

FIMM'S CONSOLIDATED RULES

Effective date: 1 June 2016

First Amendment: 1 April 2017

FIMM'S CONSOLIDATED RULES

LIST OF AMENDMENTS

<u>Short Title</u>	<u>Effective Date</u>
Amendment to Appendices 2-A and 2-B of FIMM's Consolidated Rules on the Liberalisation for Institutional Unit Trust Schemes Adviser ("IUTA") / Institutional Private Retirement Schemes Adviser ("IPRA") to Appoint Agents as Consultants	1.4.2017

FIMM'S CONSOLIDATED RULES

LIST OF RULES AMENDED

<u>Rules</u>	<u>Effective Date</u>
Paragraph 5, 6 and 7 for IUTA of Appendix 2-A	1.4.2017
Paragraph 7 for CUTA of Appendix 2-A	1.4.2017
Paragraph 5 and 6 for IPRA of Appendix 2-B	1.4.2017
Paragraph 7 for CPRA of Appendix 2-B	1.4.2017

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CHAPTER 1 - DEFINITIONS AND INTERPRETATIONS

1.0 PREAMBLE

Chapter 1 sets out the definitions and interpretations used in these Rules.

1.1 DEFINITIONS

1.1.1 In these Rules, unless the context otherwise requires or the contrary intention appears, the following words shall have the following meaning—

agent	in relation to a Distributor, means any person representing or acting for the Distributor, and includes a Consultant;
Appeal Committee	means a Committee which hears an appeal against a determination of the Disciplinary Committee;
AUM	refers to asset under management which is the aggregate net value of all of a Fund's asset less the Fund's liabilities at the end of each calendar year;
authorisation card	means an identification card issued by FIMM to a Consultant who is registered with FIMM;
books	has the same meaning assigned to it in the CMSA;
business day	means a day other than Saturday, Sunday and public holiday declared by the relevant authority in the Federal Territory of Kuala Lumpur;
By-Laws	means By-Laws Relating to the Procedure for Disciplinary Proceedings (Second Edition) issued by FIMM on 3 September 2007;

CFP	refers to Certified Financial Planner;
ChFC	refers to Chartered Financial Consultant;
Chief Executive	has the same meaning assigned to it in the CMSA;
circular	means circular issued by FIMM from time to time by whatever name called;
CMSA	means the Capital Markets and Services Act 2007;
CMSL	means a Capital Markets Services Licence issued by the SC pursuant to the CMSA;
CMSRL	means a Capital Markets Services Representative's Licence issued by the SC pursuant to the CMSA;
collection point	refers to an office, a branch or premises of a Distributor to collect relevant documents from investors;
Complainant	means a person who lodge a complaint to FIMM in accordance with the requirements under these Rules;
Complaint Form	refers to the form set out in Appendix 3-A of these Rules;
Consultant	means an individual registered with FIMM and authorised to market and distribute Schemes;
Corporate PRS Adviser ("CPRA")	means a licensed financial planner, Insurance and Takaful Brokers registered with FIMM and authorised to market and distribute private retirement schemes of another party;

Corporate UTS Adviser (“CUTA”)	means a licensed financial planner registered with FIMM and authorised to market and distribute unit trust schemes of another party;
corporation	has the same meaning assigned to it in the Companies Act 1965;
CPD points	means points obtained by a Consultant who undertakes CPD Programme;
CPD Programme	means the Continuing Professional Development Programme as set out in Chapter 7 of these Rules;
CUTE	means the Computerised Unit Trust Examination conducted by FIMM which an applicant must pass in order to be eligible for registration as a UTS Consultant;
Disciplinary Committee	means a Committee which hears and determines a complaint;
distribution arrangement	means any arrangement, understanding or agreement for the purposes of marketing and distribution of Schemes;
distribution point	means an office, a branch or premises of a Distributor for marketing and distribution of Schemes;
Distributor	means a corporation registered and authorised by FIMM to market and distribute Schemes;
document	has the same meaning assigned to it in the Evidence Act 1950;
employee	means a person employed under a contract of service with a Distributor, whether on a permanent or temporary basis;

FIMM	means the Federation of Investment Managers Malaysia, a self-regulatory organisation recognised by the SC under Section 323(1) of the CMSA;
FIMM Rules	means the rules, guidelines, codes, directives, standards, circulars and manuals issued by FIMM by whatever name called and include any amendment and revision made thereto from time to time;
foreign fund	has the same meaning as assigned to it in the <i>Guidelines for the Offering, Marketing and Distribution of Foreign Funds</i> and satisfies all the requirements stipulated in the securities laws and such guidelines in relation to its offering, marketing and distribution in Malaysia;
FPAM	refers to Financial Planning Association of Malaysia;
fund manager	means a person who holds a CMSRL to carry out the regulated activity of fund management;
identification number	means the national registration identification number or passport number of an individual or in the case of a corporation, the company or business registration number;
IFP	refers to Islamic Financial Planner;
industry	means the unit trust scheme industry or private retirement scheme industry, as the case may be;
Institutional PRS Adviser (“IPRA”)	means a corporation registered with FIMM and authorised to market and distribute private retirement schemes of another party;
Institutional UTS Adviser(“IUTA”)	means a corporation registered with FIMM and authorised to market and distribute unit trust schemes of another party;

investment management standards	refer to standards issued by FIMM on operational and administrative functions in relation to investment management of Schemes;
investor	means an existing or prospective investor of a unit trust scheme or contributor of a private retirement scheme. In this regard, “contributor” has the same meaning assigned to it in the CMSA;
issuer	means any person who issues a Scheme;
LIAM	refers to Life Insurance Association of Malaysia;
marketing and distribution	means promotion, offering, marketing and distribution of Schemes, including engaging or attempting to engage in any act to promote, offer, market and distribute Schemes to any person;
Member	means a corporation admitted as a member of FIMM pursuant to its Memorandum and Articles of Association;
MFPA	refers to Malaysia Financial Planners & Advisers Association;
MFPC	refers to Malaysian Financial Planning Council;
misconduct	includes any of the following: <ul style="list-style-type: none"> (a) non-compliance of the FIMM Rules; (b) any act or omission which brings or is likely to bring the industry into disrepute; or

	(c) any act or omission which adversely affects or is likely to adversely affect the interest of investors.
mobile distribution point	means any movable or temporary distribution point of a Distributor, such as an exhibition booth, kiosk or vehicle which is used to market and distribute Schemes;
month	means a calendar month in the Gregorian calendar;
nominee system	means a system where securities are registered in the name of a nominee on behalf of a beneficial owner;
officer	in relation to a corporation, includes— <ul style="list-style-type: none"> (a) any director, secretary and employee; (b) a receiver and manager, appointed under a power contained in any instrument, of any part of the undertaking or property of the corporation; and (c) any liquidator of a corporation appointed in a voluntary winding up.
online provider	means a person who is approved by SC under the <i>Guidelines on Online Transactions and Activities in relation to Unit Trusts</i> , but does not include a financial institution specified as “registered persons” in the Third Column under Item (1)(g) Part 1 of Schedule 4 of the CMSA;
operator	has the same meaning as assigned to it in the <i>Guidelines for the Offering, Marketing and Distribution of Foreign Funds</i> and satisfies all the requirements stipulated in the securities laws and such guidelines in relation to the

	offering, marketing and distribution of foreign fund in Malaysia;
operations	refers to business and operations of a Distributor relating to marketing and distribution of Schemes;
person responsible for compliance functions	means a person responsible for managing compliance risk and independent from operations relating to marketing and distribution of Schemes who is either— (a) a dedicated compliance officer; or (b) a senior officer whose responsibilities include managing compliance risk of the entity.
post-registration assessment	refers to an assessment on the outcome of the implementation of Distributors' internal policies and control procedures in relation to Distributor's readiness to market and distribute Schemes;
principal	in relation to a Consultant, means the Distributor for whom his registration is tied to;
private retirement scheme	has the same meaning assigned to it in the CMSA;
private retirement scheme provider	has the same meaning assigned to it in the CMSA;
PRS	means a private retirement scheme. In this regard, "private retirement scheme" has the same meaning assigned to it in the CMSA;
PRS Consultant	means a Consultant of a private retirement scheme;

PRS Distributor	means a Distributor of a private retirement scheme;
PRS Examination	means the Private Retirement Scheme Examination conducted by FIMM which an applicant must pass in order to be eligible for registration as a PRS Consultant;
PRS Provider	means a private retirement scheme provider. In this regard, “private retirement scheme provider” has the same meaning assigned to it in the CMSA;
related party	in relation to a corporation, means a corporation which is deemed to be related to the first-mentioned corporation as provided under Section 6 of the Companies Act 1965 [Act 125];
registered person	has the same meaning assigned to it in the CMSA;
Registration Manual	means the manual issued by FIMM for the registration of Distributors and Consultants;
RFP	refers to Registered Financial Planner;
SC	means the Securities Commission Malaysia established under the Securities Commission Malaysia Act 1993;
Scheme	means a unit trust scheme or a private retirement scheme, as the context requires and “Schemes” refer to unit trust scheme and private retirement scheme collectively;
securities laws	has the same meaning assigned to it in the Securities Commission Malaysia Act 1993 and includes guidelines issued by SC;
Shariah RFP	refers to Shariah Registered Financial Planner;
SPM	refers to Sijil Pelajaran Malaysia;
UTMC	means a unit trust management company;
UTS	means a unit trust scheme;

UTS Consultant	means a Consultant of a unit trust scheme;
UTS Distributor	means a Distributor of a unit trust scheme;
year	means the calendar year in the Gregorian calendar.

1.2 INTERPRETATIONS

- 1.2.1 A reference to any person includes an individual or a corporation, a reference to the masculine gender includes the feminine or neuter, and a reference to singular includes the plural and vice versa.
- 1.2.2 All schedules and appendices form an integral part of these Rules.
- 1.2.3 A reference to any statute or subsidiary legislation or any provision of any statute or subsidiary legislation includes all modifications, extensions, substitutions or re-enactments thereof in force at any particular time and all regulations, rules, orders, directives, notices and other instruments then in force and issued under or deriving validity from the relevant statute or subsidiary legislation or provision.

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CHAPTER 2 - POWERS AND RULES OF FIMM

2.0 PREAMBLE

Chapter 2 sets out the application of these Rules and powers of FIMM.

2.1 SCOPE AND APPLICATION

2.1.1 These Rules shall be read together with the securities laws and FIMM Rules.

2.1.2 These Rules are applicable to:

- (a) Distributors; and
- (b) Consultants.

2.1.3 FIMM may take any action it deems fit against any person mentioned in Rule 2.1.2 above for failure to comply with any provision of these Rules.

