSIAO shall ensure that the UCP guidelines are adequately disseminated to the FSIAO's members/member-institutions for information.
- 6. The FSIAO shall ensure that the UCP guidelines provide adequate transitory arrangements for existing Certified UITF Sales Personnel, if necessary.
- 7. The FSIAO shall make the UCP guidelines, including the examination questions, available for review by the Bangko Sentral.
- 8. The FSIAO shall maintain records of the certified UITF Marketing Personnel which shall be made available to the Bangko Sentral upon request.
- 9. The FSIAO shall post the list of certified UITF marketing personnel in its website.

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10. The appropriate supervising department of the Bangko Sentral shall undertake the monitoring and periodic review of the administration of the FSIAO of the UCP to ensure that the UCP remains relevant and at par with the requirements of the Bangko Sentral.

**Section 3. Withdrawal or Suspension of Administration of UCP**

1. The Bangko Sentral reserves the right to withdraw or suspend the administration of the UCP of the FSIAO not complying with the provisions enumerated in these Guidelines, after compliance with due process requirements.
2. The FSIAO may likewise voluntarily withdraw the administration of the UCP, subject to the approval of the Bangko Sentral.
3. The FSIAO that intends to withdraw as administrator of the UCP shall ensure proper transition of operational arrangements to minimize or eliminate potential disruption of the UCP administration.
4. The withdrawal or suspension of the FSIAO as administrator of the UCP shall be approved by the appropriate approving authority upon the recommendation of the appropriate supervising department of the Bangko Sentral.

*(Circular No. 1018 dated 26 October 2018)*