

Client Management, Advisory and Support > Solutions Delivery and Implementation

Title	Conduct suitability assessment for transactions
Code	106876L6
Range	Assessing the suitability of investment recommendations. This applies to investment recommendations provided to private banking clients and suitability assessment on portfolio- / transaction-based.
Level	6
Credit	4 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> 1. Evaluate the requirements on suitability assessment Be able to: <ul style="list-style-type: none"> • Evaluate applicable regulatory requirements and the bank's internal guidelines in order to conduct suitability assessment • Demonstrate professional understanding in private banking products and services in order to determine the suitability of the investment recommendations 2. Conduct suitability assessment on portfolio based or transaction based approach in accordance to the bank's practice Be able to: <ul style="list-style-type: none"> • Review the client's profile in order to identify their attitude to risk and capacity for loss • Communicate with clients to obtain a solid understanding on their objectives and explain to them how the proposed investment is suitable for them • Review the risks of products and services to decide whether it is in line with the investment objectives of clients and align with the portfolio allocation, if applicable • Alert clients for circumstances that deviate from the agreed investment mandate of the account in terms of product risk, concentration risk, etc. • Keep track of the clients' trading margins along with the monitoring of client positions and restrictions in cases the margin limits are breached • Obtain client's agreement on whether to proceed with the transaction and document the rationale 3. Maintain professionalism Be able to: <ul style="list-style-type: none"> • Communicate with clients effectively to ensure they understand and agree with the recommendations • Ensure compliance with applicable regulatory requirements on selling investment products in different regions
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> • Conducting suitability assessment on investment recommendations provided to private banking clients. The judgment should be based on analysis on the features of products recommended, client's profiles, client's investment portfolio, etc.
Remark	