

unlocking growth opportunities



ANNUAL REPORT
2016

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Calendar of Events

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Third (23rd) Annual General Meeting of Federation of Investment Managers Malaysia (FIMM) will be held at Banyan & Casuarina Room, Ground Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, on Tuesday, 13 June 2017, at 10.00 a.m for the following purposes:

► AGENDA

Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2016 and the reports of the Directors and Auditors thereon. **(Please refer to Note 1)**
2. To re-appoint Messrs. Morison Anuarul Azizan Chew as Auditors of FIMM to hold office until the conclusion of the next Annual General Meeting of FIMM and to authorize the Directors to fix their remuneration. **Ordinary Resolution 1**
3. (a) To note the total attendance fee of RM472,000 paid to members of the Board and Committees for meeting attendances in the year 2016 and the total attendance fee of RM6,000 paid to non-members of the Board for Committees Meeting attendances in the year 2016. **Notation**
 (b) To note the total annual allowance of RM36,000 paid to the Chairman for the year 2016.
4. To re-elect the Directors of FIMM retiring pursuant to Article 48 of the FIMM's Articles of Association for each constituency from the list below approved by Securities Commission Malaysia in Table A:

Table A:			
No.	Name of Member	Name of Nominee	Constituency
1.	Public Mutual Berhad	Ms. Yeoh Kim Hong	A
2.	Affin Hwang Asset Management Berhad	Dato' Mohamad Ayob bin Abu Hassan	B
3.	AmFunds Management Berhad	Mr. Harinder Pal Singh a/I Joga Singh	C

Ordinary Resolution 2

Ordinary Resolution 3

Ordinary Resolution 4

5. To transact any other ordinary business for which due notice has been given.

By Order of the Board,

Chua Siew Chuan (MAICSA 0777689)
Mak Chooi Peng (MAICSA 7017931)
Company Secretaries

Dated:

Notes:

1. This Agenda item is meant for discussion only, as the provision of Section 304(1)(a) of the Companies Act 2016 does not require a formal approval from the members for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.
2. A member of FIMM entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead.
3. A proxy appointed to attend and vote at the Annual General Meeting of FIMM shall be either: (a) Chairman of the Meeting or (b) any other person who may but need not be a member of FIMM.
4. If you wish to appoint any person other than the Chairman of the Meeting as proxy, please insert the full name of the proxy (in block letters) in the space provided and delete the words "the Chairman of the Meeting."
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney and the Directors may, but shall not be bound to, require evidence of the authority of the appointer or his attorney.
6. The instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument.
7. Please indicate with an "x" in the spaces provided, how you wish your vote to be cast. Any alteration to the instrument appointing a proxy must be initialised.
8. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Registered Office of FIMM at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur (Attn: Ms. Tan Ley Theng / Ms. Jessica Tee / Ms. Carmen Chew) not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof.

Last date and time for lodging the : Sunday, 11 June 2017
aforesaid instrument at 10.00 a.m.

CORPORATE INFORMATION

Board of Directors

Datuk Siti Hadzar binti Mohd Ismail
Chairman / Public Interest Director

Datuk Noripah binti Kamso
Public Interest Director

Dato' Fauziah binti Yaacob
Public Interest Director

Dato' Mohd Sallehuddin bin Othman
Public Interest Director
(Appointed w.e.f. 5 April 2016)

Tuan Muniandy a/l Kanniyappan J.M.N
Public Interest Director

Ms. Koid Swee Lian
Public Interest Director

En. Nik Mohd Hasyudeen bin Yusoff
Public Interest Director
(Appointed w.e.f. 20 October 2016)

En. Mohammad bin Hussin
Amanah Saham Nasional Berhad

Ms. Yeoh Kim Hong
Public Mutual Berhad

Dato' Mohamad Ayob bin Abu Hassan
Affin Hwang Asset Management Berhad

Mr. Ho Seng Yee
RHB Asset Management Sdn Bhd

Mr. Harinder Pal Singh a/l Joga Singh
AmFunds Management Berhad

Mr. Ismitz Matthew De Alwis
Kenanga Investors Berhad

Mr. Wong Teck Meng
Areca Capital Sdn Bhd

Tunku Dato' Mahmood Fawzy bin Tunku Muhiyiddin
Public Interest Director
(Appointed w.e.f. 5 April 2016)
(Resigned w.e.f. 14 October 2016)

Management

En. Fariq bin Hassan
Interim Chief Executive Officer
(Appointed w.e.f. 30 August 2016)

En. Nazaruddin bin Othman
Chief Executive Officer
(Resigned w.e.f. 26 August 2016)

Registered Office

Securities Services (Holdings) Sdn Bhd
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Tel: 603-2084 9000 / Fax: 603-2094 9940

Ms. Chua Siew Chuan / Ms. Mak Chooi Peng
Company Secretaries

Auditor & Tax Consultant

Morison Anuarul Azizan Chew (AF001977)
18, Jalan Pinggir 1/64
Jalan Kolam Air Off Jalan Sultan Azlan Shah
(Jalan Ipoh) 51200 Kuala Lumpur
Tel : 603-4048 2888 / Fax: 603-4048 2999

Banker

Malayan Banking Berhad
Ground Floor, Block C
Kompleks Pejabat Damansara
Jalan Semantan, Bukit Damansara
50490 Kuala Lumpur
Tel : 603 - 2095 3259 /
Fax : 603 - 2094 4291

Malayan Banking Berhad
AG 1,2,9 & 10,
Ground Floor, Plaza Pekeliling
2, Off Jalan Tun Razak
50400 Kuala Lumpur
Tel : 603 - 4041 6049 /
Fax : 603 - 4041 5161

Board of Directors Attendance Record

	29 February 2016	9 March 2016 (Adjourned)	26 April 2016
Datuk Siti Hadzar binti Mohd Ismail Chairman	1	1	1
Datuk Noripah binti Kamso Public Interest Director	1	0	1
Dato' Fauziah binti Yaacob Public Interest Director	1	1	1
Dato' Mohd Sallehuddin bin Othman Public Interest Director (Appointed w.e.f. 5 April 2016)			0
Tunku Dato' Mahmood Fawzy bin Tunku Muhiyiddin Public Interest Director (Appointed w.e.f. 5 April 2016) (Resigned w.e.f. 14 October 2016)			1
Tuan Muniandy Kanniyappan J.M.N. Public Interest Director	1	1	1
Ms. Koid Swee Lian Public Interest Director	1	1	1
En. Nik Mohd Hasyudeen bin Yusoff Public Interest Director (Appointed w.e.f. 20 October 2016)			
En. Mohammad bin Hussin Amanah Saham Nasional Berhad	1	1	1
Ms. Yeoh Kim Hong Public Mutual Berhad	1	1	1
Dato' Mohamad Ayob bin Abu Hassan Affin Hwang Asset Management Berhad	1	1	1
Mr. Ho Seng Yee RHB Asset Management Sdn Bhd	1	1	0
Mr. Harinder Pal Singh a/l Joga Singh AmFunds Management Berhad	1	1	1
Mr. Ismitz Matthew De Alwis Kenanga Investors Berhad	1	1	0
Mr. Wong Teck Meng Areca Capital Sdn Bhd	1	1	1

Board of Directors Attendance Record (Cont'd)

16 May 2016 (Special)	28 June 2016	25 July 2016 (Special)	1 August 2016 (Special)	23 August 2016 (Adjourned Special)	30 August 2016	18 October 2016	7 December 2016	TOTAL
1	1	1	1	1	1	1	1	11
0	0	1	1	0	0	0	0	4
1	1	1	1	0	1	1	1	10
1	1	1	1	0	1	1	1	7
1	1	1	0	0	0			4
1	1	1	1	0	1	1	1	10
1	1	1	1	0	1	1	1	10
							1	1
1	1	1	0	0	1	1	1	9
1	0	1	1	1	0	1	1	9
1	1	1	1	1	1	1	1	11
1	1	0	1	0	0	1	1	7
1	1	0	1	0	0	0	0	6
0	1	1	0	1	1	1	1	8
0	1	1	1	1	1	1	1	10

CHAIRMAN'S STATEMENT

**Datuk Siti Hadzar binti
Mohd Ismail**
*Chairman /
Public Interest Director*



“ We remain steadfast on our mission to build the highest level of trust, integrity, standards and ethics for investor security, growth and knowledge in the investment management industry by strengthening our operational capabilities and continue to engage with all relevant stakeholders. ”

On behalf of the Board of Directors, I am pleased to present the Annual Report and Audited Financial Statements of the Federation of Investment Managers Malaysia (FIMM) for the financial year ended 31 December 2016.

I would like to thank Tunku Dato' Mahmood Fawzy bin Tunku Muhiyiddin who resigned from the Board on 14 October 2016. Tunku Dato' Mahmood Fawzy bin Tunku Muhiyiddin has served FIMM as a Director for 6 months with full commitment and his departure will be deeply felt by us. My appreciation also goes to Dato' Mohd Sallehuddin bin Othman and En. Nik Mohd Hasyudeen bin Yusoff who joined the Board on 5 April 2016 and 20 October 2016 respectively. Congratulations on joining FIMM. My heartfelt thanks also go to my other colleagues on the Board for their dedication and contributions.

We remain steadfast on our mission to build the highest level of trust, integrity, standards and ethics for investors security, growth and knowledge in the investment management industry by strengthening our operational capabilities and continue to engage with all relevant stakeholders.

Looking ahead, FIMM took cognisance of unanticipated change in market environment and has commenced work in formulating 5-year Strategic Blueprint. The Strategic Blueprint sets out clear direction for the industry and will enhance the role of FIMM in elevating the investment management industry and meeting the growing and sophisticated needs of the investing public.

Last but not least, I would like to express my utmost and sincere appreciation and gratitude to our stakeholders for your loyal support and confidence in FIMM. A special mention goes to the Securities Commission Malaysia for their support and guidance. My warmest gratitude is also extended to the management and employees, for their dedicated work and commitment to delivering results and to ensure the success of FIMM. May we continue to work together and forge ahead to achieve greater growth and success for the betterment of FIMM.

Datuk Siti Hadzar binti Mohd Ismail
Chairman / Public Interest Director

BOARD OF DIRECTORS





Front row (left to-right):

Dato' Fauziah binti Yaacob, Datuk Siti Hadzar binti Mohd Ismail (Chairman),
Ms. Koid Swee Lian, Ms. Yeoh Kim Hong

Back row (left to-right):

Mr. Ho Seng Yee, Dato' Mohamad Ayob bin Abu Hassan, Tuan Muniandy
Kannyappan J.M.N., Mr. Wong Teck Meng, Dato' Mohd Sallehuddin bin
Othman, Mr. Harinder Pal Singh a/l Joga Singh, Mr. Ismitz Matthew De Alwis,
En. Nik Mohd Hasyudeen bin Yusoff

Absence:

Datuk Noripah binti Kamso, En. Mohammad bin Hussin



Industry Review

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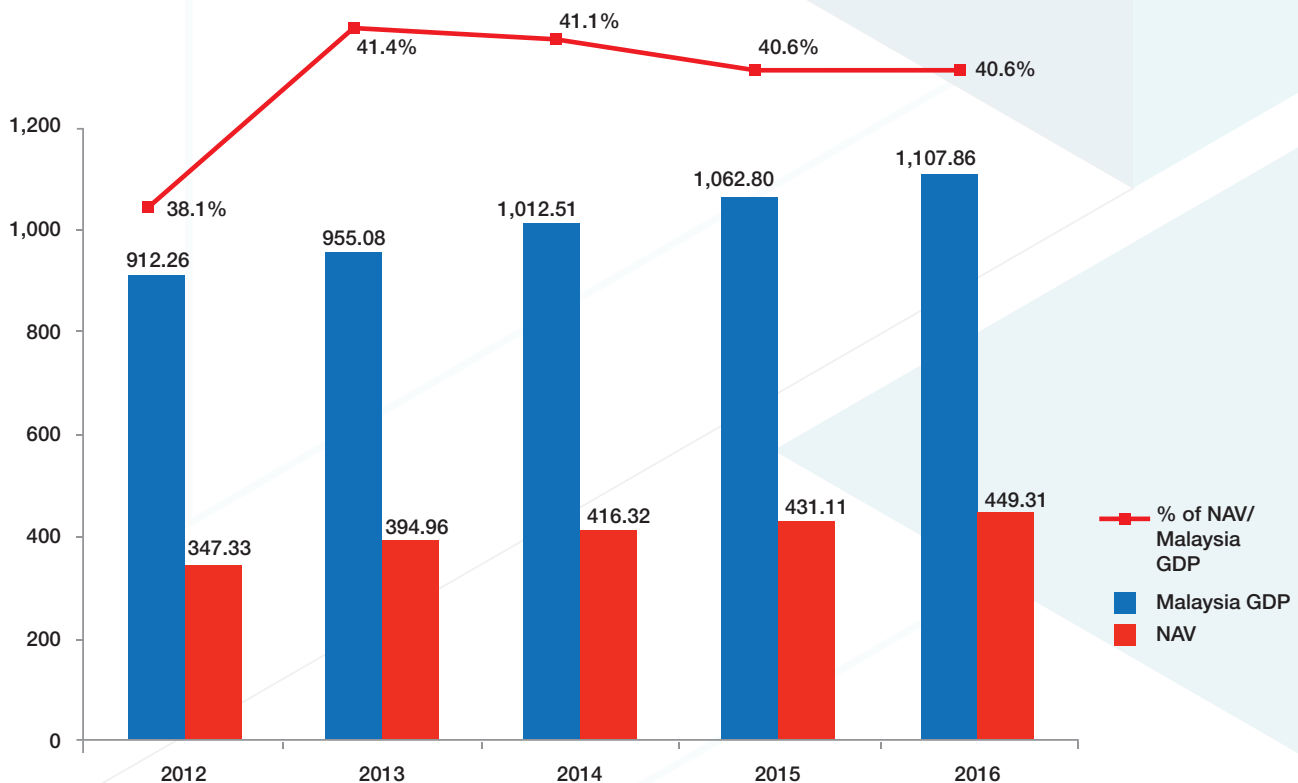
ANALYSIS OF THE NET ASSET VALUE (NAV) OF THE INDUSTRY

Unit Trust Funds

In 2016, Malaysia recorded 4.2% growth in Gross Domestic Products (GDP) (down from 5.0% in 2015) amid global challenges arising from uncertainty over economic, monetary and policy actions. Private sector expenditure remained the key driver of growth in domestic demand.

Against this backdrop, the Net Asset Value (NAV) for unit trust funds (includes wholesale funds) increased 4.2% to RM449.31 billion as at end of December 2016, representing 40.6% of GDP (Chart 1).

Chart 1: Total NAV vs Malaysia's GDP as at 31 December (in RM billion)

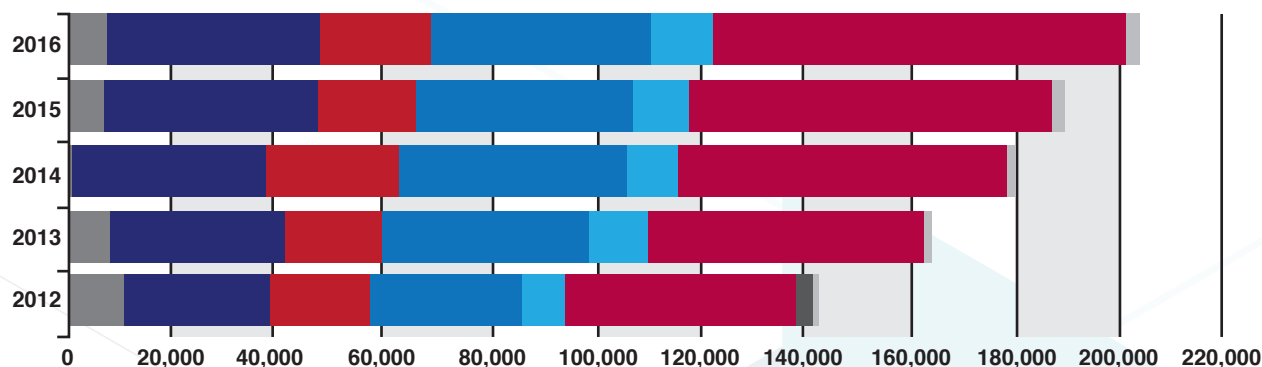


Source: Securities Commission and Bank Negara Malaysia

Note:

Total NAV include NAV from retail funds and wholesale funds.
GDP have been revised to real GDP.

Chart 2: Net Asset Value by Types of Funds as at 31 December (2012-2016) (RM million)



	2012	%	2013	%	2014	%	2015	%	2016	%
ETF-Equity	338.39	(0.24)	319.59	(0.19)	329.18	(0.18)	378.02	(0.20)	439.51	(0.22)
ETF-Bond General	584.66	(0.41)	684.34	(0.42)	685.89	(0.38)	1,341.88	(0.71)	1,442.30	(0.71)
Guaranteed / Protected	3,127.06	(2.19)	182.46	(0.11)	82.09	(0.05)	1.51	(0.00)	1.57	(0.00)
Islamic	44,163.10	(30.96)	52,623.94	(32.10)	62,727.23	(34.85)	69,549.28	(36.73)	79,101.26	(38.81)
Mixed asset	8,313.04	(5.83)	11,049.04	(6.74)	10,036.29	(5.57)	10,652.55	(5.63)	11,687.32	(5.73)
M. Market	28,942.07	(20.29)	39,374.63	(24.02)	42,811.37	(23.78)	41,301.01	(21.81)	42,405.36	(20.80)
Bond	18,972.19	(13.30)	18,507.29	(11.29)	25,666.93	(14.26)	18,544.43	(9.79)	20,656.70	(10.13)
Equity	27,562.56	(19.32)	33,355.54	(20.35)	36,932.56	(20.52)	40,708.96	(21.50)	40,547.42	(19.90)
Others	10,640.53	(7.46)	7,842.12	(4.78)	732.91	(0.41)	6,880.88	(3.63)	7,543.32	(3.70)
Total	142,643.60	(100.00)	163,938.95	(100.00)	180,004.45	(100.00)	189,358.52	(100.00)	203,824.76	(100.00)

Source: Lipper, FIMM and Bursa Malaysia. Based on respondent private funds (including wholesale funds) as categorized by Lipper and adopted by members.

