

30th May 2012

CIRCULAR : CPD/AL/AZ-sn/024-12

TO : ORDINARY MEMBERS AND REGISTERED PERSONS

ATTN : CHIEF EXECUTIVE OFFICER

QUESTIONS AND ANSWERS PERTAINING TO CPD REQUIREMENTS FOR RENEWAL OF UNIT TRUST CONSULTANT (UTC) REGISTRATION

With reference to the circular (CPD/AL/AZ-sn/021-12) issued on 18 May 2012, FIMM has provided an additional Q&A to the revised CPD framework approved by the Industry Development Committee as stipulated above to ensure smooth implementation of the CPD for UTC renewal at the yearend 2012.

1. Q: As mentioned in Item (A) (1) of the FIMM's circular dated 18 May 2012 , UTC that newly joined or registered with FIMM in 2012 or subsequent years are required to fulfill, in whole or in part, 16 points in proportion to the number of month(s) the UTC joined the company. Can you provide an example on how such CPD points are calculated?

A: Kindly refer to the following examples on how the above prorated CPD points are calculated:

Example 1:

- a) Ms Jane registered with FIMM on 1 March 2012. By end of 2012, she needs to have at least 13 (16 x 10/12) points (rounded to the nearest point) before renewing her registration with FIMM.
 - b) Mr Johnson registered with FIMM on 31 March 2012. By end of 2012, he needs to have at least 13 (16 x 10/12) points (rounded to the nearest point) before renewing his registration with FIMM.
 - c) En Hassan registered with FIMM on 15 November 2013. By end of 2013, he needs to have at least 3 (16 x 2/12) points (rounded to the nearest point) before renewing his registration with FIMM.
2. Q: As mentioned in Item (B) (1) of the FIMM's circular dated 18 May 2012 , UTC that has left the industry for **three years or less** and re-entered the industry by joining the same or another company, such UTC must accumulate at least eight CPD points prior to re-registration with FIMM can be conducted by new company. May I know when will this requirement come into force?

A: 1 January 2013.

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A: The same CPD requirements for renewal of UTC registration as quoted in Items (A) (1) and (2) of the above circular applied. The requirements are reproduced as follows for your ease of reference:

1. For Renewal of UTC at the end of 2012		
Year UTC joined/ Registered with FIMM	Minimum CPD points required	Remarks
2010 and earlier	24	For the purpose of calculating CPD points, the date the UTC joined FIMM (Date Joined) will supersede the contractual date previously prescribed.
2011	16	
2012 (prorated)	(16/12) x month(s) joined	

2. For Renewal of UTC at the end of 2013 and onwards
16/12 x month(s) joined

For clarification, the Date Joined for the above UTC remains (no change) before and after he/ she completed the re-registration.

4. Q: Assuming a UTC submitted the re-registration on or after the effective date, how many CPD points must be fulfilled before the UTC's registration with FIMM is allowed to be renewed by end of 2013 and each subsequent year?

A: 16 points.

Example 2: (re-registration submitted prior to the effective date):

Mr Lim passed and registered with FIMM since 15 August 2010 (Date Joined=15 August 2010) and decided to switch company. Company ABC intends to submit the re-registration application for him on 10 October 2012.

- Company ABC may proceed to do so without having to meet the 8 CPD points;
- Assuming the re-registration is successful and by end of 2012, Mr Lim will need to fulfill 24 CPD points before he is allowed to renew his registration with FIMM; and
- By end of 2013 and each subsequent year, Mr Lim will need to fulfill 16 points before he is allowed to renew his registration with FIMM.

Example 3: (re-registration submitted on or after the effective date):

Puan Azlin registered with FIMM since 15 August 2010 and decided to switch company. Company XYZ intends to submit the re-registration application for her on 12 January 2013.

- Company XYZ must ensure that Pn Azlin has collected at least 8 CPD points before submitting the re-registration application to FIMM; and
- Assuming the re-registration is successful and by end of 2013, Pn Azlin will need to fulfill another additional 8 points or at least a total 16 CPD points before she is allowed to renew her registration with FIMM.

5. Q: As mentioned in Item (B) (2) of the same circular, UTC that has left the industry for **more than three years** and re-entered the industry by joining the same or another company, such UTC will

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need to take the Computerised Unit Trust Examination (CUTE) again before they are allowed to be re-registered with FIMM. May I know what would be the CPD requirements for such UTC?

- A: The Date Joined for UTC will be updated in line with the date he/ she passed CUTE. The UTC will be subjected to the CPD requirements similar to those UTC that are newly registered with FIMM.

Example 4:

Melvin first registered with FIMM more than a decade ago but failed to renew his registration since 15 January 2008. He has decided to join the industry again and hence sat for and passed CUTE on 17 May 2012.

- a) By end of 2012, Melvin needs to collect at least 11 CPD points (16 x 8/12) before he is allowed to renew his registration; and
- b) By end of 2013 and each subsequent year, Melvin needs to collect at least 16 CPD points before he is allowed to renew his registration.

6. CPD Mandatory Requirements

- a) Regardless of whether they are tied agents or full-time employees, UTCs of IUTA and CUTA UTCs, are required to comply fully with FIMM's CPD Programme
- b) All registered persons (UTCs) under the full-time employment of a UTMC are still exempted from complying with FIMM CPD Programme and Guidelines. The training of such registered persons or UTCs will be governed under the SC's Guidelines on Unit Trust Funds instead.

Thank you.

Yours faithfully

FEDERATION OF INVESTMENT MANAGERS MALAYSIA



AHMAD ZAKIE SHARIFF

Chief Executive Officer