

Course

Portfolio Management–Investment Advice and Assessment of suitability

Course Description

This course provides a comprehensive and practical overview of Portfolio Management, Investment Advice, and the Assessment of Suitability within the regulatory framework established by MiFID II and the Delegated Regulation (EU) 2017/565. It is designed to help participants understand the obligations of Investment Firms when offering personalised investment services and managing client portfolios on a discretionary basis.

The course explains the fundamental definitions underpinning the regulatory regime - such as investment advice, portfolio management, robo-advice, and suitability assessment - and describes how these concepts apply in day-to-day client interactions. It sets out the key legal requirements for Investment Firms, including the need to ensure that all recommendations and discretionary decisions are suitable for each client, based on their knowledge, experience, financial situation, risk tolerance, and investment objectives.

Participants learn the structure and mandatory content of client agreements, the scope of client information Investment Firms must collect, and the detailed rules governing disclosure of information, costs and charges, and reporting obligations. The course explains what firms must communicate to clients when providing portfolio management or investment advice, including updates on portfolio performance, benchmark comparisons, transaction reporting, and alerts triggered by significant value depreciations.

A core part of the program focuses on the suitability assessment process - how firms gather and verify client information, determine suitability, assess switch recommendations, and document their reasoning. It also covers the extensive rules and restrictions regarding inducements, particularly for firms that present their advice as independent, and the criteria for acceptable minor non-monetary benefits.

Finally, the course outlines 16 key principles and a wide set of good practices that enhance compliance and investor protection. These include effective assessment of client knowledge, robust risk-profiling methods, use of scenario-based questions, avoiding biases or leading questions, ensuring the reliability of collected information, strengthening internal controls, and maintaining adequate records. The program equips professionals with the knowledge needed to deliver compliant, client-centric investment services aligned with regulatory expectations.

Topics covered

The course is split into the following sections:

Section 1: Brief summary of the applicable legislation

- MiFID II and the MiFID II Delegated Regulation requirements

Section 2: Portfolio Management

- Agreement with clients
- Information to clients when providing Portfolio Management
- Information on all costs and charges
- Reporting obligations in respect of portfolio management
- Additional reporting obligations for portfolio management or contingent liability transactions
- Best Execution and Portfolio Management
- Inducement: Portfolio management or investment advice on an independent basis
- Inducement: Returns to clients any fees, commissions or any monetary

Section 3: Investment Advice

- Definition
- Information to clients – Investment Advice
- Reporting to clients – Investment Advice
- Investment advice on an independent basis

Section 4: Assessment of suitability

- What is suitability assessment?
- The Company should be able to demonstrate to the regulator ...
- Collection of required information
- Necessary information for assessment of suitability
- Any kind of knowledge and experience?
- Switching of financial instruments
- Keep proper records
- Provision of reports to clients
- Investment advice - statement on suitability

Section 5: Assessment of suitability and suitability reports – 16 Basic principles

- Principle 1: Do not create any ambiguity
- Principle 2: Determine the extent of the information to be collected
- Principle 3: Specific assumptions for professional clients
- Principle 4: Information regarding the financial situation
- Principle 5: Information regarding investment objectives
- Principle 6: Who should be subject to the suitability assessment in case of legal person or group of two or more natural persons
- Principle 7: Ensure reliability of the collected information
- Principle 8: Do not provide investment advice or portfolio management if you have not obtained the required information
- Principle 9: Have in place, and be able to demonstrate, adequate policies and procedures
- Principle 10: Do not recommend or trade when not passing the suitability test
- Principle 11: When switching investments undertake an analysis of the costs and benefits of the switch
- Principle 12: Provide a suitability report when providing investment advice
- Principle 13: Review the suitability of the recommendations given at least annually
- Principle 14: Responsibility for undertaking suitability assessment when services are provided through an automated system
- Principle 15: When suitability assessment should be undertaken?
- Principle 16: When a transaction may be unsuitable for the client?

Section 6: Good Practices

- Good Practices regarding assessment of client's knowledge
- Good practices regarding investment objectives
- Good practices regarding risk tolerance
- Good practices regarding the methods for collecting and updating client information
- Good practices regarding the content of the suitability report following personalised recommendation



- Good practices regarding Compliance control system
- Other Good practices

Section 7: Guidelines on certain aspects of the MiFID II suitability requirements

- Information to clients about the purpose of the suitability assessment and its scope
- Know Your Client and Know Your Product
- Matching clients with suitable products
- Other related requirements

Section 8: Criteria for knowledge and competence for staff giving investment advice

Course Duration

This course may take up to 5 hours to be completed. However, actual study time differs as each learner uses their own training pace.

The course is addressed to:

This course is addressed to all individuals who are involved in Investment Firms (forex, brokers, etc) and funds such as:

- Executive Directors, Non-executive directors, Senior Managers, Compliance Officers, Risk Managers, Product Managers, Portfolio Managers, Investment Advisors, Dealers, Marketing Managers and in general employees of investment firms and funds.
- Internal Auditors
- Consultants

It is also suitable to professionals pursuing CPD for the renewal of CySEC Certificate (CySEC Basic and CySEC Advance Certificate) or other relevant professional certificates in other jurisdictions.

Training Method

The course is offered fully online using a self-paced approach. The learning units consist of power point presentations. Learners may start, stop and resume their training at any time.

At the end of the course, participants take a Quiz to complete the course and earn a Certificate of Completion once the quiz has been passed successfully.

Accreditation and CPD Recognition

The course may be accredited by regulators and other bodies for 5 CPD Units that require CPD training in financial regulation.

Eligibility criteria and CPD Units are verified directly by your association or other bodies in which you hold membership.

Registration and Access

To register to this course, click on the [Take this course](#) button to pay online and receive your access instantly. If you are purchasing this course on behalf of others, please be advised that you will need to create or use their personal profile before finalizing your payment.

Access to the course is valid for 90 days.



If you wish to receive an invoice instead of paying online, please Contact us by [email](#). Talk to us for our special Corporate Group rates.

Instructor

George Papanicolaou has more than 20-years experience in the Financial industry. He worked for several years in managerial positions as area Manager, Head of Brokerage, Compliance Officer, Anti Money Laundering Officer, General Manager and Executive Director in Cypriot Investment Firms as well as Managing Director of GP GLOBAL LTD offering consulting services and training courses to Investment Firms, focuses in Internal Audit, compliance & AML issues. He offered numerous courses/seminars both in Cyprus and abroad in Investment Firms Law as well as in Compliance & Anti Money Laundering. George Papanicolaou is also a Chairman of a Nomination Committee in a company listed in the Oslo Stock Exchange.

George Papanicolaou holds a BSc in Electronic Engineering from the University of Texas at Austin (USA), an MBA with specialization in Finance from Leicester University (UK) and a Postgraduate Certificate in the Mechanics of Risk Management from Middlesex University (UK).

He also holds an ICA International Diploma in Anti Money Laundering from the International Compliance Association and the University of Manchester, as well as an Advance and Money Laundering certificate from the Cyprus Securities and Exchange Commission for the provision of investment services/activities.

He is a Member of the AML and Compliance Committee of the Institute of Certified Public Accountants of Cyprus (ICPAC), Fellow of the International Compliance Association (FICA), Mentor of ICA new students, member of the Cyprus Institute of Internal Auditors and the first Network chair for Cyprus of the International Compliance association.