Notes:

- Based on Lipper's fund investment objectives, these funds have been grouped into the following eight types:
 - ETF-Bond & Equity: Includes both bond and equity ETF.
 - Guaranteed/ Protected funds: Comprises conventional Capital Guaranteed funds and Capital Protected funds.
 - Money Market funds: Includes all conventional money market funds.
 - Mixed Asset funds: Includes conventional Mixed Asset MYR Balanced funds, Mixed Asset Other Aggressive funds, Mixed Asset Other Conservative funds and Mixed Asset Other Flexible funds.
 - Islamic funds: Includes Islamic Bond funds, Islamic Equity funds, Islamic Guaranteed/ Protected funds, Islamic Mixed Asset funds and Islamic Money Market funds.
 - Bond funds: Include all conventional bond funds invested in Malaysian assets and abroad.
 - Equity: Include all conventional equity funds invested in local markets and abroad.
 - Others: Includes Target Maturity funds, Commodities funds, Hedge/ Fixed Income Arbitrage funds as well as funds yet to be classified.
- The private sector fund classification may differ between the Securities Commission Malaysia and Lipper.
- The above excludes Real-Estate Investment Trusts (REIT) and Private Retirement Schemes as insufficient fund data were captured by Lipper.
- The above include 167 wholesale funds with total NAV of RM55.7 billion that are managed by FIMM members and captured by Lipper.

Private unit trust funds (excluding federal and state funds) saw NAV increased by 7.6% over the year and stood at RM203.8 billion as at end of December 2016 (Chart 2). Overall, equity funds and money market funds (including Islamic funds) made up the biggest portions of NAV at 39.8% and 34.7% respectively.

In 2016, Islamic funds (inclusive of all types of assets) continued to grow significantly. The year also recorded the tenth consecutive year of firm growth in Islamic funds with total NAV stood at RM79.1 billion as at end of 2016, a remarkable increase of 13.7% as compared to 2015.

Conventional equity funds recorded NAV of RM40.5 billion as at end of 2016, slightly declined by RM0.2 billion as compared to 2015. Conventional bond funds increased by RM2.1 billion to RM20.7 billion in 2016 followed by conventional money market funds which increased marginally by RM1.1 billion to RM42.4 billion in 2016. This was largely attributed to investors shifting funds to safer assets in their efforts in seeking more stable return amid global political and financial uncertainties.

As at 31 December 2016, the total number of wholesale funds managed by FIMM members stood at 167 or 87.4% of total number of wholesale funds launched in the market. Based on the NAV collated from these participating wholesale funds managed by FIMM members, the NAV increased marginally by 3.0% over the year and stood at RM55.7 billion which collectively made up over 93.5% of the total assets of wholesale funds at 31 December 2016 (RM59.6 billion).

Exchange Traded Funds (ETFs)

There were 8 ETFs listed on the Bursa Malaysia as at 31 December 2016 with a total market capitalization of RM1.90 billion, increased moderately at 11.1% as compared to a total capitalization of RM1.71 billion as at 31 December 2015.

Real Estate Investment Trusts (REITs)

As at end of 2016, there were a total of 17 REITs listed on the Bursa Malaysia with market capitalization increased by 17.9% to RM44.2 billion from RM37.5 billion recorded as at 31 December 2016.

Private Retirement Schemes (PRS)

Private Retirement Schemes continued to show encouraging growth of 29.9% in 2016 with NAV stood at RM1.52 billion as compared to RM1.17 billion in 2015.

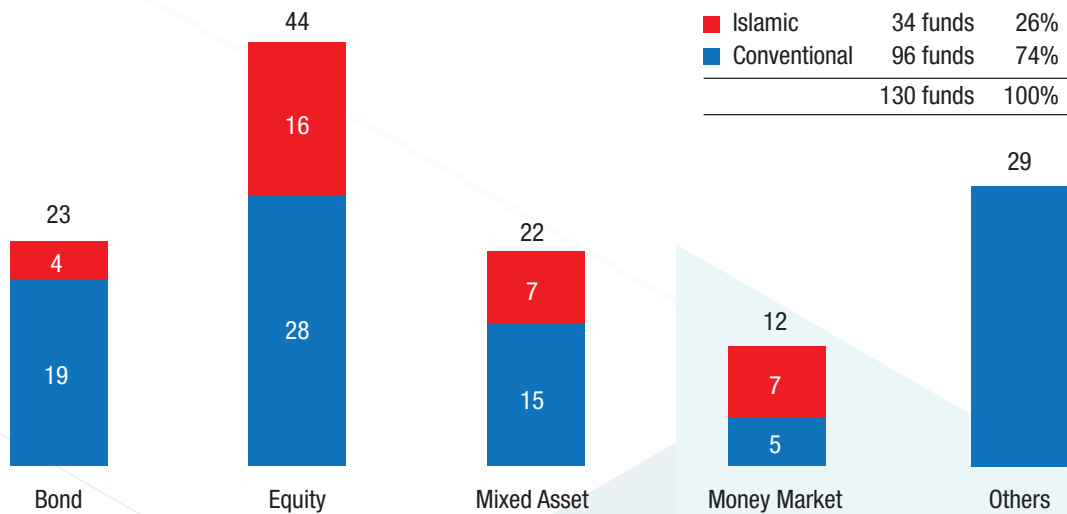
There were a total of 6 new funds launched in 2016, bringing the total number of funds to 56 funds. The funds comprised 37 core funds and 19 noncore funds while 31 were conventional funds and 25 were Islamic funds.

New Funds Launched

A total of 130 unit trust funds were launched in 2016 (including unit trust funds, wholesale funds and PRS. Each class of fund is accounted for as separate fund). Conventional funds populated most part of the list and equity funds being the largest among new funds launched or 33.8% (Chart 3).

Bond funds and mixed asset funds added 23 and 22 new funds respectively during the year. 12 new money market funds were launched in addition to 29 new funds under others category (i.e. target maturity, total return) were introduced.

Among new fund offerings, 52 or 40.0% (Chart 4) are funds with more than 50% of assets mandated to be invested locally; whereas 78 funds or 60.0% are funds investing predominantly in overseas (foreign-focused unit trusts). Equity funds formed 43.6% of the foreign-focused funds. In term of composition of foreign funds, 50 or 64.1% of the foreign-focused funds were structured as non-specialized unit trust funds while 28 (wholesale funds) or 35.9% were offered through feeder funds structure.

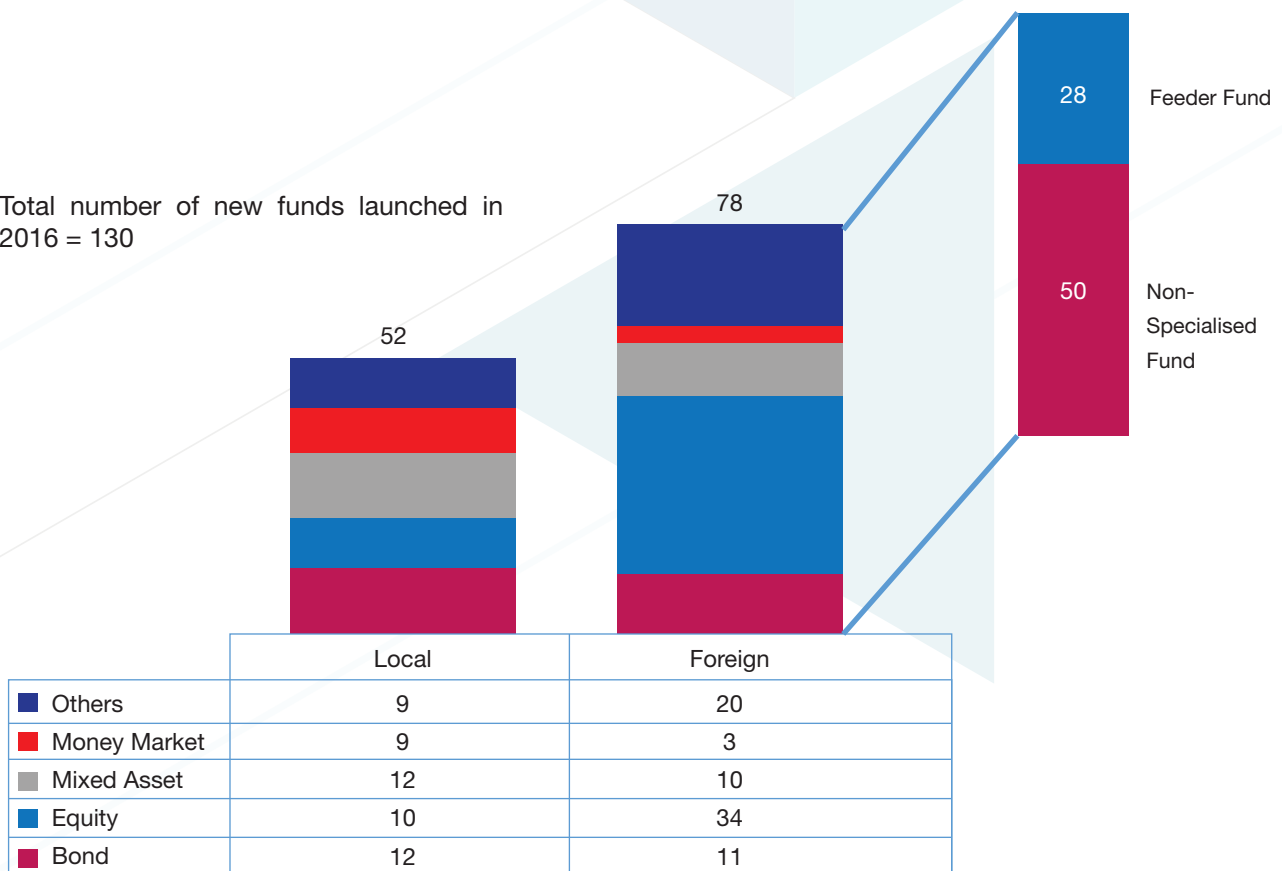
Chart 3: New Funds Launched in 2016 - By Asset Class


Source: FIMM, based on data published/ provided by Lipper and Members

Note: The above excludes REITs and ETFs and includes 58 wholesale funds launched by FIMM members. Different fund classes within a same fund were accounted for as separate funds.

Chart 4: New Funds Launched in 2016 - By Geographical Spread and Structure

Total number of new funds launched in 2016 = 130



Source: FIMM

Note: The above excludes REITs and ETFs and includes 58 Wholesale Funds launched by FIMM members. Different fund classes within a same fund were accounted for as separate funds.

(A) Unit Trusts

No	Funds Name	Launch Date	Unit Trust Management Companies
1	CIMB Islamic Wholesale Deposit 1*	12-Jan-2016	CIMB-Principal Asset Management Berhad
2	Pacific Islamic Cash*	13-Jan-2016	Pacific Mutual Fund Berhad
3	PB Smallcap Growth	13-Jan-2016	Public Mutual Berhad
4	RHB Islamic Emerging Opportunity Unit Trust	13-Jan-2016	RHB Islamic International Asset Management Berhad
5	KAF Islamic Dividend Income	15-Jan-2016	KAF Investment Funds Berhad
6	Public Regular Savings Sequel	15-Jan-2016	Public Mutual Berhad
7	Aberdeen Islamic World Equity - Class A (AUD)	18-Jan-2016	Aberdeen Islamic Asset Management Sdn Bhd
8	Aberdeen Islamic World Equity - Class A (SGD)	18-Jan-2016	Aberdeen Islamic Asset Management Sdn Bhd
9	Aberdeen Islamic World Equity - Class A (USD)	18-Jan-2016	Aberdeen Islamic Asset Management Sdn Bhd
10	Kenanga Yield Enhancement*	18-Jan-2016	Kenanga Investors Berhad
11	RHB Singapore Income Feeder - RM Class*	18-Jan-2016	RHB Asset Management Sdn Bhd
12	RHB Singapore Income Feeder - SGD Class*	18-Jan-2016	RHB Asset Management Sdn Bhd
13	Pacific Emerging Market Bond*	26-Jan-2016	Pacific Mutual Fund Berhad
14	Affin Hwang European Unconstrained - USD Hedge Class*	2-Feb-2016	Affin Hwang Asset Management Berhad
15	AMB Shariah Value Plus Class A-SGD	2-Feb-2016	Amanah Mutual Berhad
16	Public Islamic Wholesale Income*	2-Feb-2016	Public Mutual Berhad
17	Public Wholesale Income*	2-Feb-2016	Public Mutual Berhad
18	CIMB-Principal Total Return Bond 2	3-Feb-2016	CIMB-Principal Asset Management Berhad
19	RHB Islamic Asean Megatrend - Class USD-A	16-Feb-2016	RHB Islamic International Asset Management Berhad
20	RHB Islamic Asean Megatrend - Class USD-A1	16-Feb-2016	RHB Islamic International Asset Management Berhad
21	Maybank Income Plus 2*	18-Feb-2016	Maybank Asset Management Sdn Bhd
22	CIMB-Principal Wholesale Deposit 4*	19-Feb-2016	CIMB-Principal Asset Management Berhad
23	Eastspring Investments Target Income 5	22-Feb-2016	Eastspring Investments Berhad
24	MIDF Amanah Shariah Income II*	23-Feb-2016	MIDF Amanah Asset Management Berhad
25	Areca Situational Income*	1-Mar-2016	Areca Capital Sdn Bhd
26	Hong Leong Strategic Opportunity*	1-Mar-2016	Hong Leong Asset Management Berhad
27	Maybank Constant Income 4	1-Mar-2016	Maybank Asset Management Sdn Bhd
28	TA Structured Income*	3-Mar-2016	TA Investment Management Berhad

No	Funds Name	Launch Date	Unit Trust Management Companies
29	RHB USD High Yield Bond - RM Class*	8-Mar-2016	RHB Asset Management Sdn Bhd
30	RHB USD High Yield Bond - USD Class*	8-Mar-2016	RHB Asset Management Sdn Bhd
31	Singapore Dividend Equity - RM Class	8-Mar-2016	Affin Hwang Asset Management Berhad
32	Singapore Dividend Equity - S\$ Class	8-Mar-2016	Affin Hwang Asset Management Berhad
33	Singapore Dividend Equity - US\$ Class	8-Mar-2016	Affin Hwang Asset Management Berhad
34	Affin Hwang 6M Income 8*	11-Mar-2016	Affin Hwang Asset Management Berhad
35	United Target Income Bond 5	16-Mar-2016	UOB Asset Management (Malaysia) Berhad
36	Maybank Income Plus 3*	21-Mar-2016	Maybank Asset Management Sdn Bhd
37	Public Emerging Opportunities	30-Mar-2016	Public Mutual Berhad
38	Public Islamic Emerging Opportunties	30-Mar-2016	Public Mutual Berhad
39	Affin Hwang Aiiman 8M Income I*	4-Apr-2016	Affin Hwang Asset Management Berhad
40	Affin Hwang Flexible Maturity Income 5*	4-Apr-2016	Affin Hwang Asset Management Berhad
41	United Malaysia Discovery	6-Apr-2016	UOB Asset Management (Malaysia) Berhad
42	AmIslamic Income	7-Apr-2016	AmFunds Management Berhad
43	Global Dividend - RM Class*	11-Apr-2016	AmFunds Management Berhad
44	Global Dividend - USD Class*	11-Apr-2016	AmFunds Management Berhad
45	United Target Income Bond 6	13-Apr-2016	UOB Asset Management (Malaysia) Berhad
46	Manulife Asian Small Cap Equity-USD Class*	18-Apr-2016	Manulife Asset Management Services Berhad
47	Pacific Real Opportunities Absolute Return*	21-Apr-2016	Pacific Mutual Fund Berhad
48	CIMB-Principal Asia Pacific Dynamic Growth-Class AUD	25-Apr-2016	CIMB-Principal Asset Management Berhad
49	CIMB-Principal Asia Pacific Dynamic Growth-Class MYR	25-Apr-2016	CIMB-Principal Asset Management Berhad
50	CIMB-Principal Asia Pacific Dynamic Growth-Class SGD	25-Apr-2016	CIMB-Principal Asset Management Berhad
51	CIMB-Principal Asia Pacific Dynamic Growth-Class USD	25-Apr-2016	CIMB-Principal Asset Management Berhad
52	United Islamic Cash*	25-Apr-2016	UOB Asset Management (Malaysia) Berhad
53	RHB Islamic Asean Megatrend - Class RM	26-Apr-2016	RHB Islamic International Asset Management Berhad
54	RHB Islamic Asean Megatrend - Class USD-B	26-Apr-2016	RHB Islamic International Asset Management Berhad
55	Affin Hwang 6M Income 9*	9-May-2016	Affin Hwang Asset Management Berhad

No	Funds Name	Launch Date	Unit Trust Management Companies
56	Affin Hwang Flexible Maturity Income III	9-May-2016	Affin Hwang Asset Management Berhad
57	PMB Shariah Small-Cap	16-May-2016	PMB Investment Berhad
58	PB Mixed Asset Growth	18-May-2016	Public Mutual Berhad
59	Affin Hwang World Series - Global Income - AUD Hedged - Class*	23-May-2016	Affin Hwang Asset Management Berhad
60	Affin Hwang World Series - Global Income - MYR Hedged - Class*	23-May-2016	Affin Hwang Asset Management Berhad
61	Affin Hwang World Series - Global Income - SGD Hedged - Class*	23-May-2016	Affin Hwang Asset Management Berhad
62	Affin Hwang World Series - Global Income - USD Class*	23-May-2016	Affin Hwang Asset Management Berhad
63	RHB Global Macro Opportunities - RM Class*	1-Jun-2016	RHB Asset Management Sdn Bhd
64	RHB Global Macro Opportunities - USD Class*	1-Jun-2016	RHB Asset Management Sdn Bhd
65	Affin Hwang 6M Income 10*	6-Jun-2016	Affin Hwang Asset Management Berhad
66	Public Strategic Balanced	9-Jun-2016	Public Mutual Berhad
67	Affin Hwang 6M Income 11*	21-Jun-2016	Affin Hwang Asset Management Berhad
68	Affin Hwang Flexible Maturity Income IV	21-Jun-2016	Affin Hwang Asset Management Berhad
69	CIMB-Principal Total Return Bond 3	11-Jul-2016	CIMB-Principal Asset Management Berhad
70	Amconstant Extra 5	12-Jul-2016	AmFunds Management Berhad
71	Kenanga Asia Pacific Income	12-Jul-2016	Kenanga Investors Berhad
72	Eastspring Investments Global Target Income	18-Jul-2016	Eastspring Investments Berhad
73	United Target Income Bond 7	18-Jul-2016	UOB Asset Management (Malaysia) Berhad
74	Public Islamic Optimal Equity	26-Jul-2016	Public Mutual Berhad
75	Public Optimal Equity	26-Jul-2016	Public Mutual Berhad
76	United Target Income Bond 8	27-Jul-2016	UOB Asset Management (Malaysia) Berhad
77	RHB Private Equity Opportunity 1*	28-Jul-2016	RHB Asset Management Sdn Bhd
78	KAF Australia Islamic Property - Class A (AUD)*	1-Aug-2016	KAF Investment Funds Berhad
79	KAF Australia Islamic Property Class A (RM)*	1-Aug-2016	KAF Investment Funds Berhad
80	United Target Income Bond 9	8-Aug-2016	UOB Asset Management (Malaysia) Berhad
81	Hong Leong Regular Income	10-Aug-2016	Hong Leong Asset Management Berhad
82	TA Islamic Wholesale Cashplus*	17-Aug-2016	TA Investment Management Berhad