2.1.4 These Rules supersede the following guidelines, By-Laws and guidance notes previously issued by FIMM, and all amendments, variations and substitutions made thereto by way of circulars issued by FIMM ("Old Rules"):

- (a) Guidelines for Registration of Institutional Unit Trust Advisers for the Marketing and Distribution of Unit Trusts;
- (b) Guidelines for Registration of Corporate Unit Trust Advisers for the Marketing and Distribution of Unit Trusts;
- (c) Guidelines on Registration of Private Retirement Scheme Distributors and Consultants;
- (d) Guidance Notes: Registration of Persons Dealing in Unit Trusts - Procedures and formats of submission to the FMUTM for Computerised Unit Trust Examination;
- (e) By-Laws Relating to the Procedure for Disciplinary Proceedings (Second Edition); and
- (f) Continuing Professional Development Guidelines.

2.1.5 These Rules do not affect—

- (a) the accrued rights of FIMM under the Old Rules;
- (b) the accrued obligations of Distributors and Consultants under the Old Rules;
- (c) the right of FIMM to take any action for breaches under the Old Rules discovered after these Rules come into effect;
- (d) the right of FIMM to continue with any action initiated under the Old Rules after these Rules come into effect; and
- (e) any condition, undertaking, decision, waiver, act or thing imposed on Distributors and Consultants under the Old Rules.

2.2 POWERS OF FIMM

2.2.1 FIMM may exercise all such powers and do all such acts and things as may be exercised or done by FIMM pursuant to these Rules and the securities laws.

2.2.2 Subject to the provisions of the securities laws, FIMM may exercise its powers in such manner and on such terms as it considers necessary or expedient which includes—

- (a) making new FIMM rules;
- (b) enforcing the FIMM Rules, and amending, repealing, substituting or waiving any provision in the FIMM Rules;
- (c) formulating and administering policies in relation to the FIMM Rules;
- (d) issuing directives for the purposes of or in connection with any of the FIMM Rules;
- (e) interpreting conclusively any provision in the FIMM Rules having regard to the substance, spirit, intention and purpose of such provision;
- (f) appointing a committee, sub-committee, officers of FIMM or an agent to exercise the powers of FIMM under the FIMM Rules, where appropriate;
- (g) enforcing such directions or directives issued by SC;

- (h) approving or rejecting any application for registration with FIMM;
- (i) imposing fees, charges and penalty for late or non-payment of such fees, charges and any other amount due to FIMM;
- (j) suspending or revoking the registration of any Distributor or Consultant;
- (k) granting, suspending or revoking the rights or privileges of any Distributor or Consultant;
- (l) requiring the attendance of any Distributor or Consultant at meetings, proceedings and hearings conducted by FIMM;
- (m) requiring any Distributor or Consultant to disclose and provide information, documents, books and records relating to any matter under the FIMM Rules in the manner FIMM considers appropriate;
- (n) requiring any Distributor to provide such data and statistics for the purpose of industry development;
- (o) disclosing and providing information, documents and records relating to any Distributor or Consultant, including actions taken and sanctions imposed, to SC and any other authorities or bodies, for regulatory purposes;
- (p) disclosing names and registration details of Distributors and Consultants to the public, in the manner FIMM considers appropriate;
- (q) undertaking or requiring any Distributor or Consultant to undertake audits, reviews and other assessments, with the scope, criteria and manner as may be determined by FIMM;
- (r) undertaking examination and investigation of documents, books and records of any Distributor or Consultant at any time;
- (s) investigating any complaint, allegation of or information relating to any misconduct against any Distributor or Consultant;
- (t) disciplining, taking actions and imposing sanctions against any Distributor or Consultant;
- (u) referring acts and omissions of any Distributor or Consultant to SC or any other authorities or bodies, as FIMM considers appropriate;

- (v) publishing, in the manner FIMM considers appropriate, any information in relation to—
 - (i) registration, suspension or revocation of registration of any Distributor or Consultant; and
 - (ii) actions taken and sanctions imposed against any Distributor or Consultant;
- (w) undertaking further, ancillary, incidental and consequential actions as may be necessary pursuant to any decision or action by FIMM or SC against any Distributor or Consultant;
- (x) imposing terms and conditions to decisions made or acts done by FIMM pursuant to the FIMM Rules, and subsequently revoking, varying or amending such terms and conditions; and
- (y) exercising all other powers as may be necessary for purposes of monitoring compliance with and enforcement of the FIMM Rules, securities laws and other applicable laws, and for maintaining the integrity of the industry and upholding investor protection.

2.2.3 If any provision of these Rules empowers, authorises or enables FIMM to do or enforce the doing of any act or thing, FIMM has all such powers or rights as may be necessary or reasonably incidental to FIMM doing or enforcing the doing of the act or thing.

2.2.4 The exercise of any specific power conferred on FIMM in any other provisions of these Rules does not prejudice or waive the exercise of any power by FIMM under Rule 2.2.2 above.

2.3 APPEALS AGAINST DECISIONS OF FIMM

2.3.1 A decision of FIMM is final and binding. However, an aggrieved person may appeal against a decision made by FIMM if the right of appeal is expressly provided for under the relevant provisions.

2.3.2 The decision of FIMM on an appeal is final and binding.

2.4 SUBMISSIONS, NOTICES AND COMMUNICATIONS

2.4.1 Save as otherwise provided, a circular or notice given by FIMM under these Rules is considered received—

- (a) if delivered by hand, on the day of delivery provided it is a business day;
- (b) if sent by post within Peninsular Malaysia, on the third (3rd) business day after posting;
- (c) if sent by air mail to Sabah, Sarawak or a location situated outside of Malaysia, on the fifth (5th) business day after posting;
- (d) if sent by courier, on the second (2nd) business day after despatch;
- (e) if sent through e-mail, facsimile or other electronic media, at the time of transmission; and
- (f) if published in any public media, at the time of publication.

2.4.2 Save as otherwise provided, all notifications to FIMM shall be in writing and submission of reports, documents and payments shall be accompanied by a cover letter addressed and delivered by hand, registered post or courier to:

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

2.4.3 FIMM shall send all notices required under these Rules in writing. Where a circular or notice is issued by FIMM, the non-receipt of the circular or notice by any Distributor or Consultant due to failure of the Distributor or Consultant to update its or his contact details does not absolve the Distributor or Consultant from complying with any directive or instruction contained in the circular or notice.

2.5 QUERIES

2.5.1 Any query regarding these Rules may be addressed to:

Head,
Legal & Regulatory Affairs
Federation of Investment Managers Malaysia
19-06-1, 6th Floor, Wisma Tune
No. 19, Lorong Dungun
50490 Kuala Lumpur

Tel. No.: 603-2093 2600
Fax No.: 603-2093 2700
E-mail: legalcomp@fimm.com.my

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CHAPTER 3 - REGISTRATION OF DISTRIBUTORS AND CONSULTANTS

3.0 PREAMBLE

Chapter 3 sets out the registration requirements for Distributors and Consultants.
This chapter applies to:

- (a) Distributors and Consultants of UTS; and
- (b) Distributors and Consultants of PRS.

3.1 GENERAL PROVISIONS APPLICABLE TO DISTRIBUTORS AND CONSULTANTS

- 3.1.1 No person shall market or distribute a Scheme or make any arrangement to market or distribute a Scheme unless such person is registered with FIMM in the relevant category of registration as set out in the first column of Appendices 1-A and 1-B.
- 3.1.2 Any person who is registered as a UTMC or a PRS Provider is only allowed to market and distribute Schemes issued by itself.
- 3.1.3 Any person who markets and distributes Schemes issued by a third party (including a related party) must first be registered with FIMM as an IUTA, CUTA, IPRA or CPRA, as the case may be.
- 3.1.4 A Distributor must ensure that their Consultants observe the following:
 - (a) A Consultant must only represent 1 principal; and
 - (b) A Consultant must only deal in the Schemes distributed by his principal.
- 3.1.5 FIMM will not consider an application for registration unless the applicant meets the eligibility requirements applicable to the relevant category of registration set out in the second column of Appendices 1-A and 1-B and satisfies the fit and proper criteria set out in Chapter 4 of these Rules.
- 3.1.6 A Distributor must ensure that its Consultants meet all eligibility requirements before forwarding any application for registration of its Consultants to FIMM.
- 3.1.7 An application for registration must be accompanied by a non-refundable application fee and such other fees as may be prescribed by FIMM in the Registration Manual.

3.1.8 FIMM may require an applicant to include in its application such information and documents as FIMM considers necessary.

3.1.9 FIMM may reject an application for registration on any one of the following grounds:

- (a) The application is incomplete or is not made in accordance with the requirements provided in these Rules or the Registration Manual;
- (b) The applicant fails to satisfy any one or more of the fit and proper criteria provided in Chapter 4 of these Rules;
- (c) Any information or document that is provided by the applicant to FIMM is false or misleading or from which there is a material omission;
- (d) There are circumstances which are likely to lead to the improper conduct of business by, or reflect discredit on the manner of conducting the business of the applicant;
- (e) FIMM has reason to believe that the applicant will not carry out the marketing or distribution of a Scheme efficiently, honestly or fairly; or
- (f) FIMM is of the opinion that allowing the registration would be contrary to public interest.

3.1.10 In approving a registration, FIMM may impose such conditions or restrictions as it considers fit. Any failure to satisfy any of the conditions or restrictions constitutes a non-compliance of these Rules and FIMM may take appropriate action, which includes suspending or revoking such registration.

3.1.11 Where an application for registration is rejected by FIMM, the applicant may appeal within fourteen (14) business days of being notified of the rejection. An appeal shall be in writing and must include grounds of the appeal.

3.2 DURATION OF REGISTRATION

3.2.1 In the case of a Distributor, the registration given under these Rules shall continue subject to payment of all fees as prescribed by FIMM.

3.2.2 In the case of a Consultant, the registration given under these Rules shall lapse on the 31st December of each calendar year of the registration unless an application for renewal is made by the said Consultant in accordance with the Registration Manual.

3.2.3 Notwithstanding Rules 3.2.1 and 3.2.2 above, FIMM may suspend or revoke the registration of a Distributor or a Consultant at any time in accordance with the provisions of these Rules.

3.3 SUSPENSION AND REVOCATION OF REGISTRATION

3.3.1 The registration of a Distributor or Consultant may be suspended or revoked by FIMM at any time on any of the following grounds:

- (a) The relevant licence issued by SC to the Distributor or Consultant is suspended or revoked by SC;
- (b) The Distributor or Consultant fails to meet any of the eligibility requirements applicable to the relevant categories of registration as set out in the second column of Appendices 1-A and 1-B of these Rules;
- (c) The Distributor or Consultant fails to fulfil any of the fit and proper criteria as set out in Chapter 4 of these Rules;
- (d) The Distributor or Consultant fails to satisfy any condition or restriction imposed by FIMM on his registration;
- (e) FIMM is directed or advised by SC to suspend or revoke the registration of the Distributor or Consultant;
- (f) Any information or document provided by the Distributor or Consultant to FIMM, whether or not in relation to registration, is false or misleading, or from which there is a material omission;
- (g) The Distributor or Consultant fails to pay in full any of the fees in the amount and within the time as prescribed by FIMM;
- (h) The Distributor or Consultant fails to comply with any sanction imposed by FIMM under these Rules;
- (i) The Distributor or Consultant fails to comply with any requirement provided in these Rules, FIMM Rules, securities laws and other applicable laws; or
- (j) In addition to the above, in the case of a Consultant:
 - (i) The registration of his principal is suspended or revoked, or the principal ceases operations;

- (ii) The Consultant fails to fulfil any of the requirements of the CPD Programme as prescribed by FIMM; or
- (iii) The Consultant fails to submit the relevant statutory declaration for renewal of registration in the manner prescribed by FIMM.

