

FREQUENTLY-ASKED QUESTIONS ON CAPITAL MARKET DIRECTOR PROGRAMME

1. What is Capital Market Director Programme (CMDP)?

Capital Market Director Programme is an exclusive platform for directors of licensed intermediaries to be equipped with the relevant knowledge, skills and abilities (basic to intermediate level) to meet the expected competencies required of a board. The programme is also designed to allow directors and other participants to explore and deliberate on pertinent issues affecting the industry from multi-stakeholders perspectives.

2. What is the objective of CMDP?

The programme is introduced with the following objectives:

- (a) Equip members of the board with knowledge and skills to provide leadership and oversight of the running of the licensed intermediaries;
- (b) Assist directors of licensed intermediaries to be an effective member of the board through updates on the latest developments in regulations and challenges, business and governance, in the capital market; and
- (c) Promote a thorough understanding of the role of the Securities Commission Malaysia in regulating a dynamic and competitive capital market.

3. Is it compulsory for the directors to attend CMDP?

CMDP is compulsory for all directors of Capital Markets Services Licence (CMSL) holders for dealing in securities, dealing in derivatives and fund management in relation to portfolio management.

4. I am a director of a financial planning company. Do I need to attend CMDP?

CMDP is currently compulsory for directors of a CMSL holder for dealing in securities, dealing in derivatives or fund management in relation to portfolio management. Directors of CMSL holder for financial planning will be required to attend the CMDP upon the implementation of the second phase of the programme.

5. Who will be conducting CMDP?

The programme will be conducted by the Securities Industry Development Corporation (SIDC).

6. What is the structure of this programme?

CMDP is a modular programme with four (4) modules encompassing lectures, case studies and interactive discussions. The class size will be capped at 25 participants to facilitate more interactive discussions.

7. What are the modules in CMDP?

The four (4) modules in CMDP are:

Module 1: Directors as gatekeepers of market participants;

Module 2*: Business challenges and regulatory expectations – What directors need to know?;

Module 3: Risk oversight and compliance – Action plan for board of directors; and

Module 4: Current and emerging regulatory issues in the capital market.

** This Module is offered as Module 2A (for directors of CMSL holders undertaking dealing in securities and dealing in derivatives) and Module 2B (for directors of CMSL holders undertaking fund management)*

8. Is it compulsory for participants to complete all modules and must the modules be taken in sequence?

Yes, it is compulsory for participants to complete all four (4) modules. Participants are encouraged to enroll as per the suggested sequence of the modules.

9. How long will this programme take?

Duration for each module is 3 hours and participants have the flexibility to complete all four (4) modules continuously or complete the modules separately at their convenience.

10. What are the fees / charges for this programme?

The fee for each module is RM1,250 (excluding GST) and the cost for the entire programme of four (4) modules is RM5,000 (excluding GST).

11. Is there any examination / assessment at the end of this programme?

There is no examination / assessment involved as the programme advocates experiential learning via facilitated discussion and reflective observation of concepts, case studies and real-life experiences.

12. Will I be awarded with CPE points after the completion of this programme?

Yes. A director who is also a Capital Markets Services Representative's Licence (CMSRL) holder will be awarded with five (5) CPE points upon successful completion of each

module. By completing the entire programme, he or she would have collected 20 CPE points.

13. I have attended similar programme outside Malaysia. Am I still required to attend CMDP?

Yes. Given that CMDP has local context, the programme is still applicable for directors who have attended similar programme outside Malaysia.

14. Can I be exempted from attending CMDP?

Exemption will be considered on a case-by-case basis taking into account the following criteria:

- (a) The person has served 12 consecutive years as a director in the capital market;
- (b) No adverse record against the director and the company attributed to poor oversight by the Board where the person had served as a director; and
- (c) The director has attended equivalent training courses during the course of the directorship.

Any application for exemption from attending CMDP must be addressed to the Authorisation and Licensing Department of the Securities Commission.

15. Can this programme be done through online for directors who reside outside Malaysia?

It is expected that all directors, including foreign directors, to personally attend the programme as it involves interaction with other participants.

16. Is there a timeline for the participants to fully complete this programme?

All existing directors appointed prior to 1 May 2015 must complete the programme by 31 October 2016, which is 18 months from the commencement of the programme on 1 May 2015. New directors, on the contrary, are required to complete the programme within six (6) months from the date of their appointment.

17. Do I have to attend the programme again after a certain period of time?

No. This is a one-off programme.

18. As a director, do I need to re-sit for the programme if I resign or join another company?

You are only required to attend the programme once.

19. How would the directors be updated of the changes in the rules and regulation subsequent to the programme?

SIDC is looking into organising a periodic alumni event where amongst others, changes in the rules and regulations would be updated during this event. Participants who have completed the programme would be invited to the event.

20. Where can I obtain more information about CMDP?

Please log on to www.sidc.com.my for more details on the programme.