No	Funds Name	Launch Date	Unit Trust Management Companies
83	Manulife Flexi Growth & Income	18-Aug-2016	Manulife Asset Management Services Berhad
84	PB Asean Dividend Sequel	18-Aug-2016	Public Mutual Berhad
85	Pacific Cash Deposit*	30-Aug-2016	Pacific Mutual Fund Berhad
86	Affin Hwang Global Balanced - AUD Hedged-Class	1-Sep-2016	Affin Hwang Asset Management Berhad
87	Affin Hwang Global Balanced - MYR Hedged-Class	1-Sep-2016	Affin Hwang Asset Management Berhad
88	Affin Hwang Global Balanced - SGD Hedged-Class	1-Sep-2016	Affin Hwang Asset Management Berhad
89	Affin Hwang Global Balanced - USD Class	1-Sep-2016	Affin Hwang Asset Management Berhad
90	Affin Hwang World Series - Global Income - GBP-Hedged Class*	1-Sep-2016	Affin Hwang Asset Management Berhad
91	Affin Hwang World Series - Global Income - MYR Class*	1-Sep-2016	Affin Hwang Asset Management Berhad
92	CIMB-Principal Total Return Bond 4	6-Sep-2016	CIMB-Principal Asset Management Berhad
93	Maybank Institutional Income*	9-Sep-2016	Maybank Asset Management Sdn Bhd
94	Maybank Constant Income 5	19-Sep-2016	Maybank Asset Management Sdn Bhd
95	United Global Quality Equity - AUD Hedged Class	26-Sep-2016	UOB Asset Management (Malaysia) Berhad
96	United Global Quality Equity - MYR Hedged Class	26-Sep-2016	UOB Asset Management (Malaysia) Berhad
97	United Global Quality Equity - SGD Hedged Class	26-Sep-2016	UOB Asset Management (Malaysia) Berhad
98	United Global Quality Equity - USD Class	26-Sep-2016	UOB Asset Management (Malaysia) Berhad
99	CIMB Islamic Corporate Deposit 3*	13-Oct-2016	CIMB-Principal Asset Management Berhad
100	Affin Hwang Structured Income 9*	18-Oct-2016	Affin Hwang Asset Management Berhad
101	United Target Income Bond Fund 10	21-Oct-2016	UOB Asset Management (Malaysia) Berhad
102	Affin Hwang Flexible Maturity Income 7	25-Oct-2016	Affin Hwang Asset Management Berhad
103	BIMB Invest Wafiyah*	25-Oct-2016	BIMB Investment Management Berhad
104	Manulife Dragon Growth-RM Hedged-Class*	3-Nov-2016	Manulife Asset Management Services Berhad
105	Manulife Dragon Growth-USD Class*	3-Nov-2016	Manulife Asset Management Services Berhad
106	United Golden Opportunity - AUD Hedged Class*	7-Nov-2016	UOB Asset Management (Malaysia) Berhad

No	Funds Name	Launch Date	Unit Trust Management Companies
107	United Golden Opportunity - GBP Hedged Class*	7-Nov-2016	UOB Asset Management (Malaysia) Berhad
108	United Golden Opportunity - MYR Class*	7-Nov-2016	UOB Asset Management (Malaysia) Berhad
109	United Golden Opportunity - MYR Hedged Class*	7-Nov-2016	UOB Asset Management (Malaysia) Berhad
110	United Golden Opportunity - SGD Hedged Class*	7-Nov-2016	UOB Asset Management (Malaysia) Berhad
111	United Golden Opportunity - USD Class*	7-Nov-2016	UOB Asset Management (Malaysia) Berhad
112	Maybank Income Plus 4*	10-Nov-2016	Maybank Asset Management Sdn Bhd
113	MIDF Amanah Shariah Cash II*	10-Nov-2016	MIDF Amanah Asset Management Berhad
114	Areca Dynamic Growth*	11-Nov-2016	Areca Capital Sdn Bhd
115	Affin Hwang Flexible Maturity Income 6	28-Nov-2016	Affin Hwang Asset Management Berhad
116	CIMB-Principal Total Return Bond 5	13-Dec-2016	CIMB-Principal Asset Management Berhad
117	Affin Hwang 6M Income 12*	23-Dec-2016	Affin Hwang Asset Management Berhad

(B) Private Retirement Schemes

No	Funds Name	Launch date	PRS Provider
1	Manulife PRS-Conservative -Class C	28-Apr-2016	Manulife Asset Management Services Berhad
2	Manulife PRS-Growth-Class C	28-Apr-2016	Manulife Asset Management Services Berhad
3	Manulife PRS-Moderate -Class C	28-Apr-2016	Manulife Asset Management Services Berhad
4	Manulife Shariah PRS-Conservative-Class C	28-Apr-2016	Manulife Asset Management Services Berhad
5	Manulife Shariah PRS-Growth-Class C	28-Apr-2016	Manulife Asset Management Services Berhad
6	Manulife Shariah PRS-Moderate-Class C	28-Apr-2016	Manulife Asset Management Services Berhad
7	Kenanga Shariah OnePRS Conservative	18-Aug-2016	Kenanga Investors Berhad
8	Kenanga Shariah OnePRS Growth	18-Aug-2016	Kenanga Investors Berhad
9	Kenanga Shariah OnePRS Moderate	18-Aug-2016	Kenanga Investors Berhad
10	RHB Retirement Series - Islamic Balanced	1-Sep-2016	RHB Asset Management Sdn Bhd
11	RHB Retirement Series - Islamic Equity	1-Sep-2016	RHB Asset Management Sdn Bhd
12	AmPRS-Dynamic Allocator-Class D	7-Oct-2016	AmFunds Management Berhad
13	AmPRS-Dynamic Allocator-Class I	7-Oct-2016	AmFunds Management Berhad

* Wholesale funds

Source: SC and FIMM.



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Computerised Unit Trust Examination (CUTE)

CUTE sessions were conducted in Kuala Lumpur, Petaling Jaya, Penang, Johor Bahru, Ipoh, Kota Kinabalu, Kuantan, Kuching, Kota Bharu, Kuala Terengganu, Seremban, Melaka, Miri, Sibul, and Tawau.

Table 2 shows the number of candidates registered for CUTE in 2016. The number of candidates registered for CUTE in year 2016 is lower than 2015.

Table 2: Comparison of CUTE Registration for 2015 and 2016

Examination Session	No. of Registered Candidates 2016	No. of Registered Candidates 2015
January	1,643	1,466
February	1,356	1,227
March	2,115	1,858
April	2,054	1,378
May	2,135	1,859
June	2,072	2,321
July	1,288	1,272
August	1,599	2,179
September	1,777	1,961
October	1,579	2,420
November	1,657	2,058
December	1,545	1,500
TOTAL	20,820	21,499

Unit Trust Scheme Consultants (UTS Consultants)

The total number of UTS Consultants (Table 3) stood at 54,308 as at 31 December 2016 compared to 52,521 as at 31 December 2015. From the total of 54,308 registered UTS Consultants, 82.9 % were UTS Consultants Members and the remaining 17.1. % were UTC of IUTA and CUTA.

(Note: As of 31 December 2016, the renewal rate was 84% as a total of 10,312 UTS Consultants did not renew their registration for 2017)

Table 3: Number of Registered UTS Consultants

No	COMPANY NAME	31 December 2016	31 December 2015
1.	ABERDEEN ISLAMIC ASSET MANAGEMENT SDN BHD	21	19
2.	AFFIN HWANG ASSET MANAGEMENT BERHAD	511	559
3.	AMANAH MUTUAL BERHAD	28	29
4.	AMANAH SAHAM NASIONAL BERHAD	640	596
5.	AMANAH SAHAM SARAWAK BERHAD	55	53

No	COMPANY NAME	31 December 2016	31 December 2015
6.	AMANAHRAYA INVESTMENT MANAGEMENT SDN BHD	29	26
7.	AMFUNDS MANAGEMENT BERHAD	95	107
8.	APEX INVESTMENT SERVICES BERHAD	64	86
9.	ARECA CAPITAL SDN BHD	19	15
10.	BIMB INVESTMENT MANAGEMENT BERHAD	81	122
11.	CIMB-PRINCIPAL ASSET MANAGEMENT BERHAD	6,169	6,814
12.	EASTSPRING INVESTMENTS BERHAD	1,926	1,900
13.	FRANKLIN TEMPLETON GSC ASSET MANAGEMENT SDN BHD	4	4
14.	HONG LEONG ASSET MANAGEMENT BERHAD	216	260
15.	INTER-PACIFIC ASSET MANAGEMENT SDN BHD	2	2
16.	KAF INVESTMENT FUNDS BERHAD	59	58
17.	KEDAH ISLAMIC ASSET MANAGEMENT BERHAD	12	13
18.	KENANGA INVESTORS BERHAD	1,266	1,089
19.	LIBRA INVEST BERHAD	39	47
20.	MANULIFE ASSET MANAGEMENT SERVICES BERHAD	1,875	1,639
21.	MAYBANK ASSET MANAGEMENT SDN BHD	17	13
22.	MIDF AMANAH ASSET MANAGEMENT BERHAD	5	5
23.	PACIFIC MUTUAL FUND BERHAD	340	367
24.	PELABURAN JOHOR BERHAD (withdrew registration w.e.f 1 Nov 2016)	0	7
25.	PENGURUSAN KUMIPA BERHAD	13	13
26.	PERMODALAN BSN BERHAD	5	6
27.	PHEIM UNIT TRUSTS BERHAD	6	5
28.	PHILLIP MUTUAL BERHAD	961	639
29.	PMB INVESTMENT BERHAD	315	199
30.	PTB UNIT TRUST BERHAD	18	18
31.	PUBLIC MUTUAL BERHAD	28,951	28,001
32.	RHB ASSET MANAGEMENT SDN BHD	1,010	711
33.	RHB ISLAMIC INTERNATIONAL ASSET MANAGEMENT BERHAD	3	3
34.	SAHAM SABAH BERHAD	38	38
35.	SATURNA SDN BHD	2	2
36.	TA INVESTMENT MANAGEMENT BERHAD	242	265
37.	UOB ASSET MANAGEMENT (MALAYSIA) BERHAD	16	14
Sub-Total		45,053	43,744



No	COMPANY NAME	31 December 2016	31 December 2015
1.	A.D. FINANCIAL SDN BHD	13	13
2.	AFFIN BANK BERHAD	242	242
3.	ALLIANCE BANK MALAYSIA BERHAD	275	396
4.	AL RAJHI BANKING & INVESTMENT CORPORATION (MALAYSIA) BERHAD	47	30
5.	AMBank (M) BERHAD	630	613
6.	AMBank ISLAMIC BERHAD	0	0
7.	AMINVESTMENT BANK BERHAD	61	65
8.	BANK ISLAM MALAYSIA BERHAD	394	440
9.	BANK KERJASAMA RAKYAT MALAYSIA BERHAD	38	41
10.	BANK MUAMALAT MALAYSIA BERHAD	122	126
11.	BANK SIMPANAN NASIONAL	53	52
12.	BLUEPRINT PLANING SDN BHD	8	10
13.	CIMB BANK BERHAD	1,135	1,078
14.	CIMB INVESTMENT BANK BERHAD	83	87
15.	CIMB ISLAMIC BANK BERHAD	0	0
16.	CITIBANK BERHAD	90	136
17.	ETALAGE SDN BHD	3	0
18.	FA ADVISORY SDN BHD	47	28
19.	FIN FREEDOM SDN BHD	18	16
20.	HARVESTON WEALTH MANAGEMENT SDN BHD	22	19
21.	HONG LEONG BANK BERHAD	991	952
22.	HONG LEONG ISLAMIC BANK BERHAD	0	0
23.	HSBC AMANAH MALAYSIA BERHAD	100	106
24.	HSBC BANK MALAYSIA BERHAD	276	262
25.	iFAST CAPITAL SDN BHD	24	34
26.	INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MALAYSIA) BERHAD	17	8
27.	KENANGA INVESTMENT BANK BERHAD	9	31
28.	KUWAIT FINANCE HOUSE (MALAYSIA) BERHAD	42	38
29.	LEGACY ADVISORY SDN BHD	17	12
30.	MALAYAN BANKING BERHAD	1,027	587
31.	MAYBANK ISLAMIC BERHAD	18	23
32.	OCBC AL-AMIN BANK BERHAD	37	33

No	COMPANY NAME	31 December 2016	31 December 2015
33.	OCBC BANK BERHAD	471	452
34.	PUBLIC BANK BERHAD	925	923
35.	RHB BANK BERHAD	803	758
36.	RHB INVESTMENT BANK BERHAD	256	236
37.	RHB ISLAMIC BANK BERHAD	18	12
38.	STANDARD CHARTERED BANK MALAYSIA BERHAD	309	296
39.	STANDARD CHARTERED SAADIQ BERHAD	17	26
40.	STANDARD FINANCIAL ADVISER SDN BHD	71	69
41.	UNITED OVERSEAS BANK (MALAYSIA) BERHAD	449	457
42.	VKA WEALTH PLANNERS SDN BHD	76	57
43.	WHITMAN INDEPENDENT ADVISORS SDN BHD	21	13
	Sub-Total	9,255	8,777
	GRAND TOTAL	54,308	52,521

*Excluding members who are IUTAs.

Registration of Institutional UTS Advisers (IUTA)

As at 31 December 2016, a total of 48 IUTA were registered with FIMM, with addition of 2 new IUTA as shown below, comprising banks, investment banks, unit trust management companies and an on-line financial services provider.

	Name of IUTA	Date of Registration
1	AMBANK ISLAMIC BERHAD	13 Sep 2016
2	AMANAHRAYA INVESTMENT MANAGEMENT BERHAD	18 Mar 2016
3	INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MALAYSIA) BERHAD	11 Sep 2015
4	EASTSPRING INVESTMENTS BERHAD	11 Sep 2015
5	RHB ISLAMIC BANK BERHAD	8 Apr 2015
6	AFFIN HWANG ASSET MANAGEMENT BERHAD	9 Mar 2015
7	KAF INVESTMENT FUNDS BERHAD	17 Oct 2014
8	CIMB-PRINCIPAL ASSET MANAGEMENT BERHAD	26 July 2013
9	RHB INVESTMENT BANK BERHAD	12 April 2013
10	BANK MUAMALAT MALAYSIA BERHAD	9 April 2013
11	MANULIFE ASSET MANAGEMENT SERVICES BERHAD	21 Sep 2012
12	MAYBANK ISLAMIC BERHAD	23 Dec 2011
13	KENANGA INVESTMENT BANK BERHAD	14 Oct 2011
14	BANK SIMPANAN NASIONAL	27 May 2010
15	BANK KERJASAMA RAKYAT MALAYSIA BERHAD	6 July 2009
16	OCBC AL-AMIN BANK BERHAD	21 Jan 2009
17	STANDARD CHARTERED SAADIQ BERHAD	18 Nov 2008
18	HSBC AMANAH MALAYSIA BERHAD	29 Oct 2008
19	AMANAH SAHAM NASIONAL BERHAD	25 Sep 2008
20	iFAST CAPITAL SDN BHD	27 Jun 2008
21	RHB ASSET MANAGEMENT SDN BHD	14 May 2008
22	BANK ISLAM MALAYSIA BERHAD	3 Mar 2008
23	ARECA CAPITAL SDN BHD	27 Nov 2007
24	CIMB ISLAMIC BANK BERHAD	29 Aug 2007
25	KUWAIT FINANCE HOUSE (MALAYSIA) BERHAD	27 Aug 2007
26	AL RAJHI BANKING & INVESTMENT CORPORATION (MALAYSIA) BERHAD	4 Jun 2007
27	HONG LEONG ISLAMIC BANK BERHAD	18 May 2007
28	PMB INVESTMENT BERHAD	11 Dec 2006
29	CIMB BANK BERHAD	8 Sep 2006
30	TA INVESTMENT MANAGEMENT BERHAD	7 Sep 2006
31	PHILLIP MUTUAL BERHAD	1 May 2005

	Name of IUTA	Date of Registration
32	KENANGA INVESTORS BERHAD	15 Apr 2005
33	AMBANK (M) BERHAD	15 Feb 2005
34	HONG LEONG BANK BERHAD	1 Oct 2004
35	AMINVESTMENT BANK BERHAD	1 Sep 2003
36	AFFIN BANK BERHAD	1 Mar 2003
37	RHB BANK BERHAD	1 Feb 2003
38	MALAYAN BANKING BERHAD	15 Sep 2002
39	CIMB INVESTMENT BANK BERHAD	1 May 2002
40	UNITED OVERSEAS BANK (MALAYSIA) BERHAD	15 Mar 2002
41	ALLIANCE BANK MALAYSIA BERHAD	1 Aug 2001
42	AMFUNDS MANAGEMENT BERHAD	15 Jun 2001
43	APEX INVESTMENT SERVICES BERHAD	1 Nov 2000
44	PUBLIC BANK BERHAD	1 Oct 2000
45	OCBC BANK (MALAYSIA) BERHAD	1 May 2000
46	HSBC BANK MALAYSIA BERHAD	1 May 2000
47	STANDARD CHARTERED BANK MALAYSIA BERHAD	1 May 2000
48	CITIBANK BERHAD	1 May 2000

Registration of Corporate UTS Advisers (CUTA)

As at 31 December 2016, a total of 10 CUTA were registered with FIMM as shown below:

	Name of CUTA	Date of Registration
1	ETALAGE SDN BHD	7 Sep 2016
2	VKA WEALTH PLANNERS SDN BHD	16 Jan 2015
3	BLUEPRINT PLANNING SDN BHD	9 July 2014
4	FA ADVISORY SDN BHD	12 June 2014
5	LEGACY ADVISORY SDN BHD	10 Nov 2011
6	HARVESTON WEALTH MANAGEMENT SDN BHD	11 Feb 2010
7	A.D. FINANCIAL SDN BHD	2 Oct 2009
8	WHITMAN INDEPENDENT ADVISORS SDN BHD	17 Feb 2009
9	FIN FREEDOM SDN BHD	5 Aug 2008
10	STANDARD FINANCIAL ADVISER SDN BHD	29 Apr 2008



Private Retirement Scheme Examination (PRSE)

PRSE was conducted in Kuala Lumpur, Penang, Johor Bahru, Kuching, Kota Kinabalu, Ipoh, Alor Setar, Kota Bahru, Kuantan, Temerloh, Melaka, Kuala Terengganu, Muar, Sibu, Miri, Tawau and Bintulu.

Table 4 shows the number of candidates registered for PRSE in 2016.