3.3.2 A Distributor or Consultant whose registration is suspended or revoked under these Rules must not carry out any marketing and distribution of Schemes from the date the suspension or revocation takes effect.

3.4 ADDITIONAL REQUIREMENTS APPLICABLE TO DISTRIBUTORS UPON REGISTRATION

3.4.1 Upon registration by FIMM, a Distributor must comply with the requirements as set out in Appendices 2-A and 2-B of these Rules.

3.4.2 COMMENCEMENT OF OPERATIONS

- (a) Except in the case of a UTMC and PRS Provider, a distributor must commence operations within 6 months from the date of registration, failing which such registration will lapse.
- (b) A Distributor may apply for an extension of time for commencement of operations provided such application is —
 - (i) submitted in writing to FIMM at least 30 days before the expiry of the 6-month period; and
 - (ii) supported with justifications and where requested by FIMM, such other information and documents.

3.4.3 DISTRIBUTION AND SUB-DISTRIBUTION ARRANGEMENTS

- (a) Notwithstanding Rule 3.1.2 above, a UTMC or a PRS Provider may enter into a distribution arrangement with a third party (including its related party) to market and distribute Schemes issued by it.
- (b) For the purpose of these Rules, any distribution arrangement made by the Distributor other than with a UTMC, a PRS Provider or an Operator is referred to as sub-distribution arrangement.

- (c) The requirements for such distribution arrangement and sub-distribution arrangement are set out in Appendices 2-A and 2-B of these Rules.
- (d) In the case of a sub-distribution arrangement:
- (i) A UTMC or PRS Provider must provide the sub-distributor with relevant product information to facilitate the sub-distributor's understanding of the product. In relation to a foreign fund, a sub-distributor must ensure that it receives relevant product information from the relevant party such as the main distributor, the operator or the operator's representative;
 - (ii) A main distributor under a sub-distribution arrangement must obtain prior consent from the UTMC, PRS Provider or the operator as the case may be, to allow sub-distribution of their products; and
 - (iii) A sub-distributor must provide the names and identification number of investors to the main distributor to enable the main distributor to furnish those information to the UTMC, PRS Provider, the operator or the operator's representative. This requirement does not apply to a sub-distributor who operates a nominee system.

3.4.4 NOTIFICATION REQUIREMENTS

- (a) A Distributor must notify FIMM on the matters set out in Table 1 below and within the time period specified. The information and documents that must be submitted to FIMM for such matters are set out in the Registration Manual.

Table 1

No.	Matters for notification	Time period
i	Date of commencement of operations and other relevant details	<u>All Distributors (except Insurance and Takaful Brokers)</u> At least 1 business day before commencement of operations <u>Insurance and Takaful Brokers</u> Within 1 business day after commencement of operations
ii	Name and particulars of a Scheme	<u>UTMC and PRS Providers</u> At least 3 business day before the Scheme is launched

No.	Matters for notification	Time period
		<u>All Distributors (except UTMC, PRS Providers, Insurance and Takaful Brokers)</u> At least 1 business day before the Scheme is marketed and distributed <u>Insurance and Takaful Brokers</u> Within 1 business day after the Scheme is marketed and distributed
iii	Change of authorised representatives, corporate information and other relevant details	At least 1 business day before the change takes effect
iv	Location and particulars of collection point and additional distribution point including mobile distribution point	Within 7 business days upon operationalizing the point
v	Particulars of mergers or acquisitions involving a Distributor	Within 1 month from the date of Legal Day One
vi	Termination of distribution arrangement	At least 14 business days before the termination of the arrangement
vii	Variation of distribution arrangement	Within 7 business days after the variation
viii	Termination or winding up of a Scheme	Within 7 business days after the termination or winding up
ix	Cessation of Distributors' operations	At least 14 business days before the proposed date of cessation
x	Resignation, termination or variation of registration particulars of a Consultant	Within 1 business day from the date of resignation, termination or variation

3.4.5 POST-REGISTRATION ASSESSMENT

- (a) A Distributor is required to undertake a post-registration assessment and a report must be submitted to FIMM at least 14 days before the expiry of the 6-month period upon the following circumstances:

- (i) Commencement of operations; and
 - (ii) Where a Distributor changes its process of registering client's investment from a client-name account system to a nominee system.
- (b) A post-registration assessment report must identify and shall include all gaps arising from the implementation of its operational policies, systems and processes in relation to marketing and distribution of Schemes, as well as such other scope as may be prescribed by FIMM.
- (c) A Distributor must take corrective measures and such other necessary actions to rectify all gaps identified from the post-registration assessment referred to in Rule 3.4.5(b) and submit a progress report on a semi-annual basis to FIMM until all gaps have been rectified.
- (d) The post-registration assessment referred to in Rule 3.4.5(a) may be conducted by:
- (i) A person responsible for compliance functions of the Distributor. In this case the said assessment must be approved by the Board prior to submission to FIMM; or
 - (ii) An external auditor.

3.4.6 ANNUAL COMPLIANCE REVIEW

- (a) Throughout the duration of its registration, a Distributor must conduct an annual self-assessment ("annual compliance review") to ensure compliance with the scope relating to marketing and distribution of Schemes and investment management standards within the time period specified by FIMM.
- (b) The Distributor must conduct the annual compliance review immediately upon receipt of notification from FIMM.
- (c) Any request for an extension of time to conduct the review must be submitted to FIMM together with reasons thereof at least 14 business days from the date of FIMM's notification.
- (d) The annual compliance review referred to in Rule 3.4.6(b) may be carried out by an internal auditor or an external auditor. A Distributor who is a CUTA or a CPRA has the option to appoint a person responsible for compliance functions to conduct the annual compliance review.
- (e) A Distributor must submit all information and documents in relation to the annual compliance review and such other additional information requested by FIMM within the time period specified.

- (f) A Distributor must take corrective measures and such other necessary actions to rectify all weaknesses and gaps identified by the external/internal auditor or the person responsible for compliance functions in the report within the time period specified by FIMM.
- (g) A Distributor must confirm in writing to FIMM on the corrective measures or actions taken to rectify the weaknesses and gaps referred to in Rule 3.4.6(f) above.

3.4.7 SUBMISSION REQUIREMENTS

- (a) A Distributor must submit to FIMM the reports and documents within the specified time period as set out in Table 2 below.

Table 2

No.	Reports and Documents	Time period
i.	(a) Complaints received from investors and general public; and (b) Trend analysis on complaints received	Within 7 business days from the end of every quarter of a calendar year
ii.	Professional indemnity insurance contract (only for CUTA and CPRA)	Within 7 business days upon renewal of the insurance
iii.	(a) AUM of Schemes as at 31 st December; and (b) Total gross sales of Schemes for the year ended 31 st December.	On or before 10 th January of the following calendar year
iv.	List of Consultants and their CPD points obtained	Within 10 business days from 31 st December each year

3.4.8 CESSATION OF OPERATIONS OF DISTRIBUTORS

- (a) A Distributor may not cease operations unless a prior written notification of at least 14 business days before the proposed date of cessation is given to FIMM.
- (b) The cessation of operations shall not take effect until FIMM is satisfied that adequate arrangements have been made to meet all the liabilities and obligations of the Distributor that are outstanding at the time when the notice of cessation was

given, including obligations relating to distribution arrangements, appointment of Consultants and investors' accounts.

- (c) The cessation of operations shall not operate so as to avoid or affect any right, obligation or liability arising in any agreement, transaction or arrangement entered into by the Distributor.

3.5 SPECIAL REQUIREMENTS ON PROFESSIONAL INDEMNITY INSURANCE

- 3.5.1 A CUTA and a CPRA must maintain a valid professional indemnity insurance coverage in the minimum amount as set out in Appendices 1-A and 1-B respectively at all times.

3.6 SPECIAL REQUIREMENTS APPLICABLE TO CONSULTANTS UPON REGISTRATION

CPD Programme

- 3.6.1 A Consultant must fulfil the requirements of CPD Programme as prescribed by FIMM in Chapter 7 of these Rules.

Statutory Declaration

- 3.6.2 An applicant applying for registration as a Consultant must submit to the intended principal a statutory declaration in the manner prescribed by FIMM.
- 3.6.3 For renewal of registration with FIMM, a Consultant must submit a statutory declaration to his principal in the manner prescribed by FIMM on a biennial basis.

Authorisation Card

- 3.6.4 A Consultant must produce his authorisation card to investors when marketing and distributing Schemes.

Variation to Registration of Consultant

- 3.6.5 A Consultant must seek FIMM's approval to vary his registration in the following circumstances:
 - (a) When the Consultant varies his relationship with his principal from being an employee to an agent or vice versa; and

(b) When the Consultant changes principal.

3.6.6 The Consultant and the principal must comply with the requirements as set out in the Registration Manual.

3.6.7 FIMM may impose charges for such variation.

Other Information of Data

3.6.8 In addition to the requirements set out in this Chapter, a Distributor or a Consultant must provide such other information or data as may be required by FIMM.

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CHAPTER 4 – FIT AND PROPER CRITERIA

4.0 PREAMBLE

Chapter 4 sets out the fit and proper criteria for registration with FIMM.

4.1 FIT AND PROPER CRITERIA

4.1.1 Any person who applies to FIMM for registration as a Distributor or Consultant must be fit and proper.

4.1.2 In assessing whether a person is fit and proper, FIMM will consider the following criteria:

- (a) Honesty, integrity and reputation;
- (b) Competence and capability; and
- (c) Financial soundness and solvency.

4.1.3 The onus is on the person to establish that he is fit and proper and it is not for FIMM to show otherwise.

4.2 CONTINUOUS REQUIREMENT

4.2.1 A person who is registered by FIMM as a Distributor or Consultant under these Rules is required to continuously satisfy the fit and proper criteria upon registration. Failure to satisfy any of the fit and proper criteria constitutes a non-compliance of these Rules and FIMM may suspend or revoke such registration or take such other action as it deems fit.

