



Funds Management Regulations - Module 9 Preparatory Course

Securities Commission Malaysia

INTRODUCTION

This 2- day preparatory course is an intensive course specially designed for candidates preparing for the Module 9 examinations.

The topics covered are in accordance with the licensing examination outline for Module 9: Funds Management Regulations. It provides a basic understanding of the rules and regulations governing the funds management industry in Malaysia.

In order to fully benefit from this course, we highly recommend that participants read the relevant reading materials required for the Module 9 licensing examinations. This will ensure that participants are well equipped with basic understanding of the subject matters to appreciate the lessons taught and discussions held during the course.

KEY BENEFITS OF ATTENDING

At the end of this programme, participants will be able to:

- **Understand** the key areas covered in the Module 9 licensing examination
- **Experience** computer-based examinations with a sample set

WHO SHOULD ATTEND

- Candidates preparing for the Module 9 licensing examinations.
- New entrants to the capital market industry. Employees of fund management firms.

Note: Participants are required to bring to this course:

- Capital Markets & Services Act 2007
- Securities Commission Act 1993
- Guidelines on Compliance Function for Fund Managers
- Guidelines for Public Offerings of Securities of Closed-end Funds
- Licensing Handbook
- Guidelines for the Establishment of Foreign Fund Management Companies
- Guidelines on Reporting Requirements for Fund Managers
- Guidelines on Prevention of Money Laundering and Terrorism Financing for Capital Market Intermediaries
- Guidelines on Restricted Investment Schemes
- Guidelines on Unit Trust Funds

DAY ONE

8.30 am	Registration
9.00 am	The Fund Management Industry in Malaysia <ul style="list-style-type: none">• What is the Fund Management Industry?• Size of the Public and Private Institutional Funds Industry in Malaysia• Significance of the Fund Management Industry• Providers of Fund Management Services• Fund Structures in Malaysia• Support Services Providers• Why Does the Fund Management Industry Need to be Regulated?
10.30 am	Refreshments
10.45 am	Laws and Organisations Regulating the Fund Management Industry <ul style="list-style-type: none">• Overview of Law• The Securities Industry Laws• Other Relevant Laws and Regulations• Organisations Regulating the Fund Management Industry• Industry Regulation
12.00 am	The Law of Contract <ul style="list-style-type: none">• What is the Law of Contract?• Essential Elements of a Contract Negligent Misstatement <ul style="list-style-type: none">• What is Negligence?• Elements of the Tort of Negligence• Negligent Conduct - the Duty and Standard of Care• Negligent Misstatement• Statutory Liability
1.15 pm	Lunch

2.15 pm	<p>Relationship between Fund Management Company and Client</p> <ul style="list-style-type: none"> • Analysing the Relationship between a Fund Management Company and its Client • Laws Governing the Fund Management Company/Client Relationship • Ethical Considerations <p>Conduct of a Fund Management Company's Business</p> <ul style="list-style-type: none"> • The Investment Management Agreement • Duties to Clients • Records and Segregation of Assets • Substantial Shareholders Notices • Insurance Cover • Deposits • Other Offences
3.45 pm	<p>Refreshments</p>
4.00 pm	<p>The Licensing Handbook</p> <ul style="list-style-type: none"> • Chapter 1: Introduction • Chapter 2: Licences under the CMSA • Chapter 4: Licensing Criteria • Chapter 7: Conditions and Restrictions of Licence <p>Securities Offences</p> <ul style="list-style-type: none"> • Short Selling • Market Manipulation by Market Rigging • Market Manipulation by Information • Other Offences Relating to Dealing • Other Offences Relating to False and Misleading Statements • Insider Trading <p>Summary and Quiz</p> <p>Hand out Sample Set</p>
5.30 pm	<p>End of Day One</p>

DAY TWO

9.00 am	<p>Compliance</p> <ul style="list-style-type: none">• Compliance• The Compliance System• Implementing the Compliance Plan• Requirement to Adopt Compliance Procedures• Authority of the Compliance Officer <p>Topical Issues in Funds Management Regulation</p> <ul style="list-style-type: none">• Corporate Governance• Performance Presentation Standards• Key Elements of Performance Presentation Standards
10.15 am	<p>Refreshment</p>
10.30 am	<p>Guidelines on Compliance Function for Fund Managers</p> <ul style="list-style-type: none">• Portfolio Management• Trading Practices• Proprietary and Employee's Trading• Reporting to Clients• Representations in Marketing, Advertising and Promotional Activities• Anti-Money Laundering• Firewalls• Safeguard of Clients' Interest• Responsibilities of Compliance Officer• Record Keeping
11.30 am	<p>Guidelines for Public Offerings of Securities of Closed-end Funds</p> <ul style="list-style-type: none">• Investment Limits• Managers <p>Guidelines on Restricted Investment Schemes</p> <ul style="list-style-type: none">• Definitions• Role and Duties of the Fund Manager• Role and Duties of the Trustee and/or Custodian• Investments of the Schemes• Structure of the Scheme• Valuation• Reporting Requirements and Disclosure to Investors• Appendix 3

	<ul style="list-style-type: none"> • Appendix 4 <p>Guidelines on Unit Trust Funds</p> <ul style="list-style-type: none"> • Definitions • Delegation and Outsourcing • Investments of the Fund • Operational Matters • Schedules
1.00 pm	Lunch
2.00 pm	<p>Guidelines for the Establishment of Foreign Fund Management Companies</p> <ul style="list-style-type: none"> • Conditions for Establishment • Management of Funds • Conditions for Persons Performing Fund Management Functions <p>Guidelines on Reporting Requirements for Fund Managers</p> <ul style="list-style-type: none"> • Reporting Requirements to Clients • Reporting Requirements to the Commission <p>Guidelines on Prevention of Money Laundering and Terrorism Financing for Capital Market Intermediaries</p> <ul style="list-style-type: none"> • Definitions • General Description of Money Laundering • General Principles and Policies to Combat Money Laundering and Terrorist Financing • Customer Identification • Customer Due Diligence • Record Keeping • Suspicious Transactions • Confidentiality of Reporting • Appendix 2
3.00 pm	Simulation with sample set
4.00 pm	Refreshment
4.15 pm	Revision and feedback session on sample set
5.45 pm	End of Day Two

