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TO : UTMC, IUTA, CUTA, PRS PROVIDERS, IPRA AND CPRA
("DISTRIBUTORS")

ATTN : CHIEF EXECUTIVE OFFICER / AUTHORIZED REPRESENTATIVE

Dear Sir/Madam,

REQUIREMENT OF AT LEAST 2 CONSULTANTS AT EACH DISTRIBUTION POINT INCLUDING MOBILE DISTRIBUTION POINT

We refer to the above.

Pursuant to FIMM's Consolidated Rules, Appendix 2-A and 2-B (as attached) in relation to the post-registration requirements which applicable to the Distributors of Unit Trust Schemes ("UTS") and Private Retirement Schemes ("PRS"), it is a requirement for the distributor to have at least 2 UTS and/or PRS consultants at each of its distribution point including mobile distribution point. In the event that the number of consultants falls below the minimum requirement of 2, the distribution point has to cease its marketing and distribution of UTS and/or PRS activities.

The rationale for such requirement is to ensure that there is always a backup or relief consultant when other consultant is away from the distribution point. Hence, the distribution point will always have a consultant to serve any walk-in investor with regard to their investment of UTS and PRS.

It was brought to FIMM's attention that some of the bank's branches, particularly branches which located in remote areas, are having the difficulty to fulfill FIMM's requirement to have at least 2 Consultants at each of its branches due to the following:

- a) It is difficult to recruit a capable candidate for replacement of consultant in remote areas; and
- b) With regard to revenue consideration, the employment cost is relatively high in remote areas due to small customer base and total gross sales.

In order to address the concerns by bank's branches located in remote areas, please be informed that the distributors are allowed to continue with the marketing and distribution of UTS and/or PRS activities at the distribution point despite the number of consultants falls below the minimum requirement of 2. However, the distributor must notify FIMM on the matter and shall take immediate action to recruit another consultant within 3 months. Should the distributor fail to comply with the requirement after end of the 3-month period, such distribution point has to cease its marketing and distribution of UTS and/or PRS activities immediately.

Should you need further clarification, please contact Ms. Valli (ext: 325) or Ms. Afza (ext: 308) of Business Registration Department at 03-2093 2600.

Thank you.

Sincerely,
Federation of Investment Managers Malaysia

A handwritten signature in black ink, appearing to read 'Fariq', with a horizontal line extending from the end of the signature.

Fariq Bin Hassan
General Manager
Regulatory Services

Appendix 2-A of FIMM's Consolidated Rules – Distribution Point

Category of Registration	Requirements
<i>Unit Trust Management Company ("UTMC")</i>	<i>A UTMC must have at least 2 UTS Consultants at each of its distribution point including mobile distribution point.</i>
<i>Institutional UTS Adviser ("IUTA")</i>	<i>An IUTA must have at least 2 UTS Consultants at each of its distribution point including mobile distribution point.</i>
<i>Corporate UTS Adviser ("CUTA")</i>	<i>A CUTA must have at least 2 UTS Consultants at each of its distribution point including mobile distribution point.</i>

Appendix 2-B of FIMM's Consolidated Rules – Distribution Point

Category of Registration	Requirements
<i>PRS Provider</i>	<i>A PRS Provider must have at least 2 PRS Consultants at each of its distribution point including mobile distribution point.</i>
<i>Institutional PRS Adviser ("IPRA")</i>	<i>An IPRA must have at least 2 PRS Consultants at each of its distribution point including mobile distribution point.</i>
<i>Corporate PRS Adviser ("CPRA")</i>	<i>A CPRA must have at least 2 PRS Consultants at each of its distribution point including mobile distribution point.</i>