4.3 HONESTY, INTEGRITY AND REPUTATION

4.3.1 The factors set out below are relevant to the assessment of the honesty, integrity and reputation of a person. The factors include, but are not limited to, whether the person—

- (a) has been refused the right or restricted in his right to carry on any trade or profession for which a specific registration or other authorisation is required, whether in Malaysia or elsewhere;

- (b) has been censured, reprimanded, disciplined, suspended or refused membership or registration by FIMM, SC or any other authorities or bodies, whether in Malaysia or elsewhere;
- (c) has engaged in any business practices appearing to FIMM to be deceitful or oppressive or otherwise improper (whether unlawful or not) or which otherwise reflect discredit on his method of conducting business;
- (d) has been the subject of any proceedings of a disciplinary or criminal nature or has been notified of potential proceedings which might lead to those proceedings, under any law in Malaysia or elsewhere;
- (e) has had an enforcement action (including civil enforcement action) taken against him by FIMM, SC or any other authorities or bodies under any law in Malaysia or elsewhere;
- (f) has been untruthful or provided false or misleading information to FIMM or SC or any other authorities or bodies, whether in Malaysia or elsewhere;
- (g) has been uncooperative in any dealings or engagement with FIMM or SC or any other authorities or bodies, whether in Malaysia or elsewhere;
- (h) has contravened any provision made by or under any written law whether within or outside Malaysia enacted for protecting members of the public against financial loss due to dishonesty, incompetence or malpractice by persons concerned in the provision of financial services or the management of companies;
- (i) has been the subject of any adverse findings involving fraud, dishonesty or violence by any court or tribunal in any proceedings;
- (j) has contravened any requirements imposed by FIMM, SC or any other authorities or bodies, whether in Malaysia or elsewhere or failed to uphold any professional or ethical standards issued by FIMM or SC or has abetted another person to breach such requirements, professional or ethical standards;
- (k) in addition to Rules 4.3.1(a) to 4.3.1(j) herein, in the case of an individual:
 - (i) Is or has been a director, partner, substantial shareholder or concerned in the management of a business that has been censured, disciplined, prosecuted or convicted of a criminal offence, or been the subject of any disciplinary or criminal proceeding, in Malaysia or elsewhere, in relation to any matter that took place while the person was a director, partner, substantial shareholder or concerned in the management of the business;

- (ii) Is or has been a director, partner, substantial shareholder or concerned in the management of a business that has been suspended or refused membership or registration by FIMM or SC, or any other authorities or bodies, whether in Malaysia or elsewhere;
- (iii) Has been a director, partner, substantial shareholder or concerned in the management of a business that has gone into insolvency, liquidation or administration during the period when, or within a period of one year after, the person becomes a director, partner, substantial shareholder or concerned in the management of the business whether in Malaysia or elsewhere;
- (iv) Is or has been subjected to disciplinary proceedings by his current or former employer, whether in Malaysia or elsewhere;
- (v) Has been disqualified from acting as a director or disqualified from acting in any managerial capacity, whether in Malaysia or elsewhere; or
- (vi) Has been an officer found liable for an offence committed by a body corporate as a result of the offence having proved to have been committed with the consent or connivance of, or neglect attributable to the officer, whether in Malaysia or elsewhere.

4.4 COMPETENCE AND CAPABILITY

4.4.1 The factors set out below are relevant to the assessment of the competence and capability of a person. The factors include, but are not limited to, whether the person—

- (a) has satisfactory record of past performance or expertise, having regard to the nature of the business which the person intends to carry on in connection with the registration with FIMM;
- (b) has the knowledge, skills and experience to understand, operate and manage the regulated activities in connection with the registration with FIMM;
- (c) in addition to Rules 4.4.1(a) and 4.4.1(b) above, in the case of a corporation—
 - (i) has internal policies and procedures relating to—

- (A) ensuring compliance with FIMM rules and other rules or regulations on marketing and distribution of Schemes issued by the SC;
 - (B) registration, training and monitoring of Consultants;
 - (C) risk management; and
 - (D) complaint-handling.
- (ii) has necessary IT system and infrastructure relating to marketing and distribution of Schemes;
- (d) in addition to Rules 4.4.1(a) and 4.4.1(b) above, in the case of an individual—
 - (i) has the minimum academic qualification and has passed the relevant qualifying examination as set out in Appendices 1-A and 1-B respectively; and
 - (ii) has fulfilled the requirements of the CPD Programme, where applicable.

4.5 FINANCIAL SOUNDNESS AND SOLVENCY

4.5.1 The factors set out below are relevant to the assessment of the financial soundness and solvency of a person. The factors include, but are not limited to, whether the person—

- (a) is or has been subject to an execution in respect of a judgement debt which is unsatisfied, either in whole or in part, whether in Malaysia or elsewhere;
- (b) has entered into a compromise or scheme of arrangement with his creditors or made an assignment for the benefit of his creditors, being a compromise or scheme of arrangement or assignment that is still in operation, whether in Malaysia or elsewhere;
- (c) in addition to Rules 4.5.1(a) to 4.5.1(b) above, in the case of a corporation which—
 - (i) is in the course of being wound-up or otherwise dissolved, whether in Malaysia or elsewhere; and
 - (ii) is or has been a corporation where a receiver, receiver and manager, judicial manager, or such other person having the powers and duties of a receiver, receiver and manager or judicial manager has been appointed, in

relation to, or in respect of any of its properties, whether in Malaysia or elsewhere.

- (d) in addition to Rules 4.5.1(a) to 4.5.1(b) above, in the case of an individual, where he has been adjudicated a bankrupt and the bankruptcy is undischarged, whether in Malaysia or elsewhere.

4.6 OBLIGATION TO NOTIFY FIMM ON FIT AND PROPERNESS OF A CONSULTANT

4.6.1 A Distributor is responsible in monitoring its Consultant's continuous compliance with the fit and proper criteria.

4.6.2 A Distributor must immediately notify FIMM in the event the Distributor discovers that its Consultant is no longer fit and proper, stating—

- (a) the circumstances leading to such discovery;
- (b) the basis for its views on the fit and properness of its Consultant; and
- (c) relevant supporting documents.

4.6.3 Upon receipt of the notification, FIMM may take any appropriate action as it deems fit on such Consultant.

4.7 RECOMMENDATION TO BAR CONSULTANTS

4.7.1 A Distributor may submit a written recommendation to FIMM to bar its Consultant from future registration on grounds that the Consultant is no longer fit and proper. However, the final decision whether or not to bar the Consultant rests with FIMM.

4.7.2 When making such recommendation, the Distributor shall include a report containing the following:

- (a) Name, identification number and effective date of termination of the employment or agency of the Consultant;
- (b) Chronology of events leading to the termination;
- (c) Grounds for the termination and consideration that the Consultant is no longer fit and proper; and

(d) Any other relevant supporting documents.

4.7.3 Any recommendation made pursuant to Rule 4.7.2 above is subject to these Rules relating to disciplinary proceedings.

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CHAPTER 5 – EXAMINATION AND ASSESSMENT

5.0 PREAMBLE

Chapter 5 sets out the power of FIMM as follows:

- (a) To conduct examination and assessment on Distributors and Consultants, and/or
- (b) To require the appointment of an auditor to conduct any examination or assessment as may be specified by FIMM.

5.1 EXAMINATION AND ASSESSMENT

5.1.1 FIMM may conduct examination on Distributors and Consultants at any time on any matter relating to the FIMM Rules, rules and regulations issued by the SC on marketing and distribution of Schemes and relevant internal policies and procedures of Distributors.

5.1.2 Notwithstanding Rule 5.1.1 above, FIMM may appoint or require the Distributor to appoint an external auditor to carry out any examination and assessment on Distributors and Consultants in respect of its business and activities as may be specified by FIMM.

5.1.3 The appointed external auditor must submit a report of such examination and assessment directly to FIMM within the stipulated timeframe.

5.1.4 Where an examination and assessment is required under Rule 5.1.2 above, all expenses of the auditor related to such examination and assessment shall be borne by the Distributor.

5.1.5 FIMM shall give a written notice to the Distributors before commencing such examination and assessment.

5.1.6 FIMM may, at any time require the external auditor appointed under this Chapter—

- (a) to submit such additional information in relation to the examination and assessment as FIMM may specify;
- (b) to enlarge or extend the scope of its examination and assessment in such manner or to such extent as FIMM may specify;
- (c) to carry out any specific examination and assessment; or

- (d) to submit a report or an interim report directly to FIMM on any of the matters referred to in sub-paragraphs (a) to (d) of this Rule.
- 5.1.7 The external auditor must comply with any requirement of FIMM in relation to such additional obligations referred to in Rule 5.1.6 above.
- 5.1.8 The Distributor must remunerate the appointed external auditor in respect of the discharge by him of all or any of these additional duties.
- 5.1.9 Notwithstanding Rule 5.1.5 above, FIMM may examine, without any prior notice, the business and activities of the Distributors and Consultants.
- 5.1.10 For the purposes of examination and assessment, Distributors and Consultants shall—
- (a) give FIMM or the external auditor access to their premises and systems;
 - (b) provide to FIMM or the external auditor, orally or in writing, all such explanation and information, documents, books and records that FIMM or the external auditor may request relating to its business, activities or its agent;
 - (c) allow FIMM or the external auditor to take copies and extracts of such documents, books and records;
 - (d) be available to be examined at such time and place as may be specified by FIMM or the external auditor; and
 - (e) give or procure all assistance and co-operation to FIMM or the external auditor during the course of examination,
- within such time and manner as FIMM or the external auditor may specify.
- 5.1.11 A Distributor and Consultant shall not hinder, delay or obstruct the examination and assessment.
- 5.1.12 A Distributor must take corrective measures and such other necessary actions to rectify all weaknesses and gaps identified by FIMM or the external auditor in the report within such time period specified by FIMM.

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CHAPTER 6 – INVESTIGATION AND DISCIPLINARY PROCEEDINGS

6.0 PREAMBLE

Chapter 6 sets out—

- (a) the disciplinary process that includes the powers of FIMM to investigate and to conduct disciplinary and appeal proceedings; and
- (b) the sanctions that FIMM may take against Distributors and Consultants for misconduct.

6.1 PURPOSE AND SCOPE

- 6.1.1 The purpose of this Chapter is to address and deal with misconduct of Distributors and Consultants and instil public confidence in the industry by ensuring Distributors and Consultants adhere to good standards of conduct in the marketing and distribution of Schemes.
- 6.1.2 For avoidance of doubt, FIMM may carry out investigation, conduct disciplinary proceedings and impose such sanctions as it deems fit against a Distributor or Consultant for misconduct at any time notwithstanding the withdrawal, suspension or revocation of registration of the Distributor or Consultant.
- 6.1.3 FIMM may commence an investigation into any alleged misconduct against a Distributor or Consultant either upon a receipt of a complaint or on its own initiative.

6.2 DISCIPLINARY PROCESS

- 6.2.1 The disciplinary process has three (3) stages:
 - (a) Investigation - FIMM will carry out investigation by gathering evidence including oral and documentary evidence to verify the veracity of an alleged misconduct;
 - (b) Disciplinary proceedings- the Disciplinary Committee will make findings and decide whether misconduct has occurred based on the evidence and testimony before it. The Disciplinary Committee may take any one or more of the sanctions provided in Rule 6.6.1 at the conclusion of the disciplinary proceedings; and
 - (c) Appeal proceedings – in the event of an appeal, the Appeal Committee will review the decision of the Disciplinary Committee based on the merits of the grounds of appeal and records of evidence adduced before the Disciplinary Committee. The

Appeal Committee may take such actions provided in Rule 6.7.5 at the conclusion of the appeal proceedings.

