



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

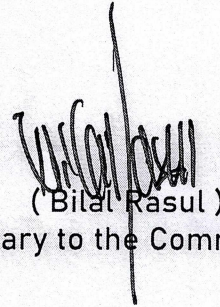
COMMISSION'S SECRETARIAT

[No. SY/SECP/8/13]

Islamabad, the 20<sup>th</sup> March, 2025

Subject: Draft Securities and Exchange Commission of Pakistan (Certification of Associated Professionals in the Financial Services) Regulations, 2023

Enclosed is an S.R.O. notification on the above subject for publication in Part-II of the Gazette of Pakistan, Extraordinary with the request to send 50 printed copies to the undersigned. Payment will be made on receipt of bill.



( Bilal Rasul )

Secretary to the Commission

Encl: As Above

Manager  
Printing Corporation of Pakistan Press  
Islamabad

**Government of Pakistan**  
**Securities and Exchange Commission of Pakistan**

*Islamabad, the 20<sup>th</sup> March, 2025*

**NOTIFICATION**

**S.R.O. \_\_\_\_\_(I)/2025:-** The following draft Securities and Exchange Commission of Pakistan (Certification of Associated Professionals in the Financial Services) Regulations, 2023, proposed to be made by Securities and Exchange Commission of Pakistan in exercise of the powers conferred under section under section 40 read with clause (h) and clause (ja) of sub-section (4) of section 20 of the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997), and Rule 34 of Insurance Rules, 2017, is hereby published, in the manner as provided in Section 40 of the SECP Act, for information of all the persons likely to be affected thereby and, notice is hereby given that objections or suggestions, if any, thereon received within thirty days from date of publication in the official Gazette may be taken in to consideration by the Commission, namely:-

**1. Short title and commencement.** - These regulations shall be called the Securities and Exchange Commission of Pakistan (Certification of Associated Professionals in the Financial Services) Regulations, 2025.

(2) They shall come into force at once.

**2. Definitions.** - (1) In these regulations, unless the context otherwise requires: -

- (a) "Act" means the Securities and Exchange Commission of Pakistan Act, 1997;
- (b) "Agent" in relation to associated professionals, means any person who is engaged in the activity of sale or distribution of insurance products on behalf of an insurer for a commission or any other consideration;
- (c) "Associated Professionals" includes a principal or an employee of an intermediary or distributor, or Agent or any other natural person engaged in the financial services markets.
- (d) "Certificate" means the certification issued by the Institute notified by the Commission;
- (e) "Continuing Professional Education" (CPE) includes any course, program, training session, activity, conference, or seminar that has received accreditation or approval from Institute notified by the Commission to enhance the knowledge, skills, and professional competency of associated professionals in the Financial Services Markets;

- (f) " Distributor " includes any individual engaged by an intermediary or an issuer for the purpose of selling or distributing securities;
- (g) "Intermediary" means an entity licensed or registered under administered legislation;
- (h) "Issuer" means a company which has issued or proposes to issue securities to the public in accordance with the relevant regulations made by the Commission
- (i) "Institute" means institute notified by the Commission for the purpose of certification of associated professionals.
- (j) "Principal" in relation to associated professionals means persons who are actively engaged in the management of intermediary or distributor or agent including supervision, solicitation, conduct of business, and includes full time Director and CEO.

(2) Words and phrases used but not explicitly defined in these regulations shall have the meaning as assigned to them by or under the Act or administered legislation or the rules and regulations formulated thereunder.

**3. The Associated Professionals not to undertake financial services activities without a valid certificate. - (1)** No associated professional engaged in any of the category notified under sub regulation (1) of regulation 4 shall continue to be so engaged after the date specified in sub regulation (1) or sub regulation (2) of regulation 4, as the case may be, unless such associated professional holds a valid certificate.

(2). The Commission shall notify a well reputed, and credible not-for-profit institute, having experience in certifications in various fields of financial services market for the purpose of certification of associated professionals.

**4. Certification of associated professionals - (1)** The Commission may by notification in the Official Gazette require such categories of associated professionals to obtain the requisite certificate for engagement or employment with such classes of intermediaries, issuer and from such date as may be specified in the notification:

Provided that an associated professional, or any category thereof, employed or engaged by an intermediary or issuer prior to the date specified by the Commission may continue to be employed or engaged if he /she obtains the certificate within six months from the said date.

2. An associated professional shall obtain the requisite certificate before being employed or engaged by an intermediary or issuer on or after the date specified by the Commission.

3. An associated professional who, as on the date specified by the Commission, holds a certificate for a category as recognized by the Commission shall not be required to obtain a fresh certificate for the same category during the validity of such certificate. However, he/she has to remain member of the institute in good standing at all times and must adhere to CPE requirements as per the requirements of these regulations.