Table 4: Comparison of PRSE Registration for 2015 and 2016

Examination Session	No. of Registered Candidates 2016	No. of Registered Candidates 2015
January	270	166
February	302	128
March	179	183
April	427	330
May	237	201
June	422	237
July	198	139
August	349	343
September	259	314
October	300	282
November	352	397
December	308	141
TOTAL	3,603	2,861

Private Retirement Scheme Consultants (PRS Consultants)

The total number of PRS Consultants stood at 19,153 as at 31 December 2016. From the total of 19,153 registered PRS Consultants, 83% of them were PRS Consultants of PRS Providers and the remaining 17% were PRS Consultants of Institutional PRS Advisers and Corporate PRS Advisers.

Table 5: Number of Registered PRS Consultants

PRS PROVIDERS			
COMPANY NAME		31 December 2016	31 December 2015
1.	AFFIN HWANG ASSET MANAGEMENT BERHAD	325	355
2.	AIA PENSION AND ASSET MANAGEMENT SDN BHD	2,744	3,170
3.	AMFUNDS MANAGEMENT BERHAD	39	42
4.	CIMB-PRINCIPAL ASSET MANAGEMENT BERHAD	1,602	1,773
5.	KENANGA INVESTORS BERHAD*	690	651
6.	MANULIFE ASSET MANAGEMENT SERVICES BERHAD	553	534
7.	PUBLIC MUTUAL BERHAD	9,771	9,310
8.	RHB ASSET MANAGEMENT SDN BHD	175	184
Sub-Total		15,899	16,019
*Registered with FIMM as PRS Provider and Institutional PRS Adviser			
INSTITUTIONAL PRS ADVISERS			
1.	AMBank (M) BERHAD	452	441
2.	BANK MUAMALAT MALAYSIA BERHAD	47	32
3.	CIMB BANK BERHAD	884	882
4.	CITIBANK BERHAD	85	127
5.	iFAST CAPITAL SDN BHD	16	16
6.	KENANGA INVESTMENT BANK BERHAD	6	19
7.	PHILLIP MUTUAL BERHAD	257	230
8.	PUBLIC BANK BERHAD	742	728
9.	RHB BANK BERHAD	496	570
10.	TA INVESTMENT MANAGEMENT BERHAD	13	10
Sub-Total		2,998	3,055

Corporate PRS Advisers

CORPORATE PRS ADVISERS

COMPANY NAME	31 December 2016	31 December 2015
1. A.D. FINANCIAL SDN BHD	9	10
2. BLUEPRINT PLANNING SDN BHD	6	6
3. ETALAGE SDN BHD	3	0
4. FA ADVISORY SDN BHD	42	25
5. FIN FREEDOM SDN BHD	17	15
6. HARVESTON WEALTH MANAGEMENT SDN BHD	22	15
7. LEGACY ADVISORY SDN BHD	12	9
8. STANDARD FINANCIAL ADVISER SDN BHD	56	54
9. VKA WEALTH MANAGEMENT SDN BHD	72	61
10. WHITMAN INDEPENDENT ADVISORS SDN BHD	17	11
Sub-Total	256	206
GRAND TOTAL	19,153	19,280

Registration of PRS Providers

As at 31 December 2016, a total of 8 PRS Providers were registered with FIMM.

NAME OF PRS PROVIDERS	Date of Registration
1. AMFUNDS MANAGEMENT BERHAD	1 Dec 2014
2. KENANGA INVESTORS BERHAD	12 Jun 2013
3. AIA PENSION AND ASSET MANAGEMENT SDN BHD	14 Jan 2013
4. CIMB-PRINCIPAL ASSET MANAGEMENT BERHAD	1 Nov 2012
5. PUBLIC MUTUAL BERHAD	18 Oct 2012
6. MANULIFE ASSET MANAGEMENT SERVICES BERHAD	16 Oct 2012
7. RHB ASSET MANAGEMENT SDN BHD	10 Oct 2012
8. AFFIN HWANG ASSET MANAGEMENT BERHAD	14 Sep 2012

Registration of Institutional PRS Advisers

As at 31 December 2016, a total of 11 Institutional PRS Advisers were registered with FIMM, comprising banks, investment banks, unit trust management companies and an on-line financial services provider as shown below.

	NAME OF INSTITUTIONAL PRS ADVISERS	Date of Registration
1.	KENANGA INVESTORS BERHAD	11 Dec 2015
2.	BANK MUAMALAT MALAYSIA BERHAD	23 Sep 2015
3.	TA INVESTMENT MANAGEMENT BERHAD	24 Apr 2015
4.	PHILLIP MUTUAL BERHAD	14 Oct 2013
5.	KENANGA INVESTMENT BANK BERHAD	27 June 2013
6.	CITIBANK BERHAD	7 June 2013
7.	AMBANK (M) BERHAD	11 Mar 2013
8.	RHB BANK BERHAD	1 Nov 2012
9.	iFAST CAPITAL SDN BHD	18 Oct 2012
10.	PUBLIC BANK BERHAD	1 Oct 2012
11.	CIMB BANK BERHAD	1 Oct 2012

Registration of Corporate PRS Advisers

A total of ten (10) Corporate PRS Advisers were registered with FIMM as at 31 December 2016 as shown below:

	NAME OF CORPORATE PRS ADVISERS	Date of Registration
1.	ETALAGE SDN BHD	7 Sep 2016
2.	BLUEPRINT PLANNING SDN BHD	22 Aug 2014
3.	FA ADVISORY SDN BHD	24 Jun 2014
4.	LEGACY ADVISORY SDN BHD	22 Nov 2013
5.	A.D. FINANCIAL SDN BHD	1 Nov 2013
6.	HARVESTON WEALTH MANAGEMENT SDN BHD	19 Mar 2013
7.	VKA WEALTH MANAGEMENT SDN BHD	19 Nov 2012
8.	WHITMAN INDEPENDENT ADVISORS SDN BHD	9 Nov 2012
9.	FIN FREEDOM SDN BHD	1 Nov 2012
10.	STANDARD FINANCIAL ADVISER SDN BHD	16 Oct 2012

Enforcement

Initiatives undertaken by FIMM in 2016 to fulfil its regulatory functions include:

Enforcement Activities

FIMM conducted disciplinary proceedings and took actions for misconduct and breach of FIMM's rules by entities registered with FIMM. Penalties meted out ranged from private reprimand to barring from re-registration.

FIMM received 39 complaints in the year 2016 which included complaints referred by Securities Commission Malaysia (SC), Distributors and complaints lodged by investors. Complaints were mostly related to:

- Unethical conduct involving distribution and marketing of unit trust funds;
- Unauthorized investment and redemption;
- Unsatisfactory client service; and
- Acting for more than 1 principal.

Enforcement actions taken in 2016:

In 2016, the enforcement actions taken by FIMM are as follows:

- As at 31 December 2016, there were in total 10 sanctions imposed and a total of 2 warnings issued.
- Details on the sanctions imposed are listed below:

No	Nature of complaint	Private Reprimand	Public Reprimand	Revocation/ Barring from Registration	Revocation/ Barring from Registration and Public Reprimand	Total
1	Misappropriation of investor's funds	-	-	-	2	2
2	Dealing with unapproved funds	1	-	-	-	1
3	Acting more than 1 principal	-	3	-	-	3
4	*Unethical conduct involving distribution and marketing of funds	-	2	1	1	4
TOTAL		1	5	1	3	10

*Unethical conduct involving distribution and marketing of funds comprises of complaints involving unprofessional conduct for facilitating the arrangement to act for more than 1 principal and failure to act with honesty and integrity by using fake degree in the application to be registered as UTS Consultant.

- Details on warnings issued to consultants are listed below:

Number of UTS consultants	Misconduct
One (1)	Dealing with unapproved fund [issued by the Disciplinary Sub-Committee (DSC)] (UTS consultant's name was used in the promotional material)
One (1)	Unethical conduct involving distribution and marketing of funds [issued by the Disciplinary Committee (DC)]

Appeal Committee (AC)

CHAIRMAN

Datuk Siti Hadzar binti Mohd Ismail

RESPONSIBILITIES

To hear and decide on appeals made by registered persons aggrieved by decisions of Disciplinary Sub-Committee.

MEETING

There were two (2) Appeal Committee meetings and one (1) Appeal Sub-Committee meeting held in 2016.

Composition and Attendance

No.	*Members	Attendance	Remarks
1	Datuk Siti Hadzar binti Mohd Ismail Chairman / Public Interest Director	3/3	
2	Dato' Fauziah binti Yaacob Public Interest Director	3/3	
3	Dato' Mohd Sallehuddin bin Othman Public Interest Director	3/3	Appointed w.e.f. 26 April 2016
4	En. Mohammad bin Hussin Elected Director	3/3	
5	Mr. Harinder Pal Singh a/l Joga Singh Elected Director	3/3	

**The Appeal Committee and Appeal Sub-Committee comprised the same members.*

ACTIVITIES/INITIATIVES

1. In the year 2016, the AC deliberated 3 appeals;
2. Deliberated and decided appeal by registered persons aggrieved by decisions of Disciplinary Sub-Committee; and
3. Provide clarification and advice on proper mechanisms and adequate measures to handle complaints and enforcement including (but not limited to) disciplinary procedures.

Disciplinary Committee (DC)

CHAIRMAN

Ms. Koid Swee Lian

RESPONSIBILITIES

- (a) Convene and conduct hearings on cases brought before it by the management;
- (b) Consider and decide if there has been proven misconduct and/or non-compliance of FIMM's rules;
- (c) Decide and impose appropriate disciplinary sanctions;
- (d) Review report on cases that the management considers as frivolous and vexatious; and
- (e) Provide advice and guidance to the management on policy or procedure that facilitates the disciplinary process, in the interest of the investing public.

MEETING

There were four (4) Disciplinary Committee meetings held in 2016.

Composition and Attendance

No.	Members	Attendance	Remarks
1	Ms. Koid Swee Lian Chairman / Public Interest Director	4/4	
2	Datuk Noripah binti Kamso Public Interest Director	1/4	
3	Tuan Muniandy Kannyappan J.M.N Public Interest Director	4/4	
4	Ms. Yeoh Kim Hong Elected Director	2/4	
5	Dato' Mohamad Ayob bin Abu Hassan Elected Director	2/4	
6	Mr. Ho Seng Yee Elected Director	1/4	
7	Mr. Wong Teck Meng Elected Director	3/4	

ACTIVITIES/INITIATIVES

1. In the year 2016, the DC deliberated 42 complaints;
2. Deliberated and decided on complaints received by FIMM which were submitted to the Securities Commission Malaysia (SC) in quarterly report; and
3. Provide clarification and advice on proper mechanisms and adequate measures to handle complaints, including (but not limited to) disciplinary procedures.

Disciplinary Sub-Committee (DSC)

CHAIRMAN

Ms. Koid Swee Lian

RESPONSIBILITIES

- (a) Conduct disciplinary proceedings on cases referred to by the Disciplinary Committee;
- (b) Consider and decide if there has been proven misconduct and/or non-compliance with FIMM's rules; and
- (c) Decide and impose appropriate disciplinary sanctions.

MEETING

There were five (5) Disciplinary Sub-Committee meetings held in 2016.

Composition and Attendance

No.	Members	Attendance	Remarks
1	Ms. Koid Swee Lian Chairman / Public Interest Director	5/5	
2	Datuk Noripah binti Kamso Public Interest Director	3/5	
3	Tuan Muniandy Kannyappan J.M.N Public Interest Director	5/5	
4	Ms. Yeoh Kim Hong Elected Director	0/5	
5	Dato' Mohamad Ayob bin Abu Hassan Elected Director	2/5	
6	Mr. Ho Seng Yee Elected Director	3/5	
7	Mr. Wong Teck Meng Elected Director	5/5	

ACTIVITIES/INITIATIVES

1. In 2016, the details of the disciplinary proceedings held are as follows ;

Month	Number of cases heard	Number of UTS consultants involved	Sanctions imposed by Disciplinary Sub-Committee (DSC)	Dismissed by DSC
March	3	4 *2 UTS consultants involved in 1 case	3 *No sanction was imposed to 1 UTS consultant, only warning was issued	-
May	2	3	-	1
June	[Continuation for 1 case in disciplinary proceedings that was held in May]	[Continuation for 1 case in disciplinary proceedings that was held in May]	3	-
October	2	4	4	-
TOTAL	7	11	10	1

2. The details of cases referred to disciplinary proceedings in 2016 is set out in the table below:

Nature of cases	Number of cases	No of Unit Trust Consultants involved	Sanction (s) imposed by DSC	Warning issued by DSC
Misappropriation of investor's fund	2	2	2	-
Dealing with unapproved fund	1	2	1	1
Acting for more than 1 principal	1	3	3	-
Unprofessional conduct for facilitating the arrangement to act for more than 1 principal	1	3	3	-
Failure to act with honesty and integrity by using fake degree in the application to be registered as UTS Consultant.	1	1	1	-
Unethical conduct involving distribution and marketing of funds	1	1	-	-
Total	7	11	10	1

Industry Development Committee (IDC)

CHAIRMAN

En. Nik Mohd Hasyudeen bin Yusoff

RESPONSIBILITIES

- Provide a forum for discussion on matters relating to the investment management industry to enhance confidence and raise public awareness in the industry;
- Act as a conduit for consultation and cooperation between registered persons and the Securities Commission Malaysia (SC) and other authorities on matters concerning the industry;
- Review, develop and introduce best practices including industry standards for fund management, fund operations and marketing and distribution of funds;
- Conduct research on relevant areas and review industry statistics to facilitate growth of the industry; and
- Approve the training, examination syllabus and development programmes, meetings, seminars and conferences for registered persons and consultants.

MEETING

There were five (5) IDC meetings held in 2016.

No.	Members	Attendance	Remarks
1	En. Nik Mohd Hasyudeen bin Yusoff Chairman / Public Interest Director	1/1	Appointed w.e.f. 24 October 2016
2	Datuk Noripah binti Kamso Public Interest Director	4/5	Relinquished Chairmanship w.e.f. 24 October 2016 and retain as a Committee member
3	Tuan Muniandy Kannayappan J.M.N Public Interest Director	3/5	
4	Ms. Koid Swee Lian Public Interest Director	5/5	
5	En. Mohammad bin Hussin Elected Director	4/5	
6	Ms. Yeoh Kim Hong Elected Director	3/5	
7	Dato' Mohamad Ayob bin Abu Hassan Elected Director	4/5	
8	Mr. Ho Seng Yee Elected Director	3/5	
9	Mr. Harinder Pal Singh a/l Joga Singh Elected Director	5/5	
10	Mr. Ismitz Matthew De Alwis Elected Director	5/5	
11	Mr. Wong Teck Meng Elected Director	4/5	
12	Pn. Munirah binti Khairuddin Subject Matter Expert	2/5	
13	Dato' Fauziah binti Yaacob Public Interest Director	1/2	Ceased w.e.f. 26 April 2016

ACTIVITIES/INITIATIVES

1.0 Securities Commission Malaysia (SC)

1.1 Removal of tax exemption for certain interest income earned by Wholesale Money Market Funds (Wholesale MMF)

All Unit Trust Funds (Fund), including money market funds are tax entities and are liable to income tax in line with the provisions of the Malaysian Income Tax Act 1967 (MITA 1967), particularly sections 61 and 63B.

The income of the Fund derived from or accruing in Malaysia after deducting tax allowable expenses, is liable for Malaysian income tax at prevalent rate which is currently imposed at the rate of 24%, subjected to exemptions set out under Schedule 6 of the MITA 1967.

Among others, Schedule 6 of MITA 1967 provides tax exemption for income of a Fund in respect of interest derived from Malaysia and paid or credited by-

- a) a bank licensed under the Financial Services Act 2013;
- b) an Islamic bank licensed under the Islamic Financial Services Act 2013; or
- c) a development financial institution prescribed under the Development Financial Institutions Act 2002

On 26 October 2016, Section 29(h) of the Finance Bill 2016 (Bill) issued by the Government prescribed changes to paragraph 35A of Schedule 6 of the MITA 1967 whereby tax exemption on retail money market funds will be removed. However, in the accompanied explanatory notes of the Bill, it said differently whereby the removal of tax exemption will only apply for Wholesale MMF. The amendment in the Bill will come into effect in Year of Assessment 2017 (YA2017).

The above ambiguity was subsequently clarified in the revised Bill approved by the Parliament on 23 November 2016. The removal of tax exemption is confirmed applies to Wholesale MMF in line with criteria set out in the guidelines issued by SC. The effective date for the amendments is however remains at YA2017.

The removal of tax exemption are mooted by the Government with an intention to address abuses that took place in the Wholesale MMF space. Impacts to the industry arising from changes are as follows:

- a) The changes removed tax exemption on interest paid by banks, Islamic banks and development banks to Wholesale MMF which will reduce the returns from deposits of all Wholesale MMF moving forward; and
- b) The effective date of YA2017 has practical issues. Effective date YA2017 would mean that all the interest income earned or accrued during the 12-month period to the financial year ended on any day in 2017 should not be exempted from tax. If this issue is not being addressed timely, it may cause possible significant redemption and devaluation in the net asset value of Wholesale MMF prior to the effective date.

Given that the SC is the centralised contact point with Ministry of Finance (MOF) on this issue,

Industry Development Committee (Cont'd)

FIMM has met with the SC at the end of November 2016 to understand the objective and concern on the issue from MOF, the status and progress on the negotiation. It is concluded during the meeting that FIMM will proceed to engage with MOF directly to resolve the issue on effective date while SC will work on the criteria for genuine Wholesale MMF that are still qualified for tax exemption as well as the guidelines.

On 15 December 2016, FIMM proposed to the MOF that taxes should take effect from 1 January 2017 instead of YA2017. The proposal subsequently approved by the MOF and duly included as Clause 5.02 in the SC's Guidelines on Tax Exemption for Wholesale Money Market Funds issued on 23 December 2016.

1.2 The Federal Budget 2017

Upon the engagement with the industry, FIMM has submitted 3 proposals seeking, among others, to raise the maximum amount of personal tax relief for Private Retirement Schemes (PRS) from RM3,000 to RM6,000 per annum; to enhance Youth Incentive Scheme from RM500 to RM1,500 staggered over 3 years and tax incentive for onshore managed foreign funds.

In the Federal Budget 2017 announced in October 2016, the government has enhanced the Youth Incentive Scheme to RM1,000 whereby the government will contribute RM1,000 per qualified youth to be used to purchase units of PRS in the PRS account. To qualify, the youth has to accumulate a minimum contribution amount of RM1,000 during a period of 2 years from 2017-2018.

Meanwhile, the other 2 proposals were not adopted by the government.

1.3 Common Reporting Standard (CRS)

Organisation for Economic Co-operation and Development (OECD), together with G20 countries and in close cooperation with the European Union and other stakeholders had developed the standard for Automatic Exchange of Financial Account Information or CRS that based largely on Model 1, Intergovernmental Agreement (IGA) of Foreign Account Tax Compliance Act (FATCA). With the adoption of a common approach to automate exchange of information, it is expected that the probability of offshore tax evasion can be reduced in a cost effective manner for the governments.