- 6.2.3 Any Complainant, Distributor or Consultant aggrieved by the decision of the Disciplinary Committee may, within fourteen (14) business days upon receipt of the decision made under Rule 6.7.5, appeal to the Appeal Committee whose decision shall be final.
- 6.2.4 The Notice of Appeal and procedures for lodging an appeal are provided in Rule 6.7 below.

6.3 COMPLAINTS

- 6.3.1 All complaints must be made in writing in the Complaint Form as appended in Appendix 3-A and submitted to FIMM either by post addressed to FIMM, by email to complaints@fimm.com.my or an online lodgement at www.fimm.com.my
- 6.3.2 Notwithstanding Rule 6.3.1 above, FIMM may accept complaints lodged in any other manner at its absolute discretion.
- 6.3.3 To ensure efficient processing of complaints, the Complainant is required to provide full and frank information in relation to the complaint, including the following:
 - (a) Date and nature of the alleged misconduct and circumstances how it occurred;
 - (b) Name and details of the person/institution/corporation complained against;
 - (c) Evidence of wrongdoing, in particular, relevant documents to support allegations in the complaint;
 - (d) Losses suffered, if any, and supporting documents; and
 - (e) Any legal or other dispute resolution proceedings already commenced on the alleged misconduct, if any.
- 6.3.4 To enable FIMM to contact the Complainant directly for the purpose of carrying out the disciplinary process, the Complainant is required to provide accurate information of his personal particulars to FIMM including—
 - (a) full name and NRIC number (for Malaysian citizens) or
 - (b) full name and passport number (for foreigners);
 - (c) email and/or correspondence address, and/or
 - (d) telephone number.

- 6.3.5 FIMM will treat all personal data of the Complainant provided to FIMM in accordance with its policy on protection of personal data as stated in Personal Data Notice published on its website at www.fimm.com.my.

Request of Information and Documents

- 6.3.6 FIMM may request from the Complainant such other information and documents to verify the alleged misconduct and the Complainant must provide the information and documents to FIMM within the time specified by FIMM or any extended time allowed by FIMM.
- 6.3.7 The investigation into a complaint may be impeded and FIMM may not proceed with the investigation if the Complainant fails to comply with such request for information and documents within the specified or extended time.

Withdrawal of Complaints

- 6.3.8 A Complainant may withdraw his complaint at any time but the withdrawal will not prevent FIMM from carrying out investigation into the alleged misconduct or commencing a disciplinary proceedings and take such actions provided under these Rules as it deems fit.

6.4 INVESTIGATION

- 6.4.1 In carrying out an investigation, FIMM may—
- (a) require the Consultant, Distributor and the employees and agents of Distributor to provide a written response to the allegation and matters raised by FIMM;
 - (b) require the Consultant, Distributor and the employees and agents of Distributor to attend before FIMM to give such information and/or documents requested in relation to the investigation;
 - (c) record statements from the Consultant, Distributor and the employees and agents of Distributor in relation to the investigation, or from such other person who may assist in the investigation;
 - (d) require the Distributor to procure the attendance of any of the employees and agents of the Distributor before FIMM and to give such information relevant to the investigation;
 - (e) require the Consultant, Distributor and the employees and agents of Distributor to give or procure for FIMM, such information, documents, books and records and make copies or extracts of the same for FIMM; and

(f) impose such requirements on the Consultant, Distributor and the employees and agents of Distributor that FIMM deems necessary to facilitate the investigation.

6.4.2 The recorded statements in Rule 6.4.1 (c) above may be used in the disciplinary proceedings commenced against the Distributor or Consultant.

6.4.3 Distributors and Consultants must not hinder, delay, or otherwise obstruct FIMM's investigation. In addition, Distributors and Consultants must give all assistance that FIMM requires to carry out and complete an investigation.

Summary Dismissal

6.4.4 FIMM may dismiss a complaint summarily without conducting disciplinary proceedings in the following instances:

(a) When the complaint concerns matters outside FIMM's jurisdiction; or

(b) When the complaint is frivolous and/or vexatious.

6.4.5 For the purpose of Rule 6.4.4 above:

(a) Matters outside FIMM's jurisdiction are set out in Appendix 3-B; and

(b) Examples of frivolous and/or vexatious complaints are set out in Appendix 3-C.

6.5 DISCIPLINARY PROCEEDINGS

Notice of Hearing

6.5.1 The Complainant and the person complained against will be notified of the date, time and place of the disciplinary proceedings at least fourteen (14) business days before the commencement of the proceedings by way of a notice of hearing.

Conduct of Proceedings

6.5.2 The Disciplinary Committee shall determine its own procedures in conducting the disciplinary proceedings.

6.5.3 The Disciplinary Committee is not bound by the provisions of the Evidence Act 1950 and any legal rules on procedures. Any findings of facts by the Disciplinary Committee must however be based on relevant, credible and probative evidence.

6.5.4 The Disciplinary Committee may, whether on its own or at the request of the Complainant or the person complained against, require the presence of any person to provide

information, document or statement or summon and examine any person as witnesses which it considers in its absolute discretion to be material to the proceedings.

- 6.5.5 If the Complainant or the person complained against fails to attend the proceedings on the date and at the time and place set out in the notice of hearing (or on such other subsequent date, time and place that the Disciplinary Committee may decide from time to time), the Disciplinary Committee may proceed to hear and decide on the matter as it deems fit in the absence of and without any further notice to the said Complainant or the person complained against.
- 6.5.6 The Disciplinary Committee may postpone or adjourn the hearing of disciplinary proceedings as it deems fit.
- 6.5.7 The Disciplinary Committee will cause all records of its proceedings to be properly maintained.

Decision of the Disciplinary Committee

- 6.5.8 The decision of the Disciplinary Committee on any complaint or alleged misconduct shall be in writing with reasons for such decision.

6.6 SANCTIONS

- 6.6.1 At the conclusion of the disciplinary proceedings, the Disciplinary Committee may—
 - (a) dismiss the complaint, if it is satisfied that there is insufficient evidence to support the allegations of misconduct; or
 - (b) take one or more of the following actions if it is satisfied that there is sufficient evidence to support the allegations of misconduct:
 - (i) Issue a written warning;
 - (ii) Issue a public reprimand;
 - (iii) Impose a fine not exceeding Ringgit Malaysia One Hundred Thousand (RM100,000.00) in the case of Distributors;
 - (iv) Impose a fine not exceeding Ringgit Malaysia Fifty Thousand (RM50,000.00), in the case of Consultants;
 - (v) Require the Consultant to undertake additional points under the CPD Programme and/or attend other relevant training and courses;

- (vi) Require the Distributor to take such steps to address the misconduct and to prevent the recurrence of the misconduct including—
 - (A) putting in place adequate training and educational initiatives for its employees and agents;
 - (B) putting in place necessary policies, systems, processes and controls to address any weaknesses that may have contributed to or facilitated or resulted in the misconduct; and
 - (C) taking such necessary remedial or corrective measures;
- (vii) Require the Distributor to take such appropriate action including taking disciplinary action against any of its employees who are directly responsible for the misconduct;
- (viii) Suspend the registration of the Distributor or Consultant for a specific period and with such terms and conditions as the Disciplinary Committee deems fit;
- (ix) Revoke the registration of the Distributor or Consultant; and
- (x) Barring any person from registering with FIMM as a Distributor or Consultant and with such terms and conditions as the Disciplinary Committee deems fit.

Effect of non-payment of fines

- 6.6.2 Any failure, refusal or omission to pay the fines imposed in Rule 6.6.1 above within the time specified by FIMM shall be deemed to be in itself a non-compliance of these Rules. The Distributor or Consultant shall remain liable for the unpaid fines and the renewal of his registration shall be suspended until the fines are fully paid.
- 6.6.3 Notwithstanding Rule 6.6.2 above, FIMM may take such action it considers appropriate including legal recourse to recover any unpaid fines as debt due to FIMM.

Imposition of costs and expenses

- 6.6.4 In addition to the sanctions provided in Rule 6.6.1 above, the Disciplinary Committee may impose on the Distributor or Consultant costs and expenses incurred by FIMM (including any professional fees and remunerations of legal representatives appointed by FIMM as a result of or incidental to the proceedings).
- 6.6.5 Such costs and expenses shall be recoverable as debt due to FIMM and must be paid to FIMM within fourteen (14) business days from the date the imposition of costs and expenses is communicated to the Distributor or Consultant.

6.7 APPEAL PROCEEDINGS

Notice of Appeal

6.7.1 A Complainant, Distributor or Consultant aggrieved by the decision of the Disciplinary Committee, may within fourteen (14) business days from the receipt of the decision of the Disciplinary Committee, appeal in writing to the Appeal Committee setting out the grounds of appeal by lodging a Notice of Appeal in the manner set out in Appendix 3-D.

Decision of Appeal Committee

6.7.2 The Appeal Committee shall decide every appeal solely based on the following:

- a) merits of the grounds of appeal; and
- b) records of evidence adduced before the Disciplinary Committee. The Appeal Committee may, where justice of the case requires, allow the admission of new evidence.

6.7.3 Notwithstanding Rule 6.7.2 above, the Appeal Committee may, in its absolute discretion, refer the matter back to the Disciplinary Committee with a direction for rehearing.

Powers of Appeal Committee

6.7.4 In determining an appeal, the Appeal Committee shall have all the powers granted to the Disciplinary Committee under these Rules.

6.7.5 The Appeal Committee may, in respect of an appeal:

- (a) Affirm the decision of the Disciplinary Committee;
- (b) Set aside the decision of the Disciplinary Committee; or
- (c) Substitute for the decision of the Disciplinary Committee, its own decision including imposing such other or additional sanctions provided in Rule 6.6.1 above.

6.7.6 The decision of the Appeal Committee shall be final.

6.7.7 The decision of the Appeal Committee shall be in writing with reasons for such decision.

No Execution of Decision Pending Appeal

6.7.8 When an appeal is made under and in accordance with Rule 6.7.1 above, the decision of the Disciplinary Committee shall not take effect until the Appeal Committee decides on the appeal.

6.8 LEGAL REPRESENTATIVE

6.8.1 The Distributor, Consultant and Complainant may appoint a legal representative to be present with them at the disciplinary proceedings and the appeal proceedings provided they notify FIMM of such appointment at least seven (7) business days prior to the proceedings.

6.8.2 Notwithstanding Rule 6.8.1 above, the Disciplinary Committee and the Appeal Committee has absolute discretion to determine who may be present during the disciplinary proceedings or the appeal proceedings, as the case may be, including the presence of a legal representative.

6.8.3 The Disciplinary Committee and the Appeal Committee may appoint their own legal representative to advise and assist them during the disciplinary proceedings or the appeal proceedings, as the case may be.