4. The Commission for the purpose of issuing notification under sub-regulations (1) and (2) shall take into consideration whether associated professionals:

- (a) as part of his work or operation deals or interacts with the investors, issuers, policyholders, or clients of intermediaries;
- (b) deals with assets or funds of the investor or clients;
- (c) handles redressal of investor grievances;
- (d) is responsible for internal control or risk management;
- (e) is responsible for compliance with any rules or regulations;
- (f) is engaged in activities that have bearing on operational risk of the intermediary or insurer or issuer.

**5. Manner of obtaining the certificate.** - (1) Subject to the provisions of this regulation, the certificate may be obtained in one of the following manners, namely: -

- (a) by passing a certification examination conducted by the institute approved by the Commission; or
- (b) by obtaining such number of classroom credits accumulated through attending classes on such subjects as may be specified by institute approved by the Commission from time to time;

(2) An associated professional being principal shall obtain the certificate in any of the manners specified in clause (a) or clause (b) of sub-regulation (1).

(3) An associated professional, other than a principal, who has attained the age of fifty years or who has at least ten years experience in intermediary or distributor or agent in relevant field or category on the date specified in the notification issued under sub regulation (1) of regulation 4, shall obtain the certificate in the relevant category in the manner specified in clause (a) or clause (b) of sub regulation (1).

(4) All other associated professionals not covered in sub-regulations (2) or (3) above, shall obtain certificate through manner specified in sub-regulation (1)(a).

**6. The validity period of certificate.** - (1). The certificate granted under regulation 5 shall be valid for a period of two years from the date of the grant of the certificate or revalidation thereof as the case may be.

(2) Upon expiry of the validity of the certificate possessed by an associated professional, the certificate shall be revalidated for a period of two years at a time:

Provided the associated professionals successfully completes a 8 hours CPE specified by the institute notified by the Commission, in last 2 years prior to expiry of validity of that certificate.

(3) In case an associated professional is holding multiple certifications, the completion of required CPE hours shall be construed for all certifications, if the associated person has undertaken 8 hours CPE in last 2 years.

**7. Powers and functions of the institute. -**

(1) The Institute shall perform the functions entrusted to it under these regulations or as may be directed by the Commission from time to time.

(2) Without prejudice to the generality of the foregoing provisions and the activities of the Institute under its articles, the functions of the Institute in respect of certification for associated professionals in the Financial Services Market shall include:

- (a) designing, developing, and implementing certification programs, processes, and policies as mandated by the Commission;
- (b) conducting examinations and awarding certifications to ensure that associated professionals possess the necessary knowledge, skills, and competencies;
- (c) prescribing continuing professional education (CPE) requirements and renewal processes for certified professionals; and
- (d) maintaining a registry of certified professionals and ensuring compliance with certification standards.

(3) The Institute, in consultation with and as directed by the Commission, shall:

- (a) specify standards for certification, including the applicability of such standards to all or any category of associated professionals working or associated with all or any class of intermediaries in the financial services market;
- (b) periodically review and update certification programs and standards to align with evolving market practices, regulatory requirements, and international best practices; and
- (c) ensure that exemptions, if any, from certification requirements are granted only in accordance with the guidelines issued by the Commission.

(4) The Commission may, by notification, mandate specific certifications for particular roles or categories of associated professionals in the financial services market. The Institute shall implement such mandates within the timeframe specified by the Commission.

(5) The Institute shall collaborate with the Commission to identify skill gaps, market trends, and regulatory needs, and propose new certification programs or modifications to existing ones, subject to the Commission's approval.

(6) The Institute shall ensure that all certification programs are designed to promote ethical practices, enhance investor protection, and maintain the integrity of the financial services market.

**8. Conduct of certification examination and programmes of continuing professional education. -** For conducting certification examination and programme of continuing professional education, the Institute may:

- (a) administer certification examinations and continuing professional education at its own.

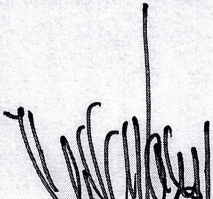
- (b) accredit, approve or engage any organization or self regulatory organization to administer certification examinations.
- (c) accredit, approve or engage any organization or self regulatory organization to conduct all or any programme of continuing professional education as may be specified from time to time.
- (d) require all associated professionals appearing for certification examinations or undergoing programme of continuing professional education to pay fees as approved by the board of the Institute, in conducting such certification examinations and programmes of continuing professional education

**9. Continuing professional education.** - (1) Each intermediary, distributor, agent and Issuer shall be responsible to ensure that its associated professionals participate in a programme of continuing professional education approved by the institute.

(2) Associated professionals shall take all appropriate and reasonable steps to participate in a programme of continuing professional Education as required by the intermediary.

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( Bilal Rasul )

Secretary to the Commission