

CIRCULAR

Date:	8 May 2023	Ref No.:	R&A/EPF/LFY-IEO/002-23 (Total no. of pages: 4)
To:	Institusi Pengurusan Dana (IPD)		
Attn:	Chief Executive Officer / Authorised Representative		

INDUSTRY BRIEFING ON THE ENHANCEMENT OF E-PPA AGREEMENT

1.0 BACKGROUND

Elektronik Pilihan Pelaburan Ahli System (e-PPA)

- 1.1 The Employees Provident Fund (EPF) introduced the EPF Members Investment Scheme (EPF-MIS) in 1996. To participate, EPF members must submit KWSP 9N form and supporting documents to Institusi Pengurusan Dana (IPD), for onwards manual submission to EPF.
- 1.2 Due to high volumes, the turnaround time for EPF-MIS applications was three (3) to four (4) weeks then. To enhance the processing of applications, Rexit Software Sdn Bhd (REXIT) was appointed by FIMM in 2009 to develop, implement and operate the Elektronik Pilihan Pelaburan Ahli system (e-PPA), based on specification endorsed by FIMM and EPF.
- 1.3 The e-PPA was successfully introduced in 2010. It functions as an electronic gateway between IPDs and EPF to enable EPF members' investment in unit trusts to be transacted, processed and accepted, as well as to ensure completeness of the applications from IPDs before sending to EPF for its further action.

Master Agreement (MA) and Subscription Agreement (SA)

- 1.4 FIMM and REXIT executed the MA on 12 February 2009. The MA stipulates, among others, the following:
- a) The obligations of REXIT in developing e-PPA; and
 - b) The responsibilities of REXIT in the operation of e-PPA.

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- 1.5 REXIT entered the e-PPA SA with IPDs who desire to subscribe to the services i.e. eligibility check, investment/application processing, redemption processing and e-PPA reports. **Note:** SA is tied to MA.
- 1.6 The initial MA was for a period of five (5) years and subsequently renewed based on the duration agreed by both FIMM and REXIT. The last renewal was made on 15 June 2017, for a duration until 28 February 2021.

Enhancement of MA and SA

- 1.7 As the existing MA has not been updated since 2009, FIMM and REXIT decided to review and enhance the MA (as well as SA), to ensure the relevancy of the clauses for the best interest of all stakeholders.
- 1.8 The draft enhanced MA and SA have been finalised and are ready to be shared with IPDs for feedback.
- 1.9 Upon collating and incorporating IPDs' feedback (where appropriate), we will proceed to sign the enhanced MA (between FIMM and REXIT) and SA (between individual IPD and REXIT).

Note: The existing MA and SA will remain effective until the completion / signing of enhanced MA and SA.

2.0 Industry Briefing

- 2.1 Following the above, FIMM would like to invite representatives from all IPDs to an industry briefing to share the following:
- a) Enhanced clauses in the MA between FIMM and REXIT;
 - b) Enhanced clauses in the SA between IPD and REXIT; and
 - c) Next course of action to complete and sign the enhanced MA and SA.
- 2.2 Details of the session are as follows:
- Venue : MS Teams
(Note: The meeting link will be sent prior to the briefing day)
- Date : 18 May 2023
- Day : Thursday
- Time : 10am – 12pm

3.0 Actions Needed

- 3.1 Please nominate two (2) representatives for the session. It is advisable to appoint representative(s) who is in-charge of the e-PPA and/or representative(s) from the legal department.
- 3.2 Kindly complete the reply slip to register your nominated representatives and email to FIMM (izma.es@fimm.com.my), **not later than noon, 15 May 2023**.
- 3.3 FIMM will send the meeting invitation to the nominated representatives nearer to the briefing date.

Should you require any further information or clarification, please do not hesitate to contact Ms. Lim Foong Ying at limfoongying@fimm.com.my or Ms. Izma Es binti Othman at izma.es@fimm.com.my.

Thank you.

Yours sincerely,



Lim Foong Ying
Senior Manager
Research & Analytics Department

REPLY SLIP

INDUSTRY BRIEFING ON THE ENHANCEMENT OF E-PPA AGREEMENT (REF: R&A/EPF/LFY-IEO/002-23)

To: Federation of Investment Managers Malaysia
c/o Research & Analytics Department
19-06-01, 6th Floor, Wisma Tune
19, Lorong Dungun, Damansara Heights
50490 Kuala Lumpur
Tel: 03 7890 4242 Fax: 03 2093 2700

Kindly **email** this completed reply slip to FIMM by **noon, 15 May 2023 (Monday)**
izma.es@fimm.com.my

Would you like to participate in the Industry Briefing?
(Please tick accordingly and let us know even if your company is not able to participate)

☐ **Yes**, kindly register the following personnel(s).

Name (Key Representative):

Designation:

E-mail:

Tel:

Name (Alternate Representative):

Designation:

E-mail:

Tel:

☐ **No**, we are not participating. (If no, please state your reason)

From:

Name

Name of company

Designation

Tel No.

Fax No.

Date

Signature