Under the CRS, Malaysian Financial Institutions (MYFIs) are required to collect and report to Inland Revenue Board of Malaysia (IRBM), financial account information on non-residents. IRBM will exchange this information with the participating foreign tax authorities of those non-residents. To date, more than 90 jurisdictions have announced their commitments to implement the CRS. Malaysia has committed to exchange the CRS information from 2018 and would also be receiving financial account information on Malaysian residents from other countries' tax authorities.

Following IRBM's briefing on CRS update in February and August 2016, FIMM had issued circulars to update members on the status of the CRS implementation and to gather feedback/queries from members pertaining to IRBM's consultation on regulatory approach and policy options in adopting CRS framework. FIMM has subsequently forwarded the feedback/queries from members to the SC and IRBM for further actions.

2.0 Employees Provident Fund (EPF)

- 2.1 To review the methodology in calculating permitted withdrawal amount under the EPF Members Investment Scheme (EPF-MIS).

Following the revision of minimum pension amount to RM950 per month for pensioners who have exceeded 25 years of service in the public sector as announced in 2016 Federal Budget, the Basic Savings is expected to be revised again in 2017 so that EPF members will have at least RM228,000 (2014: RM196,800) in their EPF savings upon their retirement.

In view of the above and to mitigate the potential impacts to the growth of the unit trust industry, FIMM has proposed to EPF to consider including 50% of amount withdrawn by EPF members under the EPF-MIS as part of their calculation in determining the eligible amount for further withdrawal so as to allow EPF members who are willing and able to take higher risks to participate further under the EPF-MIS for the purpose of enhancing the value of their retirement assets. The proposal was not considered by EPF in 2016 as EPF prioritized their resources on other projects.

- 2.2 EPF Islamic Project

In 2015, EPF has announced that it will introduce an Islamic option that offers all EPF members a choice to manage their EPF savings exclusively in accordance with Shariah principle. Once an EPF member selects the option, his account will be designated as an Islamic account and that account status cannot be revoked by EPF members.

While the EPF Islamic project is scheduled to come into effect on 1 January 2017, the industry has started doing much work since Q2, 2015. FIMM has been representing the industry and has worked closely with EPF to identify changes necessary to the E-PPA system especially those related to the file exchange gateway and interface system of FIMM's members who have been approved by EPF as Instititusi Pengurusan Dana (IPDs).

The changes to IPDs internal system as well as interface were completed with first testing cycle started in March 2016. The user acceptance tests for the file exchange gateway and interface system were conducted successfully and completed in September 2016 as scheduled. The system with EPF Islamic features was subsequently implemented on 24 October 2016 with the first batch of Islamic status of EPF members that have invested in unit trusts under the EPF-MIS were successfully made available to IPDs during the last week of 2016.

- 2.3 Annual EPF-MIS Fund Evaluation Exercise

The annual evaluation exercise has resulted in a total of 234 funds approved under EPF-MIS, out of which, 210 or 89.7% of funds were the existing EPF approved funds, 20 funds were reinstated and 4 new funds being admitted to EPF-MIS for the first time. Meanwhile, 7 of the existing EPF approved funds were suspended, mainly due to failure to meet the minimum Simple Average Rating for Consistent Returns (SACR) threshold prescribed by the EPF.

The profile for the approved funds remain largely similar to the previous year with 184 funds or 78.6% invested all funds' assets in Malaysia and 108 funds or 46.2% are equity funds. FIMM submitted to EPF the evaluation list on 26 January 2016 which was approved by EPF. The list of approved funds came into force on 1 April 2016.

Industry Development Committee (Cont'd)

2.4 Uplifting of overseas investment limit

Prior to 1 August 2016, all funds approved under the EPF-MIS are allowed to invest overseas up to 30% of the funds' total Net Asset Value (NAV). The restriction has limited the funds' capability in capturing growth potential from outside Malaysia and gain more access to investment opportunities that are not available locally. The restriction also increases such funds' correlated assets (Malaysian assets) in the portfolio that intensified return volatility.

In view of the above, FIMM has proposed to the EPF on 8 January 2016 to remove the overseas investment limit and allow the EPF-MIS funds to invest 100% overseas. The proposal was subsequently approved by the EPF and came into effect on 1 August 2016.

A total of 74 funds with overseas investments exceeded 30% of the fund's NAV that were previously barred from EPF-MIS were subsequently approved before end of 2016.

2.5 Liberalising the investment in warrants

FIMM has proposed to the EPF to allow EPF-approved funds to invest in warrants issued by companies listed on Bursa Malaysia instead of restricted to those that arises from corporate actions. The restriction has unduly limited the funds' ability to vest in wider range of warrants in order to gain cost-effective access to selected companies.

The proposal was approved by the EPF on 1 August 2016.

3.0 Bursa Malaysia

3.1 Reducing subscription fees of FTSE BM indices

In May 2016, FTSE has intensified the enforcement of subscription fees payable for the following usages of FTSE BM indices that include the following:

- a) If a fund house has subscribed to FTSE data package and if they derive a hybrid index based on the FTSE indices, the fund house is deemed to have use beyond the rights accorded to them under the standard subscription and additional fee will be imposed; and
- b) If a fund house was to pick up only the closing price of a FTSE index from newspaper, Bloomberg or for that matter, from Bursa's website, they need to pay for such service. The fee payable is equivalent to full subscription fee as long as the fund is using FTSE BM indices as benchmark.

FIMM has met with Bursa Malaysia in July 2016 and submitted the following packaged deal for investment management sector:

- a) Using FTSE BM Indices for benchmarking purposes without active index tracking should continue to be free of charge or paying a minimal fee of not more than USD 1,000 per annum.

Main reasons for the above proposal being funds that use FTSE BM indices for performance benchmarking/return performance comparison may not require detailed data on index constituents and paying USD16,000 per year of full subscription fee for

- b) using FTSE BM trade mark and not the data is exorbitant.
Using FTSE BM indices by existing subscriber to derive hybrid indices should continue to be used free of charge

Unlike composite index, development of hybrid indices do not required additional information on index constituent in the form of data feed nor composite indices needed to be generated by FTSE. Such Hybrid index is usually developed with simple arithmetic variation of the indices fund houses already subscribed and hence, no additional fees should be imposed.

FIMM has yet to receive official reply from FTSE on the above proposals as at the date of this report.

4.0 Enhancing Professionalism among Consultants, Investor Education and Stakeholders Engagement

4.1 Engagement sessions with members and distributors

In 2016, FIMM conducted 4 industry engagement sessions, with CEO and other senior management representatives of the industry that aimed to discuss issues and challenges faced by members and solutions, if any, to resolve the issues in the face of landscape challenges and their impact on the industry's value proposition.

Key discussion outcome include proposed ways to

- a) Mitigating compliance costs especially in conducting search for Politically Exposed Persons (PEP Search) and server hosting costs among members managing smaller fund sizes;
- b) Cleansing of profits received from disposal of companies that were removed from the list of Shariah-compliant stocks issued by the SC's Shariah Advisory Council (SAC); and
- c) Added feature for FIMM Authorisation Cards to enhance its validity.

The outcomes of the above sessions form part of the industry projects and activities in the FIMM Business Plan 2017.

4.2 Establishment of PRS Sub-Committee to avoid overlapping of responsibilities between committees

FIMM's Board had on 1 August 2016 ceased the PRS Committee as Board committee. The main consideration for the decision is to maintain the Industry Development Committee (IDC) as the Board Committee that take charge of matters concerning development of the investment management industry as well as minimises overlapping role and responsibilities among Board Committees as highlighted by the Securities Commission Malaysia.

During the same meeting, the Board has decided that a PRS Sub-Committee (PRSSC) will be established and report to the IDC. PRSSC is tasked with the responsibilities of deliberating and recommending to IDC matters concerning growth and development of the PRS industry including enhancing the professional standards of PRS consultants.

IDC has nevertheless specifically empowered PRSSC to make decision on the implementation of the promotion and advertisement of PRS and table the matter to the IDC for notation. With the establishment of PRSSC, the representatives of all 8 PRS Providers will also be appointed

Industry Development Committee (Cont'd)

as Appointed Representatives of PRSSC that form part of meeting quorum and have voting rights. The above are among the mandates and terms in the Terms of Reference for PRSSC that was developed and subsequently approved by the Board.

4.3 2016 FIMM Seminars

A total of 9 seminars were conducted from July to November 2016 in 6 cities. The seminars attracted a total of 632 registered participants, out of which, 600 participants attended the seminars and 32 absent. Among the participants registered, 619 of them were UTS and/or PRS Consultants and 13 were members of the public. 4 scheduled seminars were cancelled due to insufficient registered participants.

In 2016, FIMM has introduced a new short briefing on code of ethics and complaint proceedings before the seminars start in proper. The session was delivered by FIMM staff from Legal Department. The session was well received among participants.

FIMM continues to offer 4 seminars (technical) that allows participants to collect the Continuing Professional Education (CPE) points recognized by the Securities Industry Development Corporation (SIDC) in addition to the Continuing Professional Development (CPD) points administered by FIMM. A total of 46 holders of Capital Markets Services Representative's License (CMSRL) and Employees of Registered Persons (ERP) registered for the seminars.

FIMM continuously looked at upgrading the quality of services in conducting the seminars to take on board comments and feedback from seminar participants on choice of speakers and range of topics to be covered in future seminars. Participants gave rating to speakers ranging from 4.32 to 4.55 (out of 5.00) with highest rating goes to speaker on soft-skill subjects. As for event management, it was rated between 3.30 to 4.47 out of 5.00, and the venues in east coast have garnered highest rating.

Details of seminars organised for UTS and PRS consultants in 2016 are listed below:

No	Venue	Speaker	Topic
1	Grand Paragon Hotel, Johor Bahru	Dr. Ch'ng Huck Khoon Muhammad Fua'ad Abdul Rahman	AMLA: Advantages of Know Your Clients Personality Plus Selling Workshop
2	Vistana Hotel, Kuantan	Ooi Kok Hwa	Psychology of Investing
3	Sunway Hotel Seberang Jaya Penang	Dr. Ch'ng Huck Khoon Muhammad Fua'ad Abdul Rahman	AMLA: Advantages of Know Your Clients Personality Plus Selling Workshop
4	Sime Darby Convention Centre, Kuala Lumpur	Muhammad Fua'ad Abdul Rahman	Roadmap To Success
5	Bukit Kiara Equestrian & Country Resort, Kuala Lumpur	Azhar Iskandar Hew	Practical Aspects of Estate Planning in Malaysia for Muslims and Non-Muslims
6	Promenade Hotel Kota Kinabalu	Farhan Lee Abdullah	Market Misconduct in the Capital Market
7	Hotel Grand Continental, Kuching	Jamaluddin Jono	How to Empower Law of Attraction (LOA) in Unit Trusts
8	Bukit Kiara Equestrian & Country Resort, Kuala Lumpur	Azhar Iskandar Hew	Practical Aspects of Estate Planning in Malaysia for Muslims and Non-Muslims
9	Bukit Kiara Equestrian & Country Resort, Kuala Lumpur	Dr. Tan Chong Koay	Rising Above Financial Storms, Valuable Advice from Asia's Top Guru

4.4 2016 FIMM Annual Convention

FIMM organised the 2016 FIMM Annual Convention on 20 October 2016 at the Sime Darby Convention Centre, Kuala Lumpur with the theme "Embracing the Opportunities and Challenges".

The event is another FIMM's commitment to provide continuing professional development programs for Consultants to keep abreast with latest developments in the industry. The 2016 FIMM Annual Convention attracted 361 participants from the investment management industry, the banking sector as well as regulatory bodies.

In line with the theme of the 2016 FIMM Annual Convention, FIMM has managed to pull together speakers from renowned management consultancy firm, panellists from the industry, experts in digitisation and Shariah investments to discuss and share on the challenges and opportunities ahead for the industry.

Among others, the discussions presented the disruptive forces that took place in asset management industry globally and how such forces are challenging and re-shaping the

Industry Development Committee (Cont'd)

fundamentals of the asset management companies' business model. Additionally, given the rapid changes in demands and expectations of clients as well as increased usage of automated investment advisory applications, participants were reminded that the role of UTS Consultants and/or PRS Consultants has less to do with pushing or selling products, but more towards offering a solutions-oriented value proposition.

2016 FIMM Annual Convention also highlighted there is a global shift in business strategies where sustainability is being integrated into each component of the value chain. This trend augurs well with Shariah investments as Shariah funds have long been identified as a subset of Socially Responsible Investing (SRI) and share features similar to those of sustainability-focused funds, also known as Environmental, Social and Governance (ESG) funds. Hence, that gave Shariah funds an advantage of resilient performance during times of duress, in addition to fund's performance track record.

Participants have also learned from the expert how digital revolution continues to transform every component in the supply chain of the investment management and advisory industry throughout the world. Fund managers and financial advisors are urged to embrace the new technology to help increase retail participation in order to attract younger demographic and provide important data and analytics services to institutional investors.

On retirement readiness among Malaysians, speaker also pointed out the alarming fact that one in three Malaysians does not have a savings account and 90% of rural households have no savings, while 86% of their urban counterparts are in the same situation. Given retirement is a key part of their customers' future, PRS Consultants are therefore urged to embrace their roles as comprehensive financial advisors to help their clients plan for this stage of life.

4.5 FIMM Apprenticeship Program for CUTA and CPRA

For the purpose of registration with FIMM as a UTS Consultant attached to CUTA or PRS Consultant attached to CPRA, such individuals must have a Capital Markets Services Representatives' License for Financial Planning (CMSRL-FP) issued by the SC as the pre-requisites.

Qualifying for the CMSRL-FP requires individuals to, among others, passed the required modules offered by financial planning associations recognised by the SC that include Financial Planning Association of Malaysia (FPAM) and Malaysian Financial Planning Council (MFPC).

The CMSRL-FP requirements are more onerous as compared to the requirements of UTS Consultants or PRS Consultants that are attached to Unit Trust Management Companies, Institutional Unit Trust Advisers, PRS Providers and institutional PRS Advisers.

Hence, FIMM introduces the FIMM Apprenticeship Program for CUTAs and CPRAs (Apprenticeship Program) on 7 December 2016 that exempts with conditions, individuals to be registered as UTS Consultants of CUTAs and/or PRS Consultants of CPRAs, from the requirements to obtain CMSRL-FP prior to their registration with FIMM. The Apprenticeship Program aims to:

- a) enhance the attractiveness and competitiveness of CUTAs and CPRAs by encouraging individuals such as UTS Consultants and PRS Consultants to gain practical experience in the financial planning industry;
- b) encourage the professional development of UTS Consultants and PRS Consultants by offering practical training and a career path for them to become financial planners; and
- c) allow aspiring individuals to earn income from their efforts in marketing and distributing

unit trusts/PRS during their apprenticeship.

To participate in the Apprenticeship Program, an individual needs to fulfil the requirements as stated in Figure 1:

Figure 1: Minimum Requirements for Individuals to participate in the Apprenticeship Program

Requirements	CFP/IFP*	RFP/Shariah RFP*
a) Passed Computerized Unit Trust Examination (CUTE) and/or Private Retirement Scheme Examination (PRE)	Yes	Yes
b) Module(s) to be completed	Must complete Module 1 (Foundation in Financial Planning and Tax Planning)	Must complete Module 1 (Fundamentals of Financial Planning)
c) Membership status with association	Must be Associate Financial Planner Malaysia registered with FPAM	Must be Affiliate RFP registered with MFPC

* Malaysia Financial Planners and Advisers Association is not active and hence no ChFC is issued currently by the association. The equivalent minimum modules set out above are also applicable to MFPC's Shariah RFP or FPAM's IFP certifications.

The Apprenticeship Program will come into effect on 1 January 2017 and open for intake at each quarter in a calendar year. The Apprenticeship Program will continue until further notice from FIMM.

A briefing was subsequently conducted to CUTAs and CPRAs on 21 December 2016 on the implementation details of the Apprenticeship Program. FIMM received encouraging feedback from CUTAs and CPRAs on the Apprenticeship Program albeit the number of apprentices enrolled is expected to be small at the initial period of the Apprenticeship Program.

4.6 Enhancing investors education and financial literacy

The need for investor education and financial literacy has never been greater. As an SRO with a dual role of an industry body and public interest body, FIMM continues to advocate the orderly growth of the Unit Trusts and PRS industry in Malaysia. This is to ensure the industry continues to evolve and innovate as investment products become increasingly complex and financial services increasingly diverse. Greater understanding of key financial concepts is thus required on the part of retail investors to understand first and foremost FIMM's roles and subsequently, evaluate the choices available to them and avoid fraud. Underscoring the importance of investor education and financial literacy thus becomes critical and increasingly important.

FIMM responded to these challenges. In 2016, FIMM continued with seminars for the public as well as our participation in third party events, mainly aimed at increasing FIMM's visibility and profiling while at the same time leveraging on the opportunity to reach out to the greater public.

Industry Development Committee (Cont'd)

Following please find series of activities FIMM has carried out for its work in investor education and financial literacy:

a) Public Seminars

FIMM planned for 14 sessions of seminars for the public in 2016. However, only 6 were held in Kelantan, Pulau Pinang and Sarawak due to poor response by the public. FIMM recognised that the lack of publicity and information made available to the public was one of the major factors to such response.

b) Collaboration with Third Parties

In 2016, FIMM continued to take part in expos and conferences organized by third parties that include the SC's Invest Smart, Amanah Saham Berhad's Minggu Saham Amanah Malaysia, and Fundsupermart Investment Fair. These partnership opportunities have enabled FIMM, at the very least, to increase its visibility.

The following table lists the investor education initiatives throughout 2016.

Activity	Particulars	Locations	Readership/ Participation
Unit Trust Investment Fair organised by Fundsupermart.com	9 January 2016	Wawasan Open University, Penang	350 visitors (general public, industry players and investors)
	16 January 2016	Sunway Pyramid Convention Centre, Kuala Lumpur	800 visitors (general public, industry players and investors)
Minggu Saham Amanah Malaysia organised by Permodalan Nasional Berhad	20 – 28 April 2016	Tapah, Perak	2,686 visitors (general public, industry players and investors)
FIMM Public Seminars	7 May 2016 (morning & afternoon)	Kota Bharu, Kelantan	90 pax (general public)
	22 October 2016 (morning & afternoon)	Penang	70 pax (general public)
	26 November 2016 (morning & afternoon)	Kuching, Sarawak	70 pax (general public)
InvestSmart Fest 2016 by Securities Commission	23 – 25 September 2016	Mid Valley Exhibition Centre, Kuala Lumpur	654 visitors (general public, industry players and investors)
Malaysia Investment & Stock Exchange Expo (MISEE) organised by Persatuan Pelabur Strategik Melayu Malaysia	20 – 22 November 2016	Putra World Trade Centre, Kuala Lumpur	142 visitors (general public, industry players and investors)

Private Retirement Scheme Committee (PRSC)

CHAIRMAN

Dato' Mohd Sallehuddin bin Othman

RESPONSIBILITIES

- Provide a forum for discussion on matters relating to the PRS industry to enhance confidence and raise public awareness in the PRS industry;
- Act as a platform for consultation and cooperation between PRS providers and the Securities Commission Malaysia (SC) as well as other authorities on matters concerning the PRS industry;
- Review, develop and introduce best practices including industry standards, fund operations and marketing and distribution of PRS; and
- To review and oversee the implementation of the promotion and advertisement of PRS.

