

# CMDP: MODULE 2B BUSINESS CHALLENGES AND REGULATORY EXPECTATIONS – WHAT DIRECTORS NEED TO KNOW (FUND MANAGEMENT)

LIVE WEBINAR AVAILABLE ON  
**12 OCTOBER 2020 | 10.00AM - 11.30AM**



**Learning Hours:**  
1.5 hours Per Webinar



**Fees:**  
MYR 1,500 Per Webinar  
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## PROGRAMME OVERVIEW

Licensed intermediary institutions play an important systemic role in the capital market eco-system. The growth or decline of the capital market is influenced by, among others, the success and failure of these institutions. Hence, the quality of leadership at these institutions is paramount. Kiel et al (2012) suggest four levels of competence required on a board. They are as follows:

- Industry:** Experience in and knowledge of the industry in which the organisation operates
- Technical:** Technical/professional skills and specialist knowledge to assist with ongoing aspects of the board's role
- Governance:** The essential governance knowledge and understanding all directors should possess or develop if they are to be effective board members
- Behavioural:** The attributes and competencies enabling individual board members to use their knowledge and skills to function well as team members and to interact with key stakeholders

## PROGRAMME OBJECTIVE

The Capital Market Director Programme is an exclusive platform for directors (and other senior leaders) of licensed intermediary institutions to be equipped with the relevant knowledge, skills and abilities (basic to intermediate level) to meet the four levels of competence as described above. 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. The specific objectives of the programme are as follows:

- 1) Equip members of the board with knowledge and skills to provide leadership and oversight of the running of the licensed intermediary institutions.
- 2) Assist directors of licensed intermediary institutions to be an effective member of the board through latest developments in regulations and challenges, business and governance, in the capital market.
- 3) Promote a thorough understanding of the role of the Securities Commission in regulating a dynamic and competitive capital market.

This programme aims to strengthen intermediation standards and capabilities as espoused by the Capital Market Masterplan 2 (CMP2).

## ICF COMPETENCY LEVEL

- Core - Risk Management (Proficiency Level 4)
- Foundational (Regulatory) - Capital Market Intermediaries (Proficiency Level 4)
- Foundational (Regulatory) - Capital Market Products Regulations (Proficiency Level 4)

## TARGET AUDIENCE

### Individuals

Newly appointed directors and directors of CMSL holders

## PROGRAMME

### Business Challenges and Regulatory Expectations – What Directors Need to Know (Fund Management)

- Nature of fund management business
- Overview of the expected skillset of directors to understand their overall responsibilities, the nature, conduct and performance of fund management business, including:
  - Duties to clients;
  - Duties in relation to risk management issues, especially regulatory risk, investment and operational risks;
  - Key internal controls;
- Challenges in the operations, systems and procedures in terms of minimum requirements and best practices to meet the expectations laid out in the applicable SC Guidelines with particular reference to the following areas of:
  - Investment management agreement;
  - Safe keeping of clients' assets;
  - Records and segregation of functions;
  - Insider and/or price sensitive information;
  - Real or perceived conflicts of interest situations;
  - Market misconduct, including front running and churning;
  - Issues of sales practices of unlisted capital market products;
  - Business continuity plan;
  - Compliance function and compliance officers;
  - AML/CFT framework

### Learning Objectives/Outcomes

- Discuss the nature, challenges and opportunities in the fund management business;
- Evaluate the relevant provisions in the applicable guidelines that directors of licensed intermediaries need to be cognizant of;
- Assess the challenges facing directors of fund management companies in overseeing the application of and conformance with the applicable guidelines; and
- Discuss the appropriate judgement exercise in dealing with issues of business challenges and regulatory expectations brought to the board's attention.

**Speaker**  
Geoffrey Ng

1.5 HOURS / PRE & POST ASSESSMENTS

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