6.9 NOTICES

6.9.1 Any notice required to be given pursuant to this Chapter shall be in writing and shall be deemed to have been given if given in any one of the following manner:

- (a) If delivered personally, on the day of delivery;
- (b) If sent by post, on the third (3rd) business day after posting;
- (c) If sent by courier, on the next business day after sending; or
- (d) If sent through e-mail, immediately upon sending.

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CHAPTER 7 – CPD PROGRAMME

7.0 PREAMBLE

Chapter 7 sets out the requirements in relation to CPD Programme.

7.1 CPD PROGRAMME REQUIREMENTS

7.1.1 Subject to Rule 7.1.2 below, a Consultant must obtain a minimum of 16 CPD points in a year before an application for renewal of his registration will be considered by FIMM.

7.1.2 Where a Consultant is registered with FIMM after January, the CPD points' requirements for his first renewal will be calculated on a pro-rata basis as follows:

$$\boxed{[X \text{ month(s) joined} / 12] \times 16 \text{ points}}$$

7.1.3 In relation to a former Consultant who applies for registration within 3 years from the date of withdrawal of his registration, he must either acquire 16 CPD points or in lieu thereof, he must re-sit and pass the CUTE and/or PRS examination.

7.2 FOCUS AREAS OF CPD PROGRAMME

7.2.1 Only programmes that focus on the following areas are eligible for CPD points:

- (a) Ethics and professional conduct;
- (b) Regulations and guidelines, capital market products and operations, economics;
and
- (c) Sales and marketing, advisory skills and personal development skills.

7.3 OBTAINING CPD POINTS

7.3.1 A Consultant may acquire CPD points by taking one or more of the following activities on the focus areas set out in Rule 7.2.1 above:

Item	Activities	Maximum CPD points allowed	Remarks
(a)	Attend programmes conducted by his principal	16	1 CPD point is given for 1 hour of full attendance
(b)	Attend other programmes approved by FIMM for CPD Programme	16	
(c)	Write and publish— (i) a book; (ii) articles in a business/ financial publications recognised by FIMM.	16 8 (4 points for each article)	
(d)	Read any 2 of the following financial literatures: <ul style="list-style-type: none"> • FIMMToday published by FIMM; • Smart Investor published by Inovatif Media Asia Sdn Bhd; • Other publications or financial magazines approved by FIMM. 	4	CPD points will only be given to the Consultant upon his submission of completed self-assessment questionnaires with fully correct answers to his principal.
(e)	Teach or speak on programmes approved by FIMM	8	2 CPD points are given for 1 hour of teaching or speaking.

Item	Activities	Maximum CPD points allowed	Remarks
(f)	<p>Obtain any one of the following academic or professional qualification</p> <p><u>Academic Qualification</u></p> <ul style="list-style-type: none"> • PhD (Majors: Finance & Business) • Masters (Majors: Finance & Business) • Basic degree (Majors: Finance & Business) • Diploma in Corporate Governance issued by Malaysian Institute of Corporate Governance • Graduate Diploma in Applied Finance & Investment issued by PNB Institute <p><u>Professional Qualification</u></p> <ul style="list-style-type: none"> • Chartered Financial Analyst issued by CFA Institute • ChFC issued by Malaysian Association of Chartered Financial Consultant • Fixed Income Certificate issued by International Capital Market Association • RFP issued by Malaysian Financial Planning Council • Chartered Investment & Finance Practitioner issued by Asia Pacific Financial Services Association 	16	

Item	Activities	Maximum CPD points allowed	Remarks
(g)	Pass any of the following modules conducted by FPAM <ul style="list-style-type: none"> • Certified Financial Planning Modules 1, 2, 3 & 4 • Islamic Financial Planner Modules 1, 2, 3 & 4 	16	10 CPD points will be allocated to each of the following modules: <ul style="list-style-type: none"> • Certified Financial Planning Modules 1, 3 & 4; • Islamic Financial Planner Modules 1 & 3 5 CPD points will be allocated to each of the following modules: <ul style="list-style-type: none"> • Certified Financial Planning Module 2; • Islamic Financial Planner Modules 2 & 4

7.3.2 CPD points will only be granted if the activities take place not more than 12 months from the date of his application for renewal to FIMM.

7.4 PROGRAMMES CONDUCTED BY A PRINCIPAL

7.4.1 Programmes conducted by a principal may be by way of classroom-based or e-learning.

7.4.2 The principal must review the programme from time to time to ensure its content remains current and relevant.

7.5 APPROVAL BY FIMM

7.5.1 A Consultant must submit an application through its principal to seek FIMM's approval to obtain CPD points for the following activities:

- (a) Write and publish—
 - (i) a book on focus areas listed in Rule 7.2.1 above;
 - (ii) articles on focus areas listed in Rule 7.2.1 above in business or financial publications recognised by FIMM;
- (b) Teach or speak in courses approved by FIMM; and

- (c) Obtain any of the following academic or professional qualification or pass relevant training modules recognised by FIMM.

7.5.2 An application letter must be accompanied by necessary and relevant details including copy of the published materials or books, confirmation letter from publisher, examination transcript or qualification certificate, confirmation letter from course organiser and course outline, where applicable.

7.5.3 A Consultant shall only be given CPD points upon obtaining FIMM's approval.

7.6 OBLIGATION OF CONSULTANTS

7.6.1 A Consultant must submit the completed CPD Record Form as set out in Appendix 4 of these Rules and the proof of CPD Programme activities participation to his principal.

7.7 OBLIGATIONS OF PRINCIPALS

7.7.1 A principal must—

- (a) maintain a register of CPD points acquired by its Consultants;
- (b) verify acquisition of CPD points by Consultants;
- (c) ensure its Consultants obtain the minimum CPD points before forwarding any application for registration or renewal of registration of its Consultants;
- (d) submit to FIMM relevant documents such as application by Consultants on matters in Rule 7.5.1 above to FIMM;
- (e) maintain proper records in relation to CPD points; and
- (f) produce to FIMM the relevant documentary evidence to support the Consultants attendance and completion of the CPD Programme activities.

7.8 VARIATION OF PRINCIPAL

- 7.8.1 A Consultant who varies his principal is allowed to transfer the CPD points obtained by him in the current year.
- 7.8.2 For the purpose of Rule 7.8.1 above, a former principal must facilitate the transfer of the CPD points without delay.

7.9 WAIVER FROM CPD REQUIREMENTS

- 7.9.1 A Consultant may apply for a waiver from CPD requirements in the following circumstances:
- (a) Where he has a prolonged critical illness or disability that falls within the definition of critical illness defined by LIAM; and
 - (b) Any other reason as may be determined by FIMM.
- 7.9.2 Any waiver granted by FIMM is subject to such terms and conditions as may be specified by FIMM.

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CHAPTER 8 - DISPUTE RESOLUTION BETWEEN DISTRIBUTORS

8.0 PREAMBLE

Chapter 8 sets out the provisions relating to dispute resolution by way of mediation by FIMM.

8.1 DISPUTE

8.1.1 A dispute arising out of or in connection with any matter governed by these Rules between Distributors may be referred to FIMM for resolution by mediation, by notice in writing by either party to the dispute, in accordance with these Rules.

8.2 MEDIATION PROCESS

8.2.1 As the mediator, FIMM shall facilitate communication and negotiation between the parties to the dispute to assist them in reaching a voluntary settlement.

8.2.2 The mediation shall be conducted in private and confidence whereby, only FIMM and the parties to the dispute or their officers may be present during the mediation. If the parties are represented by their officers, they must ensure that the officers have the authority to agree to a settlement. For the avoidance of doubt, advocates and solicitors representing the parties to the dispute are not permitted in the mediation process.

8.2.3 FIMM may determine the manner in which the mediation is to be conducted, including:

- (a) Conducting joint meetings with all parties or separate meetings with each party to the dispute, whether before or during the mediation;
- (b) Requesting each party to the dispute to submit a statement setting out the brief facts of the dispute, supported by relevant documents; and
- (c) At any stage of the mediation, requesting any party to the dispute to submit additional information or document as FIMM considers appropriate.

8.2.4 No audio or visual record shall be made of the mediation process. Any mediation communication, including any information disclosed and views expressed, is privileged and shall not be subject to discovery or be admissible in evidence in any proceedings of whatever nature, except if:

- (a) The privilege is expressly waived in writing by the parties to the dispute and FIMM;
- (b) The mediation communication is a public document pursuant to the Evidence Act 1950; or
- (c) The mediation communication is sought or offered to prove or disprove a claim or complaint of misconduct lodged against any party to the dispute or its officer.

For the purpose of these Rules, “mediation communication” includes any oral or written statement made during a mediation, in relation to a mediation and for the purpose of considering, conducting, participating in, commencing, continuing, reconvening or concluding a mediation.

8.2.5 Any party to the dispute may withdraw from the mediation by giving notice in writing of its intention to the other party and FIMM.

8.2.6 If, at the conclusion of the mediation, an agreement is reached by the parties to the dispute, the parties shall enter into a settlement agreement. The settlement agreement must be reduced in writing and signed by the parties. Any settlement agreement concluded by the parties to the dispute shall be binding on the parties.

8.2.7 A mediation shall conclude or terminate when:

- (a) A settlement agreement is concluded by the parties to the dispute;
- (b) FIMM ends the mediation by issuing a written notice to both parties stating that further efforts at mediation would not contribute to a satisfactory resolution of the dispute; or
- (c) Any party to the dispute withdraws from the mediation.

8.2.8 A mediation conducted by FIMM herein shall not prevent the parties to the dispute from commencing any civil action in court or arbitration, nor shall it act as a stay of such proceedings.

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CHAPTER 9 - SAVINGS AND TRANSITIONAL PROVISIONS

9.0 PREAMBLE

Chapter 9 sets out the savings and transitional provisions.

9.1 SAVINGS AND TRANSITIONAL PROVISIONS

- 9.1.1 All actions, directions, notifications and other acts howsoever called, made, given or done under the FIMM Rules or By-Laws before the commencement date, to the extent that they are affected by these Rules, will be deemed to have been made, given or done under these Rules and will continue to remain in full force and effect in relation to whom they apply.
- 9.1.2 Any application for registration that is pending immediately before the effective date of these Rules shall be deemed as application for registration under the By-Laws.
- 9.1.3 These Rules in relation to disciplinary process shall apply to misconduct occurring before the effective date of these Rules provided that the sanctions that the Disciplinary Committee or the Appeal Committee may take are limited to the types of sanctions provided in Clause 5.8 of the By-Laws.

