

For Immediate Release.

Kuala Lumpur, 9 January 2024

## **PUBLIC REPRIMAND AGAINST ONE (1) UNIT TRUST AND PRIVATE RETIREMENT SCHEMES CONSULTANT**

The Federation of Investment Managers Malaysia (FIMM) recently reprimanded one (1) Unit Trust Scheme (UTS) and Private Retirement Scheme (PRS) Consultant for his misconduct/breach of FIMM's Code of Ethics and Rules of Professional Conduct (2<sup>nd</sup> Edition) dated 22 January 2013 (FIMM's Code) and FIMM's Consolidated Rules (FCR), as follows:

<b>No.</b>	<b>Person Reprimanded</b>	<b>Facts</b>
1.	Ismail bin Md Hashim (Ismail), who was at the material time, a UTS and PRS Consultant of Public Mutual Berhad (Public Mutual) (FIMM No.: 031-0-40852 & P-009-0-08009)	<p>Ismail was found to be in breach of Clauses 3.1.3(a) and 3.1.11(g) of FIMM's Code, and Rules 4.1.1, 4.2.1 and 4.3.1(c) of the FCR for committing the following misconducts:</p> <ul style="list-style-type: none"><li>a) performed a withdrawal from an investor (Investor)'s Employee Provident Fund (EPF) Account for the purpose of UTS investment with Public Mutual, without the Investor's prior consent/knowledge (Investment Transaction);</li><li>b) allowed the Investor to pre-sign and pre-thumbprint Investment Application Form and EPF Form which was then used to perform the Investment Transaction;</li><li>c) forged the signatures of both the Investor and his downline on the Suitability Assessment Form; and</li><li>d) assigned/allocated sales of the Investment Transaction to his downline, without the knowledge of his downline and the Investor.</li></ul>

Clause 3.1.3(a) of FIMM's Code requires Consultants to act with honesty, dignity and integrity at all times.

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

Rule 4.1.1 of the FCR requires any person who applies to FIMM for registration as a Distributor or Consultant to be fit and proper.

Rule 4.2.1 of the FCR requires a person who is registered by FIMM as a Distributor or Consultant 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.

Rule 4.3.1(c) of the FCR prohibits a person registered with FIMM from engaging 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.

Additionally, Ismail has been barred from registering with FIMM for a period of two (2) years (Barring Period) with effect from 5 December 2023 pursuant to Rule 6.6.1(b)(x) of the FCR and is required to attend training on "FIMM's Code of Ethics" pursuant to Rule 6.6.1(b)(v) of the FCR, should he decide to re-register with FIMM after the Barring Period.

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.

This misconduct was detected by Public Mutual.

For more information on matters related to UTS, PRS and investor protection, please visit [www.fimm.com.my](http://www.fimm.com.my).

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### **Media Enquiries**

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

**FIMM's Consolidated Rules**

FIMM's Consolidated Rules dated 1 June 2016 can be downloaded from our website [www.fimm.com.my](http://www.fimm.com.my).