MEETING

There was no formal PRSC meeting held in 2016. However due to insufficient quorum, 2 discussions were held in 2016.

In Board meeting held on 1 August 2016, the board had ceased the PRSC as Board Committee. The main consideration to the decision is to maintain the IDC as the Board Committee that take charge of matters concerning development of the individual agent industry as well as minimise overlapping role and responsibilities among Board Committee as highlighted by SC. Therefore PRSC members ceased to become members.

COMPOSITION AND ATTENDANCE

No.	Members	Remarks
1	Dato' Mohd Sallehuddin bin Othman Chairman/Public Interest Director	
2	Tunku Dato' Mahmood Fawzy bin Tunku Muhiyiddin Chairman/Public Interest Director	
3	Ms. Koid Swee Lian Chairman/Public Interest Director	
4	Dato' Fauziah binti Yaacob Public Interest Director	
5	Datuk Noripah binti Kamso Public Interest Director	
6	Ms. Yeoh Kim Hong Elected Director	
7	Mr. Ho Seng Vee Elected Director	
8	Mr. Ismitz Matthew De Alwis Elected Director	
9	Pn. Munirah binti Khairuddin Subject Matter Expert	
10	Datin Maznah binti Mahbob Subject Matter Expert	

No.	Members	Remarks
11	Mr. Teng Chee Wai Subject Matter Expert	
12	Mr. Wong Boon Choy Subject Matter Expert	
13	Mr. Ng Wah Boon Subject Matter Expert	

ACTIVITIES/INITIATIVES

Subject Matters for Discussion with SC

On 9 June 2016, the PRSC discussed the subject matters for the Annual SC Dialogue as follows:

- a) Private Pension Administration (PPA)'s role
- b) Online Portal for PRS
- c) Appointment of new PRS providers
- d) Tax incentives for PRS

The proposals were discussed with SC on 13 June 2016. Certain proposals were taken into consideration by SC to develop plan for PRS and others have been implemented in FIMM's proposal for Federal Budgets.

Private Retirement Scheme Sub-Committee (PRSSC)

CHAIRMAN

Dato' Mohd Sallehuddin bin Othman

RESPONSIBILITIES

- (a) Provide a forum for discussion on matters relating to the Private Retirement Scheme (PRS) industry to enhance confidence and raise public awareness in the PRS industry;
- (b) Review, develop and recommend best practices including industry standards, fund operations and marketing and distribution of PRS;
- (c) Review and oversee the implementation of the advertising and promotions of PRS; and
- (d) Perform other responsibilities as directed by the Industry Development Committee.

MEETING

There was no PRSSC meeting held in 2016.

The PRSSC has been established on 1 August 2016 and will report to the IDC.

PRSSC is tasked with the responsibilities of the PRS industry which include enhancing the professional standards of PRS Consultants.

Composition and Attendance

No.	Members	Remarks
1	Dato' Mohd Sallehuddin bin Othman Chairman / Public Interest Director	Appointed w.e.f. 1 August 2016
2	Datuk Noripah binti Kamso Public Interest Director	
3	En. Nik Mohd Hasyudeen bin Yusoff Public Interest Director	Appointed w.e.f. 7 December 2016
4	Ms. Yeoh Kim Hong Elected Director	
5	Mr. Ho Seng Yee Elected Director	
6	Mr. Ismitz Matthew De Alwis Elected Director	
7	Pn. Munirah binti Khairuddin Subject Matter Expert	
8	Datin Maznah binti Mahbob Subject Matter Expert	
9	Mr. Teng Chee Wai Subject Matter Expert	
10	Mr. Wong Boon Choy Subject Matter Expert	
11	Mr. Ng Wah Boon Subject Matter Expert	

Audit & Risk Committee (ARC)

CHAIRMAN

Dato' Mohd Sallehuddin bin Othman

RESPONSIBILITIES

- (a) Review and report to the Board of Directors (Board) on annual financial reports of FIMM, highlighting compliance/non-compliance with applicable standards and principles;
- (b) Review and report to the Board on external audit findings and evaluation on FIMM's internal control system & practices and risk management;
- (c) Review Internal Audit Charter periodically, for effectiveness and relevancy and recommend to the Board of Directors for approval;
- (d) Review and report to the Board examination and compliance report issued by Securities Commission Malaysia (SC) on FIMM;
- (e) Hire/promote/terminate and determine compensation package of the Head of Internal Audit & Risk Management and appraise his/her performance annually;
- (f) Recommend salary/increment/promotion to the Board for approval;
- (g) Review and report to the Board the adequacy of risk management policies and practices to ensure their effectiveness;
- (h) Review Audited Financial Statements of FIMM prior submission to and approval by the Board;
- (i) Review critical accounting policies and practices and any changes in them;
- (j) Ensure FIMM's financial statements comply with the appropriate accounting standards and any other requirements;
- (k) Review FIMM's procedures for detecting fraud and whistle blowing;
- (l) Review the internal auditor's reports on the effectiveness of internal control of the organisation on a periodic basis and management's responsiveness to internal auditor's findings and recommendation;
- (m) Ensure the internal auditor has direct access to the Board Chairman and Audit & Risk Committee and accountable to the Audit & Risk Committee;
- (n) Review and approve annual audit plan as well as ensuring the Internal Audit & Risk Management Department is well resourced;
- (o) Make recommendation, reappointment and removal of external auditor; and
- (p) Recommend the remuneration to be paid to the external auditor in respect of audit services provided to Board for approval.

MEETING

There were six (6) Audit & Risk Committee meetings held in 2016.

Composition and Attendance

No.	Members	Attendance	Remarks
1	Dato' Mohd Sallehuddin bin Othman Chairman/ Public Interest Director	3/3	Appointed w.e.f. 26 April 2016
2	Dato' Fauziah binti Yaacob Public Interest Director	6/6	Relinquished Chairmanship w.e.f. 26 April 2016 and retain as a Committee Member
3	Ms. Koid Swee Lian Public Interest Director	6/6	
4	En. Mohammad bin Hussin Elected Director	3/6	
5	Mr. Harinder Pal Singh a/l Joga Singh Elected Director	1/3	Appointed w.e.f. 26 April 2016
6	Mr. Ismitz Matthew De Alwis Elected Director	5/6	
7	Ms. Yeoh Kim Hong Elected Director	3/3	Ceased w.e.f. 26 April 2016

ACTIVITIES/INITIATIVES

Audit & Risk Committee (ARC) (formally known as Audit Committee) has extended its role through revising its Terms of Reference (TOR) which was approved at the 6/2016 Board of Directors Meeting held on 7 December 2016. The extended role that the ARC undertakes is to assess the risk management activity in the Internal Audit & Risk Management Department (IARMD) (formally known as Internal Audit Department). During the meetings, the ARC had performed the following activities:

(a) Internal Audit

- Deliberated on the formalization of Procurement Manual arising from the improvement required in the governance, risk and control systems of procure to pay process;
- Reviewed the effectiveness of internal controls and management's responsiveness to internal auditor's findings and recommendations of each audit assignment as per approved Annual Audit Plan for financial year 2016;
- Reviewed and approved the proposed Internal Audit & Risk Plan and IARMD Budget for financial year ended 31 December 2017 as well as ensured the department is well resourced;
- Reviewed and overseen the progress of the audit recommendations;
- Ensured that the Head of IARMD has direct access to the Chairman of IARMD and ARC through period of ARC meetings and accountable to the ARC; and
- Assessed and approved the performance of the Head of IARMD for Financial Year ended 31 December 2015.

(b) External Audit

- Reviewed and agreed to recommend the Audited Financial Statements for financial year ended 31 December 2015 to the Board of Directors for approval; and
- Recommended the proposed external auditor's fees for the audit services to the Board of Directors for approval.

Regulatory Committee (RC)

CHAIRMAN

Tuan Muniandy Kannyappan J.M.N.

RESPONSIBILITIES

- (a) Ensure the rules of FIMM:
 - (i) are consistent with the relevant requirements of the Capital Market and Services Act 2007 and rules and regulations made thereunder, requirements of the Securities Commission Malaysia (SC) and other applicable laws; and
 - (ii) sufficiently and effectively allow FIMM to discharge its regulatory functions;
- (b) Recommend to the Board of Directors for its approval, new rules of FIMM to govern the conduct and behavior of registered persons, including amendments and revisions of all rules of FIMM, as necessary;
- (c) Review matters pertaining to the supervision and surveillance functions of FIMM; and
- (d) Review outcome of supervision and surveillance and result of surveys, and approve the actions to be taken based on the outcome and result.

MEETING

There were three (3) RC meetings and two (2) Joint Board Committee of RC and Procurement Committee (PC) meetings held in 2016.

Composition and Attendance

No.	Members	Attendance		Remarks
		RC	Joint RC & PC	
1	Tuan Muniandy Kanniyappan J.M.N. Chairman / Public Interest Director	3/4	2/2	
2	Datuk Noripah binti Kamso Public Interest Director	2/4	0/2	
3	Ms. Koid Swee Lian Public Interest Director	4/4	2/2	
4	En. Nik Mohd Hasyudeen bin Yusoff Public Interest Director	-	-	Appointed w.e.f. 7 December 2016
5	Ms. Yeoh Kim Hong Elected Director	3/3	1/2	Appointed w.e.f. 26 April 2016
6	Dato' Mohamad Ayob bin Abu Hassan Elected Director	1/4	1/2	
7	Mr. Ho Seng Yee Elected Director	3/4	1/2	
8	Mr. Ismitz Matthew De Alwis Elected Director	3/4	2/2	
9	Mr. Wong Teck Meng Elected Director	3/4	1/2	
10	Mr. Harinder Pal Singh a/l Joga Singh Elected Director	1/1	-	Ceased w.e.f. 26 April 2016

ACTIVITIES/INITIATIVES

- Implementation of FIMM Consolidated Rules and Registration Manual
FIMM had issued its Consolidated Rules and Registration Manual effective 1 June 2016. The Consolidated Rules set out the requirements to be complied by distributors and consultants in relation to marketing and distribution of unit trust scheme and private retirement scheme. The Registration Manual was issued to distributors as a guide and to provide further clarity on the administrative matters relating to their registration as well as registration of their consultants. FIMM held an industry briefing on 17 May 2016 prior to implementation of the Consolidated Rules and Registration Manual.
- Reviewed and recommended the operationalization on the requirement of minimum two (2) unit trust scheme or private retirement scheme consultants at each of its distribution point, including mobile distribution point.
- Reviewed and recommended the procedures for distributors in releasing their consultants upon resignation or termination of registration.
- Reviewed and noted the outcome on FIMM's surveillance activities in 2016:
 - FIMM Surveillance reviewed a total of 5 post registration assessment on newly registered distributors of unit trust scheme and private retirement scheme and there were 6 exceptions identified involving 3 entities; and
 - FIMM Surveillance reviewed a total of 78 compliance audits and due diligence reviews and there were 2 exceptions identified involving 7 entities.

However, all the above exceptions identified have been remedied by the respective entities within the prescribed timelines.

Procurement Committee (PC)

CHAIRMAN

Dato' Fauziah binti Yaacob

RESPONSIBILITIES

- (a) Conduct periodic review on procurement policy and procedures; and
- (b) Review and approve the procurement of equipment and/or works/services in accordance with FIMM's Delegated Authority Limit.

MEETING

There were eight (8) PC meetings and two (2) Joint Board Committee of Regulatory Committee (RC) and PC meetings held in 2016.

Composition and Attendance

No.	Members	Attendance		Remarks
		PC	Joint RC & PC	
1	Dato' Fauziah binti Yaacob Chairman / Public Interest Director	8/8	2/2	
2	Dato' Mohd Sallehuddin bin Othman Public Interest Director	2/3	1/1	Appointed w.e.f. 10 October 2016
3	Ms. Koid Swee Lian Public Interest Director	8/8	2/2	
4	Mr. Harinder Pal Singh a/l Joga Singh Elected Director	5/8	1/2	
5	Mr. Wong Teck Meng Elected Director	5/8	1/2	
6	Mr. Richard Tan Koon Eam Subject Matter Expert	4/8	0/2	

ACTIVITIES/INITIATIVES

1. Discussed and reviewed the proposed FIMM's Procurement Policy and Standard Operating Procedures and recommended to the Board for approval.
2. Discussed and reviewed the proposed revision of Delegated Authority Limit (DAL) and recommended to the Board for approval.
3. Discussed and approved the appointment of consultant for ICT Infrastructure Assessment Service Engagement.
4. Discussed and approved the proposed Approved Panel of Vendors (APV).
5. Discussed and reviewed the proposed Fixed Assets Disposals and Write-off Policy and recommended to the Board for approval.
6. Discussed and reviewed the proposed revised Procurement Committee's Terms of Reference and recommended to the Board for approval.
7. Discussed and reviewed the proposal on appointment of Agency for Advertising and Promotion Activities for FIMM's Branding, Profiling and Visibility and recommended to the Board for approval.

Nomination and Remuneration Committee (NRC)

CHAIRMAN

Dato' Fauziah binti Yaacob

RESPONSIBILITIES

- Review and recommend to the Board of Directors (Board) the Human Resource (HR) and Administration Framework, all HR Policies including but not limited to Employees Handbook, Employees Remunerations, Compensations and Benefits, Company's Salary Range etc.;
- Recommend to the Board a framework for remuneration of Directors and Committee members, including fees, allowances and benefit-in-kind; and
- Review and recommend to the Board professional indemnity and liability insurance for Directors and the management's key personnel.

MEETING

There were four (4) NRC meetings held in 2016.

Composition and Attendance

No.	Members	Attendance	Remarks
1	Dato' Fauziah binti Yaacob Chairman / Public Interest Director	4/4	
2	Dato' Mohd Sallehuddin bin Othman Public Interest Director	2/3	Appointed w.e.f. 26 April 2016
3	Tuan Muniandy Kannyappan J.M.N. Public Interest Director	3/3	Appointed w.e.f. 26 April 2016
4	En. Mohammad bin Hussin Elected Director	3/3	Appointed w.e.f. 26 April 2016
5	Dato' Mohammad Ayob bin Abu Hassan Elected Director	4/4	
6	Ms. Koid Swee Lian Public Interest Director	1/1	Ceased w.e.f. 26 April 2016
7	Mr. Ismitz Matthew De Alwis Elected Director	1/1	Ceased w.e.f. 26 April 2016

ACTIVITIES/INITIATIVES

- Discussed and review the proposed 2015 Bonus payment and 2016 Salary increment for FIMM staff and recommended to the Board for approval.
- Discussed and reviewed the Proposed Revision of Compensation & Benefits Package for FIMM's Staff and recommended to the Board for approval.
- Discussed and reviewed New Federation of Investment Managers Malaysia (FIMM) Organisation Chart and recommended to the Board for approval.
- Discussed and Review the proposed promotion and Salary Adjustment for FIMM staff in 2016.
- Discussed and review the proposed additional manpower and amendment on the Organisation chart.



Financial Reports

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DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Federation for the financial year ended 31 December 2016.

Principal Activities

The Federation of Investment Managers Malaysia ("Federation") is a recognised self-regulatory organisation ("SRO") since 2011 under section 323(1) of the Capital Markets & Services Act 2007 ("CMSA") by the Securities Commission. As a SRO, the Federation's principal activity is to act as a public interest body in preserving market integrity while striving to protect the interests and rights of the investors and promoting the growth of unit trust and private retirement schemes industry in Malaysia.

There have been no significant changes in the nature of the principal activities during the financial year.

Financial Results

Operating surplus for the financial year	<u>RM3,232,968</u>
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Reserves and Provisions

There were no material transfers to or from reserves or provisions during the financial year under review.

Directors

The Directors who served since the date of the last report and the date of this report are as follows:-

	<u>Appointed date</u>	<u>Resigned date</u>
<u>Public Interest Directors:-</u>		
Datuk Siti Hadzar binti Mohd Ismail		
Datuk Noripah binti Kamso		
Y.M. Tunku Dato' Mahmood Fawzy bin Tunku Muhiyiddin	5.4.2016	14.10.2016
Dato' Fauziah binti Yaacob		
Dato' Mohd Sallehuddin bin Othman	5.4.2016	
Tuan Muniandy a/l Kannayappan J.M.N		
Koid Swee Lian		
Nik Mohd Hasyudeen bin Yusoff	20.10.2016	

Elected Directors:-

Mohammad bin Hussin
 Yeoh Kim Hong
 Dato' Mohamad Ayob bin Abu Hassan
 Ho Seng Yee
 Harinder Pal Singh a/l Joga Singh
 Ismitz Matthew De Alwis
 Wong Teck Meng

Directors' Report (Continued)**Directors' Benefits**

Since the end of the previous financial year, no Director of the Federation has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Federation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Neither during nor at the end of the financial year, was the Federation a party to any arrangement the object of which is to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Federation or any other body corporate.

Directors' Interest

None of the Directors in office at the end of the year had any interest in the Federation during the year.

Directors' Remuneration

None of the Directors or past Directors of the Federation have received any remunerations from the Federation during the year.

None of the Directors or past Directors of the Federation have received any benefits otherwise than in cash from the Federation during the year.

No payment has been paid to or payable to any third party in respect of the services provided to the Federation by the Directors or past Directors of the Federation during the year.

Indemnifying Directors, Officers or Auditors

No indemnities have been given or insurance premium paid, during or since the end of the year, for any person who is or has been the Director, officer or auditor of the Federation.

Other Statutory Information

- (a) Before the statement of profit or loss and other comprehensive income and statement of financial position of the Federation were made out, the Directors took reasonable steps:-
- (i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

Directors' Report (Continued)

Other Statutory Information (Continued)

- (b) At the date of this report, the Directors are not aware of any circumstances which would render:-
- (i) the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Federation inadequate to any substantial extent; or
 - (ii) the values attributed to the current assets in the financial statements of the Federation misleading; or
 - (iii) adherence to the existing method of valuation of assets or liabilities of the Federation misleading or inappropriate; or
 - (iv) any amount stated in the financial statements of the Federation misleading.
- (c) No contingent or other liabilities of the Federation have become enforceable, or are likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Federation to meet its obligations as and when they fall due.
- (d) At the date of this report, there does not exist:-
- (i) any charge on the assets of the Federation which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability in respect of the Federation which has arisen since the end of the financial year.
- (e) In the opinion of the Directors:-
- (i) the results of the operations of the Federation for the financial year ended 31 December 2016 have not been substantially affected by any item, transaction or event of a material and unusual nature; and
 - (ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Federation for the financial year in which this report is made.