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CATEGORIES OF REGISTRATION AND ELIGIBILITY REQUIREMENTS FOR REGISTRATION AS A UTS DISTRIBUTOR AND UTS CONSULTANT

(i) UTS Distributor

Categories of Registration	Eligibility requirements
UTMC	<p>A corporation which is—</p> <ul style="list-style-type: none"> (1) a member of FIMM; (2) approved as management company under the CMSA; and (3) a holder of CMSL to carry out the regulated activity of dealing in securities or dealing in securities restricted to unit trust schemes.
IUTA	<p>A corporation which is—</p> <ul style="list-style-type: none"> (1) a holder of a CMSL to carry out the regulated activity of dealing in securities or dealing in securities restricted to unit trust schemes; or (2) a financial institution specified as “registered persons” in the Third Column under Item (1)(g) Part 1 of Schedule 4 of the CMSA.

Categories of Registration	Eligibility requirements
CUTA	<p>A corporation which—</p> <ol style="list-style-type: none"> (1) is a holder of a CMSL to carry out the regulated activities of: <ol style="list-style-type: none"> (a) financial planning; and (b) dealing in securities or dealing in securities restricted to unit trust schemes; and (2) possess a professional indemnity insurance contract that indemnifies the corporation, its officers and its UTS Consultants against claims, with a minimum coverage of Ringgit Malaysia Two Hundred Thousand (RM200,000) at all times.

(ii) UTS Consultant

Categories of Registration	Eligibility Requirements
UTS Consultant	<p>(1) An individual who—</p> <ul style="list-style-type: none">(a) is of a minimum age of 21;(b) has obtained credits in any three (3) subjects in SPM or its equivalent; and(c) has passed the CUTE* (unless exempted under paragraph (2) below). <p>*All former Consultants must re-sit and pass CUTE unless exempted under paragraph (2) below.</p> <p>(2) The following individuals may be exempted from CUTE:</p> <ul style="list-style-type: none">(a) Chief Executive of UTMC, IUTA or CUTA;(b) Director of UTMC, IUTA or CUTA who has a minimum of 10 years' experience in unit trust or fund management industry;(c) Fund manager who holds a CMSRL to carry out the regulated activity of fund management;(d) A former Consultant who—<ul style="list-style-type: none">(i) applies for registration within 3 years from the date of withdrawal of his registration; and(ii) acquires 16 CPD points as set out in Chapter 7 of these Rules in lieu of re-sitting and passing the CUTE; or(e) An individual who fulfils any of the following qualifications: <u>FPAM</u><ul style="list-style-type: none">(i) A CFP or IFP and a member of FPAM; or

Categories of Registration	Eligibility Requirements
	<p>(ii) Completed a minimum of 2 CFP modules specifically Foundation in Financial Planning (Module 1) and Investment Planning and Retirement Planning (Module 3), and become an associate member of FPAM;</p> <p>(iii) Completed a minimum of 2 IFP modules specifically in Shariah and Major Components of Islamic Financial Planning (Module 1) and Islamic Investment, Retirement, Zakat and Tax Planning (Module 3), and become an associate member of FPAM;</p> <p><u>MFPC</u></p> <p>(iv) A RFP or Shariah RFP, and an ordinary member of MFPC;</p> <p>(v) Completed a minimum of 3 RFP modules specifically Fundamentals of Financial Planning (Module 1), Investment Planning (Module 3) and Retirement Planning (Module 6), obtain a Certificate of Proficiency in Financial Planning, and become an affiliate member of MFPC;</p> <p>(vi) Completed a minimum of 3 Shariah RFP modules specifically Fundamentals of Shariah Financial Planning (Module 1), Shariah Investment Planning (Module 3) and Retirement Planning (Module 6), obtain a Certificate of Proficiency in Financial Planning, and become an affiliate member of MFPC; or</p> <p><u>MFPAA</u></p> <p>(vii) A ChFC and a member of MFPAA.</p>

CATEGORIES OF REGISTRATION AND ELIGIBILITY REQUIREMENTS FOR REGISTRATION AS A PRS DISTRIBUTOR AND PRS CONSULTANT

(i) PRS Distributor

Categories of Registration	Eligibility requirements
PRS Provider	<p>A corporation which is—</p> <ul style="list-style-type: none"> (1) approved as a PRS Provider under the CMSA; and (2) a holder of a CMSL to carry out the regulated activity of dealing in private retirement schemes.
IPRA	<p>A corporation which is—</p> <ul style="list-style-type: none"> (1) a holder of a CMSL to carry out the regulated activity of dealing in PRS; or (2) a financial institution specified as “registered persons” in the Third Column under Item 6 Part 1 of Schedule 4 of the CMSA.
CPRA	<ul style="list-style-type: none"> (1) A corporation which— <ul style="list-style-type: none"> (a) holds a CMSL to carry out the regulated activities of financial planning and dealing in PRS; and (b) possess a professional indemnity insurance contract that indemnifies the corporation, its officers and its PRS Consultants against claims, with a minimum coverage of Ringgit Malaysia Two Hundred Thousand (RM200,000) at all times; (2) Insurance and Takaful Brokers which holds a CMSL to carry out the regulated activity of dealing in PRS.

(ii) PRS Consultant

Categories of Registration	Eligibility Requirements
PRS Consultant	<p>(1) An individual who—</p> <ul style="list-style-type: none">(a) is of a minimum age of 21;(b) has obtained credits in any three (3) subjects in SPM or its equivalent; and(c) has passed the PRS Examination* (unless exempted under paragraph (2) below). <p>*All former Consultants must re-sit and pass PRS Examination unless exempted under paragraph (2) below.</p> <p>(2) The following individuals may be exempted from PRS Examination:</p> <ul style="list-style-type: none">(a) Chief Executive of a PRS Provider, IPRA or CPRA;(b) Director of a PRS Provider, IPRA or CPRA who has a minimum of 10 years' experience in unit trust, PRS or fund management industry;(c) Fund manager who holds a CMSRL to carry out the regulated activity of fund management as defined in the CMSA;(d) A former Consultant who—<ul style="list-style-type: none">(i) applies for registration within 3 years from the date of withdrawal of his registration; and(ii) acquires 16 CPD points as set out in Chapter 7 of these Rules in lieu of re-sitting and passing the PRS Examination; or(e) An individual who fulfils any of the following qualifications:

Categories of Registration	Eligibility Requirements
	<p data-bbox="794 310 878 342"><u>FPAM</u></p> <ul style="list-style-type: none"> <li data-bbox="794 380 1424 443">(i) A CFP or IFP (revised syllabus which includes PRS) and a member of FPAM; or <li data-bbox="794 478 1424 709">(ii) Completed a minimum of 2 CFP modules (revised syllabus which includes PRS) specifically Foundation in Financial Planning (Module 1) and Investment Planning and Retirement Planning (Module 3) and become an associate member of FPAM; <li data-bbox="794 745 1424 1010">(iii) Completed a minimum of 2 IFP modules (revised syllabus which includes PRS) specifically Shariah and Major Components of Islamic Financial Planning (Module 1) and Islamic Investment, Retirement, Zakat and Tax Planning (Module 3) and become an associate member of FPAM. <p data-bbox="794 1052 878 1083"><u>MFPC</u></p> <ul style="list-style-type: none"> <li data-bbox="794 1119 1424 1213">(iv) A RFP or Shariah RFP (revised syllabus which includes PRS) and become an ordinary member of MFPC; <li data-bbox="794 1249 1424 1514">(v) Completed a minimum of 3 RFP modules (revised syllabus which includes PRS) specifically Fundamentals of Financial Planning (Module 1), Investment Planning (Module 3) and Retirement Planning (Module 6), obtained a Certificate of Proficiency in Financial Planning and become an affiliate member of MFPC; <li data-bbox="794 1549 1424 1850">(vi) Completed a minimum of 3 Shariah RFP modules (revised syllabus which includes PRS) specifically Fundamentals of Shariah Financial Planning (Module 1), Shariah Investment Planning (Module 3) and Retirement Planning (Module 6), obtained a Certificate of Proficiency in Financial Planning and become an affiliate member of MFPC.

Categories of Registration	Eligibility Requirements
	<p data-bbox="776 310 883 342"><u>MFPAA</u></p> <p data-bbox="794 380 1377 443">(vii) A ChFC (which syllabus includes PRS) and a member of MFPAA.</p>

POST-REGISTRATION REQUIREMENTS APPLICABLE TO A UTS DISTRIBUTOR

Categories of Registration	Requirements
UTMC	<p><u>Distribution point</u></p> <p>(1) A UTMC must have at least 2 UTS Consultants at each of its distribution point including mobile distribution point.</p> <p>(2) A UTMC must maintain an updated register of relevant particulars of its UTS Consultants attached to each distribution point.</p> <p><u>UTS Consultants</u></p> <p>(3) A UTMC may appoint independent individuals or its employees as UTS Consultants.</p> <p><u>Agency units</u></p> <p>(4) A UTMC may form agency units among its UTS Consultants provided it complies with the requirements on establishment of agency units as stated in Appendix 2 of the Guidelines on Marketing and Distribution of Unit Trust Funds issued by SC.</p>
IUTA	<p><u>Distribution arrangements</u></p> <p>(1) An IUTA must have a distribution arrangement or sub-distribution arrangement with one or more of the following persons:</p> <ul style="list-style-type: none"> (a) A UTMC; (b) An online provider; or (c) An operator <p>(2) IUTAs who are financial institutions specified as “registered persons” under Item (1)(g) Part 1 of Schedule 4 of the CMSA are not allowed to enter into sub-distribution arrangement with each other.</p>

Categories of Registration	Requirements
	<p><u>Distribution point</u></p> <p>(3) An IUTA must have at least 2 UTS Consultants at each of its distribution point including mobile distribution point.</p> <p>(4) An IUTA must maintain an updated register of relevant particulars of its UTS Consultants attached to each distribution point.</p> <p><u>UTS Consultants</u></p> <p>(5) An IUTA which is a financial institution specified as “registered persons” under Item (1)(g) Part 1 of Schedule 4 of the CMSA may only appoint its employees as UTS Consultants.</p> <p>(6) An IUTA which is a CMSL holder excluding an investment bank or a stockbroking company may appoint independent individuals or its employees as UTS Consultants.</p> <p>(7) An IUTA which is an investment bank or a stockbroking company may appoint its employees or remisiers (commissioned CMSRL for dealing in securities) as UTS Consultants.</p> <p><u>Agency units</u></p> <p>(8) An IUTA shall not form agency units among its UTS Consultants except for:</p> <p>(a) A UTMC or a PRS Provider that is also registered as an IUTA may form agency units among its UTS Consultants provided it complies with the requirements on establishment of agency units as stated in Appendix 2 of the Guideline on Marketing and Distribution of Unit Trust Funds issued by SC; or</p>

