



Accredited Derivatives Adviser Level 2

Subject outline

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Subject overview

This subject is for representatives of an ASX market participant seeking to become an Accredited Derivatives Adviser Level 2. The subject aims to provide students with a comprehensive understanding of the knowledge and skills required to provide advice on advanced derivatives transactions including:

- taking options
- writing options
- spreads
- straddles and strangles
- low exercise price options
- other ASX derivatives products and strategies as prescribed in the ASX's procedures.

Learning outcomes

Upon successful completion of this subject, students should be able to:

1. Advise on warrants and exchange-traded options strategies
2. Advise on writing options
3. Advise on multi-legged option strategies

Subject topics

Topic 1: Options level one recap

Topic 2: Written options

Topic 3: Spreads

Topic 4: Combinations: Straddles and strangles

Topic 5: Synthetics

Topic 6: Mechanics of trading

Topic 7: LEPOs

Units of competency

There are no units of competency awarded for this subject.

Subject duration and work load

Students have a total of 12 weeks to complete the assessment requirements for Accredited Derivatives Adviser Level 2 (ADA2).

This subject will take students between 60 and 120 hours to complete, depending on their experience in the derivatives industry.

Students should expect to spend up to 10 hours a week reading their subject notes, completing the learning activities and preparing for the exam.

An additional 4 weeks is available if students are required to resit their examination.

Entry requirements

Education requirements

ADA1 must be completed prior to enrolment into ADA2. Only representatives of an ASX market participant may be accredited upon successful completion.

Individuals are required to be aged 18 years or older to enrol in this course.

Delivery mode

This subject is delivered online.

Kaplan Professional's online learning portal, KapLearn, enables us to provide you with innovative, interactive learning resources and support. You can access KapLearn from anywhere at any time using a computer or mobile device that has internet access.

KapLearn is where you access subject notes, supplementary learning material, practice activities and assessments. KapLearn is also where you access ongoing support. The 'Ask your tutor' forum provides you with continuous technical support from subject matter experts.

Assessment tasks

The assessment task for this subject is:

Examination: Supervised, **closed book** online multiple choice exam.

A 138 minute supervised closed book exam of 55 multiple choice questions, based on the topics in the subject notes. All exam answers can be sourced from the subject notes. Readings and other supplementary materials are not assessable. Students will receive instant results at the completion of the exam.

Students must sit the exam within 12 weeks of their enrolment date.

The exam has six segments:

- Segment 1: Topic 1 and 2 (10 questions)
- Segment 2: Topic 3 (10 questions)
- Segment 3: Topic 4 (10 questions)
- Segment 4: Topic 5 (10 questions)
- Segment 5: Topic 6 (10 questions)

- Segment 6: Topic 7 (5 questions)

Students must achieve an 80% pass mark in each segment of the exam. If a student fails their examination, they will be re-examined only on the segment(s) for which they were deemed 'not yet competent'.

An enrolment entitles the student to up to two resit exams on any segments for which they are assessed as 'not yet competent'. Students must complete any resit exams within 4 weeks of their first exam attempt.

If a student fails the exam three times, Market Integrity Rule 2.4.12 requires employees of market participants to request permission from ASIC for further attempts at the ADA exams.

Level 2 Derivatives Accreditation Certificate

On successful completion of the exam, students will receive an online Certificate of Completion from Kaplan Professional confirming they have passed the Accredited Derivatives Adviser Level 2 exam.

To become a Level 2 Accredited Derivatives Adviser, the *Application for accreditation of Level 2 Accredited Derivatives Adviser* form must be completed by the student's market participant and forwarded to ASIC. This form can be found on the ASIC website at www.asic.gov.au.

On receipt of a correctly completed form, ASIC will issue the student's market participant with their Level 2 Derivatives Accreditation Certificate.

Fees

An updated schedule of fees is available at the Kaplan Professional website: www.kaplanprofessional.edu.au.

Recognition of Prior Learning (RPL)

There is no Recognition of Prior Learning (RPL) for this subject.

Student policies

Students who enrol in a Kaplan Professional course are bound by our published policies, including the policy that sets out our rules for assessment. Students can review these policies before they enrol by going to the Kaplan Professional website: www.kaplanprofessional.edu.au.

The policies also assist students when their study program does not go as planned and they need extra support.