

Press Release



For immediate release.

Kuala Lumpur, 03 March 2021

PUBLIC REPRIMAND AGAINST FORMER UNIT TRUST & PRIVATE RETIREMENT SCHEMES CONSULTANTS

The Federation of Investment Managers Malaysia (FIMM) recently reprimanded two individuals (former Unit Trust Scheme (UTS) and Private Retirement Scheme (PRS) Consultants) for misconduct/breach of FIMM's Code of Ethics and Rules of Professional Conduct (Unit Trust Funds), Second Edition dated 22 January 2013 (FIMM's Code), as follows:

No.	Person Reprimanded	Facts
1.	Jonsen A/L Samikannoo (Jonsen), a former UTS and PRS Consultant of RHB Bank Berhad (RHB) (FIMM No: 516-I-22417 & P-516-I-20475)	<p>Jonsen was found to be in breach of Clauses 3.1.3(a) and (c), 3.1.7(b), 3.1.11(a) and 3.1.12(a)(v) of FIMM's Code for committing the following misconducts:</p> <ul style="list-style-type: none">i. Promoted and distributed RHB Emerging Income Fund ("RHB EIF"), a unit trust fund offered to only sophisticated investors, to an investor who clearly did not qualify as a sophisticated investor;ii. Failed to give clear explanation to the investor as to how and where the proceeds from her fixed deposit account in RHB amounting RM90,000.00 will be invested in, before proceeding to invest the said amount in RHB EIF;iii. Misrepresented to the investor by stating that the investment amount of RM90,000.00 will not be affected and will earn an annual investment return of 6%;iv. Completed the suitability assessment form of the investor on her behalf by wrongly stating her estimated annual income as RM30,000.00 and her

		<p>education background as high school when the investor is a housewife, and her education level was only up to standard 3 of primary school; and</p> <p>v. Failed to explain to the investor the features and the administrative charges of RHB EIF.</p>
2.	<p>Mohd Ariffin Bin Azmi (Ariffin) a former UTS and PRS Consultant of Principal Asset Management Berhad (“Principal”) (FIMM No: 031-0-33841 & P-031-0-21482)</p>	<p>Ariffin was found to be in breach of Clauses 3.1.3(a) and 3.1.11(g) of FIMM’s Code for committing the following misconducts:</p> <p>i. Accepted pre-signed/pre-thumb printed investment forms from an investor.</p> <p>ii. Performed unauthorised withdrawals from the investor’s Employee Provident Fund (EPF) account amounting RM120,000.00 for purposes of UTS investment with Principal; and</p> <p>iii. Performed unauthorised redemptions of the investor’s UTS investment with Principal amounting RM5,388.46.</p>

Clause 3.1.3(a) and (c) of FIMM’s Code requires UTS Consultants at all times to:
(a) act with honesty, dignity and integrity; and
(c) deal in good faith and with best of intentions for investors.

Clause 3.1.7(b) of FIMM’s Code prohibits UTS Consultants from misrepresenting or recklessly represent the unit trust funds and/or the characteristics of the unit trust funds offered by his principal.

Clause 3.1.11(a) of FIMM’s Code requires UTS Consultants to conduct all dealings with every care, skill and diligence and ensure as far as possible that the unit trust fund is suitable for the needs of the investor and is not beyond the investor’s resources.

Clause 3.1.12(a)(v) of FIMM’s Code requires UTS Consultants to adequately explain to an investor the nature and characteristics of the unit trust fund that is being marketed and should make clear all essential attributes of the unit trust fund including all fees, charges and expenses involved.

Clause 3.1.11(g) of FIMM's Code requires UTS Consultants to conduct all dealings with every care, skill and diligence. In this regard, UTC should not request or allow an investor to pre-sign (or pre-thumbprint) any form relating to their investment.

Additionally, since Jonsen and Ariffin are currently not registered as UTS or PRS Consultants, they have been barred from registration with FIMM for a period of three (3) months effective 4 February 2021.

This Public Reprimand is imposed to send a strong message that FIMM will take action against those who fail to comply with any rules issued by FIMM. This is to deter UTS and PRS Consultants from committing any misconducts and reminding them that it is crucial to observe FIMM's rules when marketing and distributing UTS and PRS in Malaysia to protect the interests of the investing public.

For more information on matters related to UTS/PRS and investor protection, please visit www.fimm.com.my.

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Note to Editors

About Federation of Investment Managers Malaysia

The Federation of Investment Managers Malaysia (FIMM) was established on 7 August 1993. FIMM was previously known as the Federation of Malaysian Unit Trust Managers (FMUTM), with a mandate to represent the Unit Trust Scheme (UTS) and Private Retirement Scheme (PRS) industries and promote its growth. By a gazette order dated 20 January 2011, FIMM was recognised by the Securities Commission Malaysia (SC) as a Self-Regulatory Organisation (SRO).

As an SRO, FIMM regulates and supervises its members and registered persons to strive for the highest level of integrity and standards of practice that will best serve the investment management industry and promote investor protection.

FIMM's Code of Ethics and Rules of Professional Conduct (Unit Trust Funds)

[FIMM's Code of Ethics and Rules of Professional Conduct \(Unit Trust Funds\)](http://www.fimm.com.my), Second Edition dated 22 January 2013 (FIMM's Code) can be downloaded from our website www.fimm.com.my. FIMM's Code was implemented to ensure that UTS Consultants conduct themselves and act with professionalism, integrity, and honesty when dealing with investors.