Categories of Registration	Requirements
	<p>(b) An IUTA which is a CMSL holder other than those referred to in paragraph (a) above may only form a single-tier agency unit among its UTS Consultants.</p>
<p>CUTA</p>	<p>(1) A CUTA must have a distribution arrangement or a sub-distribution arrangement which enables it to market and distribute Schemes of at least 2 issuers including an operator at all times.</p> <p>(2) CUTAs are not allowed to enter into sub-distribution arrangement with IUTAs who are financial institutions specified as “registered persons” under Item (1)(g) Part 1 of Schedule 4 of the CMSA.</p> <p><u>Distribution point</u></p> <p>(3) A CUTA must have at least 2 UTS Consultants at each of its distribution point including mobile distribution point.</p> <p>(4) A CUTA must maintain an updated register of relevant particulars of its UTS Consultants attached to each distribution point.</p> <p><u>UTS Consultants</u></p> <p>(5) A CUTA may appoint independent individuals or its employees as UTS Consultants.</p> <p>(6) Before appointing a UTS Consultant, a CUTA must ensure the individual holds a CMSRL to carry out the regulated activity of financial planning, subject to any exemption given by FIMM.</p> <p><u>Agency units</u></p> <p>(7) A CUTA may only form a single-tier agency unit among its UTS Consultants.</p>

Categories of Registration	Requirements
	<p data-bbox="578 348 797 380"><u>Nominee system</u></p> <p data-bbox="578 415 1230 447">(8) A CUTA must not operate a nominee system.</p> <p data-bbox="578 483 1414 579">(9) A CUTA which is within the group of a financial institution who intends to operate a nominee system must seek FIMM's prior approval.</p>

POST-REGISTRATION REQUIREMENTS APPLICABLE TO A PRS DISTRIBUTOR

Categories of Registration	Requirements
PRS Provider	<p><u>Distribution point</u></p> <p>(1) A PRS Provider must have at least 2 PRS Consultants at each of its distribution point including mobile distribution point.</p> <p>(2) A PRS Provider must maintain an updated register of relevant particulars of its PRS Consultants attached to each distribution point.</p> <p><u>PRS Consultants</u></p> <p>(3) A PRS Provider may appoint independent individuals or its employees as PRS Consultants.</p> <p><u>Agency units</u></p> <p>(4) A PRS Provider may form agency units among its PRS Consultants provided it complies with the requirements on establishment of agency units as stated in Appendix 2 of the Guidelines on Marketing and Distribution of Unit Trust Funds issued by SC.</p>
IPRA	<p><u>Distribution arrangements</u></p> <p>(1) An IPRA must have a distribution arrangement or a sub-distribution agreement with one or more of the following persons:</p> <ul style="list-style-type: none"> (a) A PRS Provider; or (b) An online provider <p>(2) IPRA who are financial institutions specified as “registered persons” under item (1)(g) Part 1 of Schedule 4 of the CMSA are not allowed to enter into sub-distribution arrangement with each other.</p>

Categories of Registration	Requirements
	<p><u>Distribution point</u></p> <p>(3) An IPRA must have at least 2 PRS Consultants at each of its distribution point including mobile distribution point.</p> <p>(4) An IPRA must maintain an updated register of relevant particulars of its PRS Consultants attached to each distribution point.</p> <p><u>PRS Consultants</u></p> <p>(5) An IPRA which is a financial institution specified as “registered persons” under Item (1)(g) Part 1 of Schedule 4 of the CMSA may only appoint its employees as PRS Consultants.</p> <p>(6) An IPRA which is a CMSL holder excluding an investment bank or a stockbroking company may appoint independent individuals or its employees as PRS Consultants.</p> <p>(7) An IPRA which is an investment bank or a stockbroking company may appoint its employees or remisiers (commissioned CMSRL for dealing in securities) as PRS Consultants.</p> <p><u>Agency units</u></p> <p>(8) An IPRA shall not form agency units among its PRS Consultants except for:</p> <p>(a) A UTMC or a PRS Provider that is also registered as an IPRA may form agency units among its PRS Consultants provided it complies with the requirements on establishment of agency units as stated in Appendix 2 of the Guidelines on Marketing and Distribution of Unit Trust Funds issued by SC; or</p> <p>(b) An IPRA which is a CMSL holder other than those referred to in paragraph (a) above may only form a single-tier agency unit among its PRS Consultants.</p>

Categories of Registration	Requirements
CPRA	<p data-bbox="578 327 915 359"><u>Distribution arrangements</u></p> <p data-bbox="578 407 1414 516">(1) A CPRA must have a distribution arrangement or a sub-distribution arrangement to market and distribute Schemes of at least 2 issuers at all times.</p> <p data-bbox="578 569 1414 716">(2) CPRAs are not allowed to enter into sub-distribution arrangement with IPRA's who are financial institutions specified as "registered persons" under Item (1)(g) Part 1 of Schedule 4 of the CMSA.</p> <p data-bbox="578 768 797 800"><u>Distribution point</u></p> <p data-bbox="578 810 1414 873">(3) A CPRA must have at least 2 PRS Consultants at each of its distribution point including mobile distribution point.</p> <p data-bbox="578 926 1414 1031">(4) A CPRA must maintain an updated register of relevant particulars of its PRS Consultants attached to each distribution point.</p> <p data-bbox="578 1083 805 1115"><u>PRS Consultants</u></p> <p data-bbox="578 1125 1414 1188">(5) A CPRA may appoint independent individuals or its employees as PRS Consultants.</p> <p data-bbox="578 1241 1414 1388">(6) Before appointing a PRS Consultant, a CPRA must ensure the individual holds a CMSRL to carry out the regulated activity of financial planning, subject to any exemption given by FIMM.</p> <p data-bbox="578 1440 748 1472"><u>Agency units</u></p> <p data-bbox="578 1482 1414 1545">(7) A CPRA may only form a single-tier agency unit among its PRS Consultants.</p>



(Company No. 272577 - P)

COMPLAINT FORM

You are required to complete this form for us to help you with your complaint. If you need help in filling the form, please call FIMM at 03-20923800.

Please take note that FIMM does not process complaints on matters outside its jurisdiction. Matters outside FIMM's jurisdiction are:

Financial products or investment products that do not fall within the definition of the unit trust scheme (UTS) and private retirement scheme (PRS) provided in the Capital Markets and Services Act 2007;

Matters relating to only the fund performance of UTS or PRS;

Matters relating to the internal policies of distributors registered with FIMM that have no relevance to the marketing and distribution of UTS or PRS; and

Matters relating to only the contractual arrangement between the consultants registered with FIMM with their principals (provided that such arrangements do not contravene any of the guidelines or rules issued by FIMM or the Securities Commission Malaysia, or any provision of the securities laws).

Your details			
Name			
NRIC No. (for Malaysian); or Passport No.(for foreigner)			
Correspondence address			
Telephone No:		Fax No:	
Email			
Please cross (x) your preferred mode of communication			
<input type="checkbox"/>	Email		
<input type="checkbox"/>	Correspondence address		
<input type="checkbox"/>	Both		

Your complaint

Details of your complaints (to include persons and/or corporations complained against, together with supporting documents)

Your complaint

Your declaration & consent

I confirm that all information and documents provided to FIMM herein are true and accurate. I understand and agree that all information including my personal details which could include sensitive information and documents provided to FIMM or to be given at a later date concerning my complaint may be shared with relevant distributors and consultants registered with FIMM, and/or other third parties as may be necessary as part of FIMM's investigation to resolve my complaint.

Signature or thumb print

Date:

Details of the person filling up this form on your behalf (if applicable).

Name:

Telephone No:

Your signature or thumbprint is still needed even if someone else is completing this form on your behalf. This shows you have given your permission to the person to fill in the form for you and you acknowledge the truthfulness and accuracy of its content. You are required to give name and contact details of the person.

Signature
Date:

Please e-mail your complaint to **complaints@fimm.com.my** or send it to:

Legal Department

Federation of Investment Managers Malaysia

19-06-1, 6th floor, Wisma Tune

No. 19, Lorong Dungun, Damansara Heights

50490 Kuala Lumpur

Fax No. : 03-2093 2700

Note:

- (1) Pursuant to the Personal Data Protection Act 2010, please refer to our Personal Data Notice which is available at our website: www.fimm.com.my.
- (2) If you are claiming protection under the Whistleblower Protection Act 2010, your complaints will be referred to the Securities Commission Malaysia for its necessary action.
- (3) If you have a complaint regarding a monetary dispute not exceeding RM100,000.00 against a distributor or consultant of UTS or PRS, you may be eligible to seek the assistance of the Securities Industry Dispute Resolution Center (SIDREC) which can be contacted at 03-2282 2280 and info@sidrec.com.my. You may also visit www.sidrec.com.my for more information.

Matters outside FIMM's jurisdiction	
1.	Financial products or investment products that do not fall within the definition of the unit trust scheme or private retirement scheme as defined in the CMSA.
2.	Matters relating to only the fund performance of unit trust scheme or private retirement scheme.
3.	Matters relating to internal policies of Distributors that have no relevance to the marketing and distribution of unit trust scheme or private retirement scheme.
4.	Matters relating to only the contractual arrangement between the UTS Consultants or the PRS Consultants with their principals (provided that such arrangements do not contravene any of the guidelines or rules issued by FIMM or SC, or any provision of the securities laws).

Examples of frivolous and/or vexatious complaints	
1.	Complaints that are devoid of merits.
2.	Complaints that are lodged maliciously or merely to annoy or embarrass.
3.	Complaints that cannot be substantiated evidentially.

NOTICE OF APPEAL

In the Matter of: _____

To:

The Appeals Committee
Federation of Investment Managers Malaysia (FIMM)

Appellant:
(Name, NRIC No and Address)

TAKE NOTICE that the appellant above named is dissatisfied with the decision of the Disciplinary Committee and hereby appeal against the said decision.

AND TAKE NOTICE that the appellant hereby states the grounds of the appeal as follows:
(To insert grounds of appeal)

- (i)
- (ii)
- (iii)

1. The appellant agrees to abide by the procedures and determination of the Appeal proceedings.
2. The appellant hereby agrees to be present in person at such hearings to be held at a date, time and place as may be determined by FIMM in its absolute discretion.

IN WITNESS HEREOF, the appellant hereto have signed and acknowledged the Notice of Appeal.

(Appellant's signature)

(Dated:.....)

CPD RECORD FORM

NOTE: Softcopy of this form or template can be downloaded from FIMM's website



Continuing Professional Development (CPD) Record

Name of UTC: _____

FIMM No.: _____

Company's Name: _____

Period Covered: January 1 _____ to December 31 _____

No.	Description of Activity (course title, type of activity)	Organisation Presenting Activity	Date of Event	CPD Hours
1.	Example: "Financial Planning Conference"	FPAM	28-Feb-13	8 CPD
2.	Example: "E-learning: Private Retirement Scheme"	Principal's Name	10-Aug-13	8 CPD
3.				
4.				
5.				
6.				
7.				
	TOTAL CPD POINTS ACCUMULATED			16 CPD

Acknowledgement:

I hereby confirm that I have completed the CPD activities recorded herein.

Signature: _____ Date: _____

Evidence for verification (where relevant)

- Course outlines, teaching materials, certificate of attendance or participation.
- Attendance record, registration forms or confirmation of registration from provider.
- Independent assessment that a learning activity has occurred.
- Confirmation by an instructor, mentor or tutor of participation.
- Confirmation by an employer of participation in an in-house programme.