Auditors' Remuneration

Total amounts paid to or receivable by the auditors as remunerations for their services as auditors are as follows:

	2016 RM
Statutory audit	<u>23,000</u>

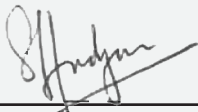
Directors' Report (Continued)

Other Statutory Information (Continued)

Auditors

The auditors, Messrs. Morison Anuarul Azizan Chew, have expressed their willingness to accept re-appointment.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors.



DATUK SITI HADZAR BINTI MOHD ISMAIL



DATO' MOHD SALLEHUDDIN BIN OTHMAN

KUALA LUMPUR

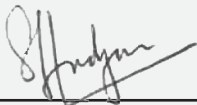
17 MAR 2017

STATEMENT BY DIRECTORS

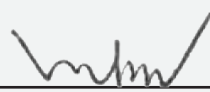
Pursuant to Section 251(2) of the Companies Act, 2016

We, DATUK SITI HADZAR BINTI MOHD ISMAIL and DATO' MOHD SALLEHUDDIN BIN OTHMAN, being two of the Directors of FEDERATION OF INVESTMENT MANAGERS MALAYSIA, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 67 to 86 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Federation as of 31 December 2016 and of its financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors.



DATUK SITI HADZAR BINTI MOHD ISMAIL



DATO' MOHD SALLEHUDDIN BIN OTHMAN

KUALA LUMPUR

17 MAR 2017

STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act, 2016

I, FARIQ BIN HASSAN, being the Officer primarily responsible for the financial management of FEDERATION OF INVESTMENT MANAGERS MALAYSIA, do solemnly and sincerely declare that the financial statements set out on pages 11 to 34 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the)
abovenamed FARIQ BIN HASSAN)
at Kuala Lumpur Wilayah Persekutuan)
on this date of 17 MAR 2017)


FARIQ BIN HASSAN

Before me,



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FEDERATION OF INVESTMENT MANAGERS MALAYSIA

Report on the Financial Statements

Opinion

We have audited the financial statements of Federation of Investment Managers Malaysia, which comprise the statement of financial position as at 31 December 2016 of the Federation, and the statement of profit or loss and other comprehensive income, statement of changes in accumulated fund and statement of cash flows of the year then ended, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 67 to 86.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Federation as at 31 December 2016, and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Federation in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Federation are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Federation and our auditors' report thereon.

Our opinion on the financial statements of the Federation does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Federation, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Federation or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Federation are responsible for the preparation of financial statements of the Federation that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Federation that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Federation, the Directors are responsible for assessing the Federation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Federation or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Federation as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Federation, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Federation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Federation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Federation or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Federation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Federation, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

FINANCIAL REPORT

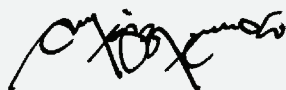
We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Companies Act, 1965 in Malaysia to be kept by the Federation have been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.

Other Matters

This report is made solely to the members of the Federation, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume any responsibility to any other person for the content of this report.



MORISON ANUARUL AZIZAN CHEW
Firm Number: AF 001977
Chartered Accountants



SATHIEA SEELEAN A/L MANICKAM
Approved Number: 1729/05/18 (J/PH)
Chartered Accountant

KUALA LUMPUR

17 MAR 2017

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

	Note	2016 RM	2015 RM
Non-Current Assets			
Property, plant and equipment	3	551,106	730,204
Deferred tax asset	4	117,031	-
		<u>668,137</u>	<u>730,204</u>
Current Assets			
Other receivables	5	581,608	925,876
Tax recoverable		561,569	62,054
Fixed deposits with a financial institution	6	32,870,042	29,722,017
Cash and bank balances		965,106	1,089,221
		<u>34,978,325</u>	<u>31,799,168</u>
Current Liability			
Other payables	7	1,373,106	1,440,049
		<u>1,373,106</u>	<u>1,440,049</u>
Net current assets		33,605,219	30,359,119
		<u>34,273,356</u>	<u>31,089,323</u>
Financed By:-			
Accumulated fund	8	19,892,216	17,344,064
SRO requirement reserve	9	14,381,140	13,696,324
		<u>34,273,356</u>	<u>31,040,388</u>
Non-Current Liability			
Deferred tax liability	4	-	48,935
		<u>34,273,356</u>	<u>31,089,323</u>

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	Note	2016 RM	2015 RM
Revenue	10	13,195,949	13,080,540
Other income	11	1,025,825	974,144
Administration expenses	12	(4,444,550)	(4,646,031)
Staff costs	13	(6,443,439)	(4,314,164)
Excess of revenue over expenditure		3,333,785	5,094,489
Taxation	14	(100,817)	(464,565)
Operating surplus and total comprehensive income for the financial year		3,232,968	4,629,924

STATEMENT OF CHANGES IN ACCUMULATED FUND

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	Note	Non-Distributable		Total RM
		Accumulated fund RM	SRO requirement reserve RM	
At 1 January 2016		17,344,064	13,696,324	31,040,388
Transfer to SRO requirement reserve	9	(684,816)	684,816	-
Total comprehensive income for the financial year		3,232,968	-	3,232,968
At 31 December 2016		19,892,216	14,381,140	34,273,356
At 1 January 2015		13,366,346	13,044,118	26,410,464
Transfer to SRO requirement reserve	9	(652,206)	652,206	-
Total comprehensive income for the financial year		4,629,924	-	4,629,924
At 31 December 2015		17,344,064	13,696,324	31,040,388

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	2016 RM	2015 RM
Cash Flows From Operating Activities		
Excess of revenue over expenditure	3,333,785	5,094,489
Adjustments for:-		
Depreciation of property, plant and equipment	347,266	346,716
Interest income	(931,017)	(835,097)
Excess of operating revenue over expenditure before working capital changes	2,750,034	4,606,108
Changes in working capital:		
Other receivables	344,268	(367,150)
Other payables	(66,943)	(124,289)
	277,325	(491,439)
Cash generated from operations	3,027,359	4,114,669
Tax paid	(766,298)	(461,838)
Net cash generated from operating activities	2,261,061	3,652,831
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(168,168)	(199,587)
Interest received	931,017	835,097
Net cash generated from investing activities	762,849	635,510
Net increase in cash and cash equivalents	3,023,910	4,288,341
Cash and cash equivalents at the beginning of the financial year	30,811,238	26,522,897
Cash and cash equivalents at the end of the financial year	33,835,148	30,811,238
Cash and cash equivalents at the end of the financial year comprises:-		
Fixed deposits with a financial institution	32,870,042	29,722,017
Cash and bank balances	965,106	1,089,221
	33,835,148	30,811,238

NOTES TO THE FINANCIAL STATEMENTS

1. Corporate Information

The Federation of Investment Managers Malaysia (“Federation”) is a recognised self-regulatory organisation (“SRO”) since 2011 under section 323(1) of the Capital Markets & Services Act 2007 (“CMSA”) by the Securities Commission. As a SRO, the Federation’s principal activity is to act as a public interest body in preserving market integrity while striving to protect the interests and rights of the investors and promoting the growth of unit trust and private retirement schemes industry in Malaysia.

There have been no significant changes in the nature of the principal activities during the financial year.

The Federation is a company limited by guarantee, incorporated in Malaysia under the Companies Act, 1965 and domiciled in Malaysia.

The registered office of the Federation is located at Level 7, Menara Millenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Height, 50490 Kuala Lumpur.

The principal place of business is located at 19-06-1, 6th Floor, Wisma Tune, 19, Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur.

2. Basis of Preparation and Significant Accounting Policies

(a) Basis of preparation

The financial statements of the Federation have been prepared in accordance with the provisions of the Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

The financial statements have been prepared under the historical cost convention except as disclosed in summary of significant accounting policies.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Federation’s accounting policies. Although these estimates and judgement are based on the Directors’ best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(b) to the financial statements.

2. Basis of Preparation and Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

Accounting standards and amendments to accounting standards that are effective for the Federation's financial year beginning on or after 1 January 2016 are as follows:-

- MFRS 14, "Regulatory Deferral Accounts"
- Amendment to MFRS 5, "Non-Current Assets Held for Sale and Discontinued Operations" (Annual Improvements 2012-2014 Cycle)
- Amendments to MFRS 7, "Financial Instruments: Disclosures" (Annual-Improvements 2012-2014 Cycle)
- Amendments to MFRS 10, MFRS 12 and MFRS 128, "Investment Entities: Applying the Consolidation Exception"
- Amendments to MFRS 11, "Accounting for Acquisitions of Interests in Joint Operations"
- Amendments to MFRS 101, "Disclosure Initiative"
- Amendments to MFRS 116 and MFRS 138, "Clarification of Acceptable Methods of Depreciation and Amortisation"
- Amendments to MFRS 116 and MFRS 141, "Agriculture: Bearer Plants"
- Amendment to MFRS 119, "Employee Benefits" (Annual-Improvements 2012-2014 Cycle)
- Amendments to MFRS 127, "Equity Method in Separate Financial Statements"
- Amendment to MFRS 134, "Interim Financial Reporting" (Annual Improvements 2012-2014 Cycle)

The above accounting standard and amendments to accounting standards effective during the financial year do not have any significant impact to the financial results and position of the Federation.

Accounting standards and amendments to accounting standards that are applicable for the Federation in the following periods but are not yet effective:-

Annual periods beginning on/after 1 January 2017

Amendments to MFRS 107 Disclosure Initiative

The Amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including changes from cash flows and non-cash changes. The disclosure requirement could be satisfied in various ways, and one method is by providing reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

Amendments to MFRS 112 Recognition of Deferred Tax Assets for Unrealised Losses

The Amendments clarify that decreases in value of a debt instrument measured at fair value for which the tax base remains at its original cost give rise to a deductible temporary difference. The estimate of probable future taxable profits may include recovery of some of an entity's assets for more than their carrying amounts if sufficient evidence exists that it is probable the entity will achieve this. An example is when an entity holds a fixed-rate debt instrument (measured at fair value) and expects to collect all the contractual cash flows.

The Amendments also clarify that deductible temporary differences should be compared with the entity's future taxable profits excluding tax deductions resulting from the reversal of those deductible temporary differences when an entity evaluates whether it has sufficient future taxable profits. In addition, when an entity assesses whether taxable profits will be available, it should consider tax law restrictions with regards to the utilisation of the deduction.

2. Basis of Preparation and Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

Amendments to MFRS 2 Classification and Measurement of Share-Based Payment Transactions

The Amendments provides specific guidance on how to account for the following situations:

- the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments;
- share-based payment transactions with a net settlement feature for withholding tax obligations; and
- a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

Annual periods beginning on/after 1 January 2018

MFRS 9 Financial Instruments

This Standard addresses the classification, measurement and recognition of financial assets and financial liabilities.

Classification determines how financial assets and financial liabilities are accounted for in financial statements and, in particular, how they are measured on an ongoing basis. The Standard introduces an approach for classification of financial assets which is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments, thereby removing a source of complexity associated with previous accounting requirements. If a financial asset is a simple debt instrument and the objective of the entity's business model within which it is held is to collect its contractual cash flows, the financial asset is measured at amortised cost. In contrast, if that asset is held in a business model the objective of which is achieved by both collecting contractual cash flows and selling financial assets, then the financial asset is measured at fair value in the balance sheet, and amortised cost information is provided through profit or loss. If the business model is neither of these, then fair value information is increasingly important, so it is provided both in the profit or loss and in the balance sheet.

The Standard introduces a new, expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, it requires entities to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on a more timely basis. The model requires an entity to recognise expected credit losses at all times and to update the amount of expected credit losses recognised at each reporting date to reflect changes in the credit risk of financial instruments. This model is forward-looking and it eliminates the threshold for the recognition of expected credit losses, so that it is no longer necessary for a trigger event to have occurred before credit losses are recognised.

In addition, the Standard introduces a substantially-reformed model for hedge accounting, with enhanced disclosures about risk management activity. The new model represents a significant overhaul of hedge accounting that aligns the accounting treatment with risk management activities, enabling entities to better reflect these activities in their financial statements. As a result of these changes, users of the financial statements will be provided with better information about risk management and the effect of hedge accounting on the financial statements.

2. Basis of Preparation and Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

Annual periods beginning on/after 1 January 2018

MFRS 15 Revenue from Contracts with Customers

The Standard provides clarity on revenue recognition especially on areas where existing requirements unintentionally created diversity in practice. Under MFRS 15, an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Extensive disclosures are required to provide greater insight into both revenue that has been recognised, and revenue that is expected to be recognised in the future from existing contracts.

Annual periods beginning on/after 1 January 2019

MFRS 16 Leases

The Standard eliminates the distinction between finance and operating leases for lessees. All leases will be brought onto its balance sheet as recording certain leases as off-balance sheet leases will no longer be allowed except for some limited practical exemptions.

Effective date yet to be determined by the Malaysian Accounting Standards Board

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures

The Amendments address an acknowledged inconsistency between the requirements in MFRS 10 and those in MFRS 128, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the Amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not), as defined in MFRS 3. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

The Federation is in the process of assessing the impact of MFRS 9 and MFRS 15 in the year of initial application. Aside from the above mentioned, the adoption of the accounting standards and amendments to accounting standards are not expected to have any significant impact to the financial statements of the Federation.

(b) Significant accounting estimates and judgements

(i) Depreciation of property, plant and equipment

The costs of property, plant and equipment are depreciated on a straight-line basis over the useful lives of the property, plant and equipment. Management estimates the useful lives of the property, plant and equipment as stated in Note 2(d) to the financial statements. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

2. Basis of Preparation and Significant Accounting Policies (Continued)

(b) Significant accounting estimates and judgements (continued)

(ii) Provisions for liabilities

Provisions for liabilities are recognised in accordance with accounting policy in Note 2(j) to the financial statements. To determine whether it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made, the Federation takes into consideration factors such as existence of legal/contractual agreements, past historical experience, external advisors' assessments and other available information.

(c) Functional and presentation currency

The financial statements are presented in Ringgit Malaysia ("RM") which is the Federation's functional and presentation currency.

(d) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2(e) to the financial statements.

All property, plant and equipment are depreciated on a straight-line basis at rates calculated to write off the cost of the assets to their residual values over their estimated useful lives as follows:-

Office equipment	5 years
Furniture and fittings	10 years
Office renovations	3 years
Motor vehicles	5 years

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains or losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss.

(e) Impairment of non-financial assets

The carrying values of assets are reviewed for impairment when there is an indication that the assets might be impaired. If any such indication exists, impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount is the higher of an asset's net selling price and its value in use, which is measured by reference to discounted future cash flows. An impairment loss is charged to the profit or loss immediately.

Subsequent increase in the recoverable amount of an asset is treated as reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the profit or loss immediately.

2. Basis of Preparation and Significant Accounting Policies (Continued)

(f) Financial assets

Financial assets are recognised in the statement of financial position when the Federation have become a party to the contractual provisions of the instruments.

The Federation classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this at every reporting date except for financial assets at fair value through profit or loss.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are unquoted in an active market. They arise when the Federation provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for maturities greater than 12 months after the reporting date. These are classified as non-current assets. Loans and receivables are classified as trade and other receivables in the statement of financial position.

Subsequent to initial recognition, loans and receivables are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

(g) Impairment of financial assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. For an equity instrument, a significant or prolonged decline in fair value below its cost is also considered objective evidence of impairment.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised costs, the reversal is recognised in profit or loss.

2. Basis of Preparation and Significant Accounting Policies (Continued)

(h) Financial liabilities

Other payables are classified as financial liabilities in the statement of financial position as there is a contractual obligation to make cash payments to another entity and is contractually obliged to settle the liabilities in cash.

Financial liabilities are initially recognised at fair value plus transaction costs, and are subsequently measured at amortised cost using the effective interest method, except when the Federation designates the liabilities at fair value through profit or loss. Financial liabilities are designated at fair value through profit or loss when:-

- (i) they are acquired or incurred for the purpose of selling or repurchasing in the near term;
- (ii) the designation eliminates or significantly reduces measurement or recognition inconsistencies that would otherwise arise from measuring financial liabilities or recognising gains or losses on them; or
- (iii) the financial liability contains an embedded derivative that would need to be separately recorded.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

(i) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, bank balances and deposits with a financial institution and highly liquid investments which have an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of pledged deposits.

(j) Provisions for liabilities

Provisions for liabilities are recognised when the Federation has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

(k) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the reporting date.

Deferred tax is recognised on the liability method for all temporary differences between the carrying amount of assets or liabilities in the statement of financial position and its tax base at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

2. Basis of Preparation and Significant Accounting Policies (Continued)

(k) Income tax (continued)

Deferred tax asset and liability is measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted by the reporting date. The carrying amount of a deferred tax asset is reviewed at each reporting date and is reduced to the extent that it becomes probable that sufficient future taxable profit will be available.

(l) Revenue recognition

(i) Subscriptions

Annual subscriptions receivable from members are accounted for under the accruals method of accounting.

(ii) Advance billings

Annual subscriptions received over the period of subscriptions for each calendar year are recognised as revenue evenly in the profit or loss on a monthly basis over the 12 months of each financial year.

(iii) Application and examination fees

Application and examination fees are recognised upon the receipt of application and the holding of examination respectively.

(iv) Interest income

Interest income is recognised as it accrues using the weighted average method in profit or loss.

(m) Employee benefits

(i) Short term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Federation.

Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensation absences. Short term non-accumulating compensated absences such as sick and medical leave are recognised when the absences occur. The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the statement of financial position date.

2. Basis of Preparation and Significant Accounting Policies (Continued)

(m) Employee benefits (continued)

(ii) Statutory contribution plans

As required by law, companies in Malaysia make contributions to the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in the statement of profit or loss and other comprehensive income as incurred.

(iii) Private Retirement Scheme ("PRS")

Contributions made by the Federation to registered PRS provider for eligible employees are recognised as an expense in the statement of profit or loss and other comprehensive income as incurred.

Notes to the Financial Statements (cont'd)

3. Property, Plant and Equipment

	Office equipment RM	Furniture and fittings RM	Office renovations RM	Motor vehicles RM	Total RM
Cost					
At 1.1.2016	2,306,791	349,450	570,250	169,223	3,395,714
Additions	167,362	806	-	-	168,168
At 31.12.2016	2,474,153	350,256	570,250	169,223	3,563,882
Accumulated depreciation					
At 1.1.2016	1,898,645	234,617	411,524	120,724	2,665,510
Charge for the financial year	138,112	18,101	158,722	32,331	347,266
At 31.12.2016	2,036,757	252,718	570,246	153,055	3,012,776
Carrying amount					
At 31.12.2016	437,396	97,538	4	16,168	551,106
Cost					
At 1.1.2015	2,178,582	349,030	570,250	169,223	3,267,085
Addition	199,167	420	-	-	199,587
Write-off	(70,958)	-	-	-	(70,958)
At 31.12.2015	2,306,791	349,450	570,250	169,223	3,395,714
Accumulated depreciation					
At 1.1.2015	1,866,055	214,996	221,443	87,258	2,389,752
Charge for the financial year	103,548	19,621	190,081	33,466	346,716
Write-off	(70,958)	-	-	-	(70,958)
At 31.12.2015	1,898,645	234,617	411,524	120,724	2,665,510
Carrying amount					
At 31.12.2015	408,146	114,833	158,726	48,499	730,204

4. Deferred Tax Assets/(Liabilities)

	2016 RM	2015 RM
At 1 January	(48,935)	(87,187)
Recognised in profit or loss	165,966	38,252
	<hr/>	<hr/>
At 31 December	117,031	(48,935)
	<hr/>	<hr/>
Presented after appropriate offsetting as follows:		
Deferred tax asset	165,966	-
Deferred tax liability	(48,935)	(48,935)
	<hr/>	<hr/>
	117,031	(48,935)
	<hr/>	<hr/>

The component and movements of deferred tax assets and deferred tax liabilities during the year, prior to offsetting, are as follows:

	2016 RM	2015 RM
Deferred tax assets (before offsetting)		
At 1 January	-	-
Recognised in profit or loss	68,541	-
Under provision in respect of prior year	97,425	-
	<hr/>	<hr/>
At 31 December	165,966	-
Less: Offsetting	(48,935)	-
	<hr/>	<hr/>
Deferred tax asset (after offsetting)	117,031	-
	<hr/>	<hr/>
Deferred tax liability (before offsetting)		
At 1 January	(48,935)	-
Recognised in profit or loss	-	(48,935)
	<hr/>	<hr/>
At 31 December	(48,935)	(48,935)
Less: Offsetting	48,935	-
	<hr/>	<hr/>
Deferred tax liability (after offsetting)	-	(48,935)
	<hr/>	<hr/>

Notes to the Financial Statements (cont'd)

5. Other Receivables

	2016 RM	2015 RM
Other receivables	237,008	505,696
Deposits	254,997	252,107
Prepayments	89,603	168,073
	<u>581,608</u>	<u>925,876</u>

6. Fixed Deposits with a Financial Institution

The fixed deposits interest rates and maturities of deposits range from 3.05% to 3.54% (2015: 3.15% to 3.55%) per annum and the tenure ranges from 30 to 184 days (2015: 30 to 184 days) respectively.

7. Other Payables

	2016 RM	2015 RM
Other payables	74,629	60,292
Accruals		
- Staff bonus and benefit	857,350	603,700
- Others	167,550	230,522
Advance billings	198,329	394,594
Deferred revenue	75,248	150,941
	<u>1,373,106</u>	<u>1,440,049</u>

8. Accumulated Fund

Accumulated fund represents the reserve available to be utilised for the general operations and capital expenditure of the Federation.

9. SRO Requirement Reserve

	2016 RM	2015 RM
At 1 January	13,696,324	13,044,118
Transfer from accumulated fund	684,816	652,206
At 31 December	<u>14,381,140</u>	<u>13,696,324</u>

The Federation is a recognised Self-Regulatory Organisation ("SRO") for the unit trust industry under Section 323(1) of the Capital Markets & Services Act 2007 ("CMSA").

9. SRO Requirement Reserve (Continued)

To ensure there is sufficient financial resources to fund its operations and in reference to Article 15A of the Federation's Articles of Association and Paragraph 1.14(a) and (b) of Appendix 1 of the Guidelines on SRO issued by the Securities Commission dated 5 January 2015, the Federation is required to maintain a SRO Requirement Reserve which fulfills the following criteria:-

- (i) Pegged at a 3-year multiple of operating expenditure (inclusive of anticipated capital expenditure) based on its first year of establishment; and
- (ii) For subsequent years, the reserve should factor an annual increase of 5%.

Any refund of subscription fees to its members may only commence when the targeted SRO Requirement Reserve amount has been achieved and after consultation with the Securities Commission.

10. Revenue

Revenue represents:-

- (a) application and annual subscription fees from members, Institutional Unit Trust Advisers, Corporate Unit Trust Advisers and Unit Trust Consultants' examination fees received or receivables.
- (b) application and annual subscription fees from members, Institutional Private Retirement Advisers and Private Retirement Consultants' examination fees received or receivables.

11. Other Income

	2016 RM	2015 RM
Conference fees received	83,590	115,940
Interest income	931,017	835,097
Sundry income	11,218	23,107
	<u>1,025,825</u>	<u>974,144</u>

12. Administration Expenses

Administration expenses consist of:-

	Note	2016 RM	2015 RM
Auditors' remuneration		23,000	23,000
Depreciation of property, plant and equipment		347,266	346,716
Key management personnel compensation	15	275,200	350,857
Other project expenses		122,087	162,143
Rental of premises		523,990	510,840
UTC seminar expenses		213,865	314,967
Examination expenses		1,622,721	1,610,419
Attendance fees			
- Directors		508,000	240,000
- Subject Matter Experts		6,000	12,000
		<u>6,000</u>	<u>12,000</u>

13. Staff Costs

	2016 RM	2015 RM
Staff costs (excluding Directors)	<u>6,443,439</u>	<u>4,314,164</u>

Included in staff costs (excluding Directors) are:-

- contributions made to the Employees Provident Fund under a statutory contribution plan for the Federation amounting to RM623,470 (2015: 435,546).
- contributions made to registered Private Retirement Scheme for eligible employees of the Federation amounting to RM35,372 (2015: RM20,366).

14. Taxation

	2016 RM	2015 RM
Malaysian income tax:-		
- Current year	229,768	403,429
- Under/(Over) provision in prior year	37,015	99,388
	<u>266,783</u>	<u>502,817</u>
Deferred tax (Note 4):-		
- Current year	(68,541)	14,375
- Over provision in prior year	(97,425)	(52,627)
	<u>(165,966)</u>	<u>(38,252)</u>
Tax expense for the financial year	<u>100,817</u>	<u>464,565</u>

14. Taxation (Continued)

Income tax is calculated at the statutory tax rate of 26% (2015: 26%) of the estimated assessable operating surplus and total comprehensive income for the financial year.

A reconciliation of income tax expense applicable to excess of revenue over expenditure at the statutory income tax rate to income tax expense at the effective income tax rate of the Federation is as follows:-

	2016 RM	2015 RM
Excess of revenue over expenditure	3,333,785	5,094,490
Tax at applicable tax rate of 26% (2015: 26%)*	866,784	1,324,567
Expenses not deductible for tax purposes	64,835	110,896
Tax exempt income	(749,042)	(1,005,509)
Under/(Over) provision of current taxation in prior year	37,015	99,388
Over provision of deferred taxation in prior year	(97,425)	(52,627)
Effect of differential tax rates	(21,350)	(12,150)
Tax expense for the financial year	100,817	464,565

* The Federation is treated as a 'Trade Association' under Section 53(3) of the Income Tax Act 1967, under which its income is taxed at scale rates. The effect of differential tax rates above is a result of the disparity between statutory tax rate of 26% (2015: 26%) and the scale rates applicable to the Federation.

15. Key Management Personnel Compensation

	2016 RM	2015 RM
Other key management personnel		
- Short term employee benefit	275,200	350,857

Key management personnel comprise persons other than the Directors of the Federation, who have authority and responsibility for planning, directing and controlling the activities of the Federation either directly or indirectly.

16. Financial Instruments

(a) Financial risk management objectives and policies

The Federation's financial risk management policy is to ensure that adequate financial resources are available for the development of the Federation's operations whilst managing its financial risks, including credit risk, liquidity and cash flow risk.

(b) Credit risk

The Federation's exposure to credit risk arises mainly from receivables. Receivables are monitored on an ongoing basis via management reporting procedure and action is taken to recover debts when due.

16. Financial Instruments (Continued)

(b) Credit risk (continued)

At reporting date, there was no significant concentration of credit risk. The maximum exposure to credit risk for the Federation is the carrying amount of the financial assets shown in the statement of financial position.

(c) Liquidity and cash flow risk

The Federation's exposure to liquidity risk arises principally from its other payables.

The Federation also maintains a certain level of cash and cash convertible investments to meet its working capital requirements.

Maturity analysis

The table below summarises the maturity profile of the Federation's financial liability as at the end of the reporting period based on undiscounted contractual payments.

	Carrying amount RM	Contractual interest rate %	Contractual cash flows RM	Below one year RM
2016				
Other payables	74,629	-	74,629	74,629
2015				
Other payables	60,292	-	60,292	60,292

(d) Fair values

The carrying amounts of cash and cash equivalents, other receivables and other payables approximate fair value due to the relatively short term nature of these financial instruments.

17. Capital Management

The Federation is a recognised Self-Regulatory Organisation ("SRO") since 2011 under Section 323(1) of the Capital Markets & Services Act 2007 ("CMSA") by the Securities Commission.

The Federation is required to ensure there is sufficient financial resources to fund its operations and in reference to Article 15A of the Federation's Articles of Association and to maintain a SRO Requirement Reserve which fulfills the criteria as stated in Note 9 to the financial statements.

The Federation is not subject to externally imposed capital requirement as it does not have any external borrowings.

18. Date of Authorisation for Issue

The financial statements of the Federation for the financial year ended 31 December 2016 were authorised for issue in accordance with a resolution of the Board of Directors on 17 March 2017.

DETAILED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	2016 RM	2015 RM
Revenue		
<u>Unit Trust</u>		
Members' subscription	8,051,237	7,594,960
Members' application fees	-	-
Institutional Unit Trust Advisers (IUTAs)		
- application fees	1,250	8,750
- annual fees	810,000	690,000
Corporate Unit Trust Advisers (CUTAs)		
- application fees	4,000	-
- annual fees	5,000	4,500
	8,871,487	8,298,210
<u>Private Retirement Scheme (PRSs)</u>		
Members' subscription	10,000	17,329
Institutional Private Retirement Advisers (IPRAs)		
- annual fees	20,000	20,000
Corporate Private Retirement Advisers (CPRAs)		
- annual fees	-	-
	30,000	37,329
Examination fees	4,064,946	4,289,660
Re-registration fees	229,516	455,341
	13,195,949	13,080,540
Other income		
Interest income	931,017	835,097
Conference income	83,590	115,940
Sundry income	11,218	23,107
	1,025,825	974,144
Less: Administration expenses		
Auditors' remuneration		
- external audit	(23,000)	(23,000)
Advertisement	(15,408)	(11,390)
AGM expenses	(35,346)	(27,520)
Attendance fees	(514,000)	(252,000)
Bankruptcy search expenses	(74,331)	(58,333)
Bank charges	(3,731)	(5,546)
Board and committee expenses		
- Board expenses	(2,283)	(48,825)
- Committee expenses	(8,122)	(2,985)
Computer program	(98,340)	(213,821)

FINANCIAL REPORT

Detailed Statement of Profit or Loss and Other Comprehensive Income
for the Financial Year ended 31 December 2016 (cont'd)

	2016 RM	2015 RM
Less: Administration expenses		
Courier and postage	(2,062)	(5,874)
Depreciation	(347,266)	(346,716)
Entertainment	-	(951)
Examination expenses	(1,622,721)	(1,610,419)
Filing and stamping fees	(670)	(4,308)
Fund expenses	(35,805)	(29,616)
Handphone claims	(15,413)	(6,230)
Insurance	(75,399)	(35,616)
International conference	(58,407)	(164,561)
Library books	(623)	(235)
Magazines and periodicals	(6,744)	(5,330)
Other project expenses	(122,087)	(162,143)
Printing and stationery	(71,011)	(53,367)
Professional fees	(45,183)	95,127
Promotion - Billboard/Media advertisements	(170,840)	(471,405)
PRs expenses	(3,011)	(6,066)
Rental	(523,990)	(510,840)
Secretarial fees	(3,634)	(3,300)
Service tax	-	(29,233)
Sundry expenses	(17,861)	(33,888)
Telephone and faxes	(54,799)	(46,495)
Travelling and accommodation	(102,563)	(111,246)
Upkeep of office	(36,186)	(24,632)
Upkeep of office equipment	(1,570)	(2,325)
UTCs expenses	(99,841)	(79,713)
UTCs seminar expenses	(213,865)	(314,967)
Water and electricity	(38,438)	(38,262)
	(4,444,550)	(4,646,031)
Less: Staff costs	(6,443,439)	(4,314,164)
Excess of revenue over expenditure	3,333,785	5,094,489
Taxation	(100,817)	(464,565)
Operating surplus and total comprehensive income for the year	<u>3,232,968</u>	<u>4,629,924</u>



► *Calendar of Events*

CALENDAR OF EVENTS

01

JANUARY 2016

- Participated at the Unit Trust Investment Fair organised by Fundsupermart.com (9 & 16 January 2016)
- Directors Training Session (19 – 20 January 2016)



02

FEBRUARY 2016

- 1st Breakfast Lecture “How Islamic Investing Could Transform the Global Capital Market” (26 February 2016)



03

MARCH 2016

- Media Training for FIMM Management (2 March 2016)

04

APRIL 2016

- 2nd Breakfast Town Hall Session (1 April 2016)
- Participated at the Minggu Saham Amanah Malaysia Exhibition organised by Permodalan Nasional Berhad (20 – 28 April 2016)
- Engagement Session with IUTA and CUTA (22 April 2016)





05

MAY 2016

- FIMM Public Seminar, Kota Bharu (7 May 2016)
- Industry Briefing to Distributors of Unit Trust Schemes and Private Retirement Schemes (17 May 2016)

06

JUNE 2016

- 22nd Annual General Meeting (15 June 2016)



07

JULY 2016

- FIMM Seminar, Johor Bahru (20 July 2016)
- FIMM Seminar, Kuantan (28 July 2016)

08

AUGUST 2016

- FIMM Seminar, Penang (10 August 2016)
- FIMM Seminar, Kuala Lumpur (24 August 2016)

09

SEPTEMBER 2016

- FIMM Seminar, Kuala Lumpur (1 September 2016)
- FIMM Seminar, Kota Kinabalu (17 September 2016)
- FIMM Seminar, Kuching (21 September 2016)

09

SEPTEMBER 2016

- Participated at the InvestSmart Fest Exhibition organised by Securities Commission (23 – 25 September 2016)



10

OCTOBER 2016

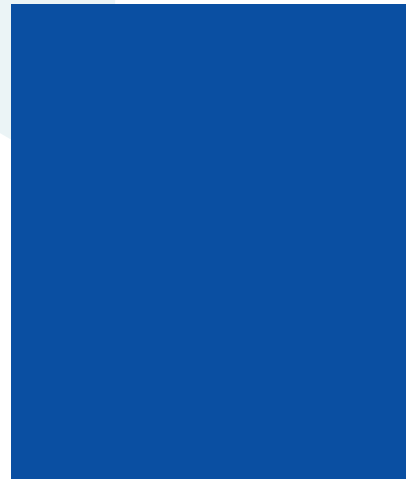
- FIMM Seminar, Kuala Lumpur (6 October 2016)
- FIMM's Annual Convention (20 October 2016)
- FIMM Public Seminar, Penang (22 October 2016)



11

NOVEMBER 2016

- FIMM Seminar, Kuala Lumpur (1 November 2016)
- FIMM Public Seminar, Kuching (26 November 2016)





FEDERATION OF INVESTMENT MANAGERS MALAYSIA
(Incorporated in Malaysia)
(272577-P)

PROXY FORM

I _____
(FULL NAME IN BLOCK LETTERS)

of _____
(FULL ADDRESS IN BLOCK LETTERS)

being the Authorised Representative of the Member [being a member of Federation of Investment Managers Malaysia (FIMM)] HEREBY APPOINT the ***Chairman of the Meeting** or _____
(FULL NAME IN BLOCK LETTERS)

of _____
(FULL ADDRESS IN BLOCK LETTERS)

(being a person entitled to vote at a general meeting of FIMM in accordance with and subject to the Articles of Association of FIMM) as my proxy to vote for me on my behalf at the 23rd Annual General Meeting of FIMM to be held on Tuesday, 13th day of June 2017 at 10.00 a.m. and at any adjournment thereof *for/against of that meeting.

This form is to be used * in favour of/against the following resolution(s).

Ordinary Business				Ordinary Resolution	For	Against
To re-appoint Messrs. Morison Anuarul Azizan Chew as Auditors of FIMM to hold office until the conclusion of the next Annual General Meeting of FIMM and to authorise the Directors to fix their remuneration.				1		
To re-elect the Directors of FIMM retiring pursuant to Article 48 of the FIMM's Article of Association for each constituency from the list below approved by Securities Commission Malaysia in Table A:				2 3 4		
Table A:						
No.	Name of Member	Name of Nominee	Constituency			
1.	Public Mutual Berhad	Ms. Yeoh Kim Hong	A			
2.	Affin Hwang Asset Management Berhad	Dato' Mohamad Ayob bin Abu Hassan	B			
3.	AmFunds Management Berhad	Mr. Harinder Pal Singh a/l Joga Singh	C			

Signed this _____ day of _____ 2017.

Signature _____

* Delete if inapplicable

Notes:

1. A member of FIMM entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead.
2. A proxy appointed to attend and vote at the Annual General Meeting of FIMM shall be either: (a) Chairman of the Meeting or (b) any other person who may but need not be a member of FIMM.
3. If you wish to appoint any person other than the Chairman of the Meeting as proxy, please insert the full name of the proxy (in block letters) in the space provided and delete the words "the Chairman of the Meeting."
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney and the Directors may, but shall not be bound to, require evidence of the authority of the appointer or his attorney.
5. The instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument.
6. Please indicate with an "x" in the spaces provided, how you wish your vote to be cast. Any alteration to the instrument appointing a proxy must be initialised.
7. The Proxy Form must be deposited at the Registered Office of FIMM at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur.

Last date and time for lodging the aforesaid instrument	:	Sunday, 11 June 2017 at 10.00 a.m.
(Attn: Ms. Tan Ley Theng/ Ms. Jessica Tee) (Tel No.: 03 – 2084 9000; Fax No.: 03-2094 9940)		

PROXY FORM

(Please fold here)

STAMP

Registered Office of FIMM
SECURITIES SERVICES (HOLDINGS) SDN BHD
Level 7, Menara Millenium, Jalan Damanlela
Pusat Bandar Damansara, Damansara Heights
50490 Kuala Lumpur

(Please fold here)



Federation of Investment Managers Malaysia
19-06-1, 6th Floor, Wisma Tune,
19, Lorong Dungun, Damansara Heights,
50490 Kuala Lumpur